

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Operational Support & Services**

Title	Monitor asset mix
Code	105598L5
Range	This unit of competency is applicable to those who are responsible for monitoring asset mix. It involves monitoring investment performance, analyzing trends in asset values, and recommending adjustment on asset mix based on analysis results.
Level	5
Credit	4 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge in monitoring asset mix <ul style="list-style-type: none"> <li>• 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</li> <li>• Possess knowledge in classifications of assets and liabilities</li> <li>• Comprehend regulatory requirements in calculations of asset values</li> <li>• Comprehend company profitability, reserve and solvency policy</li> <li>• Comprehend corporate investment strategies</li> </ul> </li> <li>2. Monitor financial ratios <ul style="list-style-type: none"> <li>• Assess current asset mix against regulatory requirements</li> <li>• Assess current asset values against regulatory requirements</li> <li>• Track investment performance of different assets</li> <li>• Analyze trends of changes in asset values</li> <li>• Recommend adjustment of asset mix based on analysis results</li> <li>• Report to management on abnormal situations</li> <li>• Recommend remedial solutions to improve situations</li> </ul> </li> <li>3. Ensure asset mix is in compliance with regulatory requirements <ul style="list-style-type: none"> <li>• Evaluate investment performance in accordance to regulatory requirements</li> <li>• Provide appropriate suggestions on adjusting asset mix based on conclusions draw from analysis</li> <li>• Report irregularities and provide appropriate remedial solutions to resolve situation.</li> </ul> </li> </ol>
Assessment Criteria	<p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Able to monitor and evaluate investment performances in compliance with regulatory requirements</li> <li>• Able to provide up-to-date asset mix details for management in a timely manner</li> <li>• Able to identify and report any abnormalities to relevant management personnel</li> <li>• Able to suggest corrective measures to remedy issues.</li> </ul>
Remark	This unit of competency is also applicable to general insurers, life insurers and broker.