

Double Weighted Average For Loss Development Factors



Weighting Patterns for Double Weighted Average

(α = Starting Weight, 12 or Less Data Points)

Acc Year	Loss by Age (in Months)			Age-to-Age LDFs		Weighting Patterns for Double Weighted Average					
	12	24	36	12 - 24	24 - 36	1.00	0.95	0.90	0.85	0.80	0.75
2010	1,401	2,522	2,900	1.800	1.150	1.000	0.540	0.282	0.142	0.069	0.032
2011	1,316	2,171	2,475	1.650	1.140	1.000	0.569	0.314	0.167	0.086	0.042
2012	1,568	2,979	3,366	1.900	1.130	1.000	0.599	0.349	0.197	0.107	0.056
2013	1,493	2,747	2,967	1.840	1.080	1.000	0.630	0.387	0.232	0.134	0.075
2014	1,768	3,218	3,700	1.820	1.150	1.000	0.663	0.430	0.272	0.168	0.100
2015	2,335	4,156	4,613	1.780	1.110	1.000	0.698	0.478	0.321	0.210	0.133
2016	2,357	4,007	4,327	1.700	1.080	1.000	0.735	0.531	0.377	0.262	0.178
2017	2,339	4,023	4,506	1.720	1.120	1.000	0.774	0.590	0.444	0.328	0.237
2018	2,309	3,810	4,153	1.650	1.090	1.000	0.815	0.656	0.522	0.410	0.316
2019	2,871	4,536	4,854	1.580	1.070	1.000	0.857	0.729	0.614	0.512	0.422
2020	2,988	4,781	5,163	1.600	1.080	1.000	0.903	0.810	0.723	0.640	0.563
2021	2,436	3,971		1.630		1.000	0.950	0.900	0.850	0.800	0.750
2022	2,596										

All-Year Weighted Average 1.705 1.105

Double Weighted Average ($\alpha=1.00$) 1.705 1.105

Double Weighted Average ($\alpha=0.95$) 1.692 1.101

Double Weighted Average ($\alpha=0.90$) 1.679 1.098

Double Weighted Average ($\alpha=0.85$) 1.667 1.095

Double Weighted Average ($\alpha=0.80$) 1.656 1.093

Double Weighted Average ($\alpha=0.75$) 1.647 1.090

1.692 = SUMPRODUCT([Blue Box], [Red Box])

SUMPRODUCT([Purple Box], [Red Box])

Example Starting Weights (α) for 12 Data Points

