

Actuarial Society of South Africa

EXAMINATION

SEMESTER 1 2021
EXAMINER COMMENTS

Subject A213 — Contingencies

WRITTEN EXAMINATION

Generally, students would have scored better marks where the following exam techniques have been applied.

- Label each question clearly. Some students marked their page numbers as well as question numbers next to each other which caused confusion at times.
- Start each question on a new page.
- Use more space rather than less and make it clear how you break up key parts of a question. This makes it easier to see your workings and to understand what was done to give principal marks for incorrect solutions.
- Show the results of your intermediate steps.
- Some students lost marks because the electronic scans were not clear, although we have observed an improvement in this regard during this session.
- Better planning of your time.

Overall, the results from this semester's exams were somewhat disappointing. Well prepared students continued to score well with a large number of clear passes, however, we have seen a material increase in the number of students in the FC and FD categories who failed to grasp the basic concepts of the syllabus.

QUESTION 1

This question had a range of extreme results with many scoring full marks and many little to no marks.

Average mark: 50-55%

QUESTION 2

This was a standard bookwork question. Some students might not have expected this part of the syllabus to be examined in the written paper. Students are reminded that the full syllabus can be examined in either the written paper or the computer-based paper.

Average mark: 60-65%

QUESTION 3

Many students lost out on easy marks where they have defined the "loss" random variable rather than the "profit" random variable. Some lost marks for giving an expression for the expected present value and not a random variable. Many students also showed a poor understanding of deriving a variance expression for the given random variable.

Average mark: 45-55%

QUESTION 4

This question was one of the higher order questions in the paper which tested the application of the basic theory of how ultimate and select mortality works. The result was disappointing in the context that students were given the answer so generally had the opportunity to rework their calculations until they find the correct solution.

Average mark: 30-40%

QUESTION 5

Generally, a disappointing result where students failed to apply the basic theory of joint life calculations.

Average mark: 35-40%

QUESTION 6

Well prepared students scored well on this question which tested reasonably standard application. As the premium answer was again given, student could have used the opportunity to fix their calculations where their result did not agree with the given answer.

Average mark: 40-50%

QUESTION 7

This question was generally well done.

Average mark: 65-70%

QUESTION 8

The question covered a more complicated joint life case. That said, well prepared students would have done many similar types of joint life and reversionary annuity questions as part of their preparation and therefore scored well.

Average mark: 35-40%

QUESTION 9

Many students lost easy marks for not doing a “retrospective” reserve as the question stated. The rest of the question saw well prepared students being able to successfully complete the reasonably straight forward calculations.

Average mark: 45-50%

QUESTION 10

This question was generally poorly done with evidence that students started to run out of time. Careful time management in this exam is a critical part of the assessment and student should plan their exam day accordingly.

Average mark: 20-25%

COMPUTER BASED ASSESSMENT

Overall student performance on the CBA part of the examination has continued to improve which was pleasing to see. Most students performed better in their CBA than in the written part of the examination.

QUESTION 1

A reasonably straight forward question in which many students scored well especially in the context that students were able to check and change their calculations to match the results provided in part iv.

Average mark: 60-65%

QUESTION 2

Students (expectedly) scored lower in this question as less guidance was provided around how the calculation should be done. The question was well done by those who were able to apply the basic theory of life contingencies using Excel. Students performed better in instances where intermediate steps were shown.

Average mark: 50-60%