

# Forecasting General Insurance Liabilities

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## Abstract

The forecasting of general insurance liabilities using runoff triangle data is discussed and considered. Techniques are based on time series models and methods which facilitate the calculation of forecast distributions. Models are readily estimated and permit the consideration of correlation within and between triangles. These correlations are critical to proper reserving. Models are assessed using diagnostics. Examples illustrate procedures. Calculations are implemented in Excel linked to specialized algorithms.

**Keywords:** Claims Reserving, State space models, General Insurance, Runoff triangles.