

On the Estimation of the Credibility Factor: A Bayesian Approach, by René Schnieper (Zürich Versicherungs-Gesellschaft)

In practical applications of credibility theory, the structure parameters usually have to be estimated from the data. This leads to an estimator of the a posteriori mean which is often biased and where the credibility factor depends on the data. A more coherent approach to the problem would be to also treat the unknown parameters as random variables and to simultaneously estimate the a posteriori mean and the structure parameters. Different statistical models are proposed which allow for such a solution. These models all lead to an estimation of the posterior mean which is a weighted average of the prior mean and of the observed mean, the weights depending on the observations. *Astin Bulletin*, November 1995, 25(2): 137–151. (Reprinted with permission of the *Astin Bulletin*.)

Ordering Claim Size Distributions and Mixed Poisson Probabilities, by R. Kaas (Institute for Actuarial Science and Econometrics, Amsterdam) and O. Hesselager (University of Copenhagen)

We investigate various orderings between continuous distributions for severities, having the same first n moments. Such situations occur for instance when severity distributions are fitted by the method of moments.

General results are derived which establish an ordering between such distributions, and these results are applied to compare the gamma, the inverse Gaussian, and the lognormal distributions with equal means and variances. Finally, we consider the situation where such continuous distributions are used as mixing distributions in mixed Poisson models for claim numbers, and show that the order properties of the mixing distributions are inherited by the corresponding mixed Poisson distributions. *Insurance: Mathematics and Economics*, October 1995, 17(2): 193–201. (Reprinted with permission of North-Holland Publishing Company.)

Modelling of Discretized Claim Numbers in Loss Reserving, by Ole Hesselager (University of Copenhagen)

We investigate the usual method of discretizing loss reserving data by calendar year and show how this procedure may introduce fluctuations in the delay probabilities. These fluctuations, when treated as random fluctuations, possess a special correlation structure and we present a simple credibility method accounting for these fluctuations. The results are illustrated by a numerical example. *Astin Bulletin*, November 1995, 25(2): 119–135. (Reprinted with permission of the *Astin Bulletin*.)

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