

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Operational Support & Services

Title	Implement investment strategies
Code	105635L6
Range	This unit of competency is applicable to those who are responsible for implementing investment strategies. It involves assessing company liabilities, sourcing qualified investments, analyzing and forecasting economic environment, making asset allocations, as well as monitoring and rebalancing investment portfolios.
Level	6
Credit	5 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Possess knowledge in investment management <ul style="list-style-type: none"> • Fully aware of regulatory requirements in respect of the insurance industry, including all of the relevant ordinances and statutory regulations; guidance notes and circulars issued by the regulators; industry standards, guidelines and codes of practice issued by industry bodies • Comprehend company profitability, reserve and solvency policy • Comprehend corporate investment strategies • Possess skills in asset-liability investment management 2. Implement investment strategies <ul style="list-style-type: none"> • Assess company current and future liabilities • Source investments qualified for solvency calculations • Analyze global and local economic environment • Analyze financial status and credit ratings of individual companies • Forecast economic development and investment performance • Assess investment risks and returns • Determine asset allocations • Implement investment decisions • Monitor investment performance • Monitor asset and liability values to ensure compliance of regulatory requirements • Rebalance investment portfolios as needed 3. Ensure current assets comply with regulatory requirements and support corporate investment strategies <ul style="list-style-type: none"> • Determine all elements of investment strategies in accordance with regulatory requirements • Monitor investment performance to ensure conformance to relevant regulatory requirements.
Assessment Criteria	<p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to implement effective investment strategy based on comprehensive analysis of economic environments and investment risks and returns • Able to monitor and rebalance investment portfolios in compliance with regulatory requirements and support investment strategies.
Remark	This unit of competency is also applicable to general insurers, life insurers and broker.