

ESG Exposure 3/18/21: Additional Scenarios and Associated Files

The items listed below are exposed for a public comment period ending on **March 26th, 2021**.

LATF ESG Exposure 3.18.21 for Revised Baseline Calibration 12.31.20 – exposed for comments through 3.26.2021

Several individuals have requested the full set of scenarios to be produced for the “Revised Baseline” calibration with 12/31/20 starting conditions. The exposed items include the full scenario file along with “Fan Chart” reports summarizing the scenarios. Additionally, the subsets from the full set of 10,000 scenarios along with the SERT scenarios are available along with a file that illustrates the significance value formulae used in the scenario picking methodology.

Exposed Items:

GEMS Output for Dec 2020 _ Revised Baseline Calibration

Fan Chart _ Revised Baseline _ Dec 2020

SERT Scenarios from Revised Baseline_Dec 2020

1000 Path Subset from Revised Baseline_Dec 2020

500 Path Subset from Revised Baseline_Dec 2020

200 Path Subset from Revised Baseline_Dec 2020

50 Path Subset from Revised Baseline_Dec 2020

Significance Values_Dec 2020 Scenarios

Note: The following items have been updated/added to the above “Fan Charts” validation reports

- Total Return Summaries
- Fan Charts now include the minimum and maximum values
- Cumulative return charts and statistics for each equity and bond fund
- Charts on the term structure (yield curve shape)
- Correlation matrices
- Charts and statistics on negative treasury yields

Directions on how to access the ESG landing page on Conning’s website

The ESG landing page on Conning’s website, containing all the documents described above, is accessed by navigating to the “Economic Scenarios” section of the NAIC’s PBR website. See below for more details.

Principle-Based Reserving (PBR) Section on the NAIC’s Website

Link: https://content.naic.org/pbr_data.htm

Navigation path: NAIC Home Page → Industry → click in the box for Principle-Based Reserving (PBR) → scroll down to the Economic Scenarios section

ECONOMIC SCENARIOS

Clicking on the link labeled “Economic Scenarios, Tools, Training Materials, and Documentation” will take you to the ESG landing page on Conning’s website. Related files, including files for the ESG Exposures, can be found on the landing page.