

The Innovation Drive for Pension Funds: The Impact of Demographic Change on Strategic Asset Allocation

Conclusions / findings:

- We have solid models to reflect demographic trends in managing liabilities (stress-testing, taking into account dynamic correlation). Pension funds, however, are not using these models sufficiently. „Five points“.
- The reflection of demographic trends in expected risk/return profiles of different asset classes is not advanced
- Research on the impact of demographic trends is available, but apparently not used. How can this disconnect be overcome?
- Pension funds only have a limited room for innovation (regulation, funding ratios)