

Longevity as the new Asset Class

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Longevity is an asset class that delivers to investors a risk premium and diversification benefits, providing a very attractive risk-return profile. However its popularity among investors has not taken off as quickly as anticipated owing to well-known challenges in terms of its long duration characteristics, its (current) lack of liquidity and its complexity. The key to unlocking this market comes down to taking a fresh look at the entire longevity supply chain, from the defined benefit pension plans and annuity portfolios through insurers and reinsurers and the range of potential end investors.