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Elisa Luciano, Jaap Spreeuw and Elena Vigna

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Cass Business School
106 Bunhill Row
London EC1Y 8TZ
T +44 (0)20 7040 8470
www.cass.city.ac.uk

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Modelling stochastic bivariate mortality

Elisa Luciano*[*], Jaap Spreeuw[+] and Elena Vigna**
*University of Turin, Icer and Fondazione Collegio Carlo Alberto, Turin
+ Cass Business School, London ** University of Turin

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Abstract

Stochastic mortality, i.e. modelling death arrival via a jump process with stochastic intensity, is gaining increasing reputation as a way to represent mortality risk. This paper represents a first attempt to model the mortality risk of couples of individuals, according to the stochastic intensity approach.
On the theoretical side, we extend to couples the Cox processes set up, i.e. the idea that mortality is driven by a jump process whose intensity is itself a stochastic process, proper of a particular generation within each gender. Dependence between the survival times of the members of a couple is captured by an Archimedean copula.
On the calibration side, we fit the joint survival function by calibrating separately the (analytical) copula and the (analytical) margins. First, we select the best fit copula according to the methodology of Wang and Wells (2000) for censored data. Then, we provide a sample-based calibration for the intensity, using a time-homogeneous, non mean-reverting, affine process: this gives the analytical marginal survival functions. Coupling the best fit copula with the calibrated margins we obtain, on a sample generation, a joint survival function which incorporates the stochastic nature of mortality improvements and is far from representing independency. On the contrary, since the best fit copula turns out to be a Nelsen one, dependency is increasing with age and long-term dependence exists.

Keywords: stochastic mortality, joint survival functions, copula functions, model selection

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*Corresponding Author: ICER, Villa Gualino, V: Settimio Severo 63, 10100 Torino, Italy, luciano@econ.unito.it

1 Introduction

Longevity risk, that is the tendency of individuals to live longer and longer, has been increasingly attracting the attention of the actuarial literature. More generally, mortality risk, that is the occurrence of unexpected changes in survivorship, is a well accepted phenomenon.

One way to incorporate improvements in survivorship, especially at old ages, is to introduce the so called stochastic mortality. Formally, this boils down to describing death arrival as a doubly stochastic or Cox process. Intuitively, it consists in interpreting death arrival as the first jump time of a Poisson-like process, whose intensity, contrary to the one of the standard Poisson, is a stochastic process. A priori then two sources of uncertainty impinge on each individual: a common one, represented by the intensity, and an idiosyncratic one, represented by the actual jump time, for a given intensity. Mortality risk is captured by the behavior of the common risk factor, the intensity. The term "common" extends here to a whole generation within a gender.

The stochastic mortality approach has been proposed by Milevsky and Promislow (2001) and developed by Dahl (2004), Cairns et al. (2005), Biffis (2005), Schrager (2005), Luciano and Vigna (2005). The probabilistic setting however can be traced back to Brémaud (1981), and has been quite extensively applied in the financial literature on default arrival (see for instance the seminal works of Artzner and Delbaen (1992), Duffie and Singleton (1999) and Lando (1998)). Provided that univariate affine processes are used for the intensity, the approach leads to analytical representations of survival probabilities.

Up to now, no attempt has been made to model stochastically, in the sense just specified, the survivorship of couples of individuals. This paper attempts to fill up this gap, making use of the copula approach. Therefore, we model and calibrate separately the marginal survival functions and the copula, which, as is well known, permits to obtain the joint survival function from the marginal ones.

We work with analytical marginal survival functions as well as analytic copulas, so that we end up with a fully parametric specification of the joint survival function of the population, which can be extended to durations longer than the observation period.

We apply our modelling and calibration procedure to a huge sample of joint survival data, belonging to a Canadian insurer, which has been used in order to discuss (non stochastic) joint mortality in Frees et al. (1996), Carriere (2000), Shemyakin and Youn (2001) and Youn and Shemyakin (1999, 2001).

The outline of the paper is as follows: in Section 2 we recall the copula approach to joint survivorship and justify the copula class we are going to adopt, the Archimedean one. In Section 3 we review the stochastic mortality approach at the univariate level, and the particular marginal model we are going to adopt. We explain both the model and its calibration issues with uncensored and censored data. In Section 4 we describe a copula calibration methodology, consistent with the copula class suggested above, and originally proposed by Wang and Wells (2000). Wang and Wells' methodology, which in turn extends to the

case with censoring the approach of Genest and Rivest (1993), has the advantage of allowing not only the calibration of the parameters for each Archimedean copula, but also of suggesting which is "the best fit" Archimedean copula in the calibrated group.

From Section 5 onwards we apply the theoretical framework and the calibration method to the data sample: we present the data set, we find the empirical margins with the Kaplan-Meier methodology, we apply the Wang and Wells' copula calibration procedure, and compare its results with the ones of the omnibus procedure. We then derive the marginal survival functions, adapting the procedure in Luciano and Vigna (2005). In Section 6 the specific "best fit" copula obtained, together with the analytical margins, permits us to present an estimate of the joint survival function and to discuss the measures of time-dependent association**,** following the results in Spreeuw (2006). Section 7 concludes.

2 Modelling bivariate survival functions with copulas

Suppose that the heads (x) and (y), belonging respectively tom the gender m (males) and f (females), have remaining lifetimes T_x^m and T_y^f, respectively, both with continuous distributions. We denote the marginal survival functions by S_x^m and S_y^f, respectively, so that, for all $t \geq 0$, $S_x^m(t) = \Pr[T_x^m > t]$ and $S_y^f(t) = \Pr\left[T_y^f > t\right]$. By Sklar's theorem, there exists a unique copula, denoted by C, such that for all $(s,t) \in \mathbb{R}^2$ the joint survival function, denoted by S, can be represented as:

$$S(s,t) = C(S_x^m(s), S_y^f(t)).$$

The copula approach has become a popular method of modelling the (non stochastic) bivariate survival function of the two lives of one couple. Both Frees et al. (1996) and Carriere (2000) present fully parametric models, using maximum likelihood, where the marginal distribution functions (Frees et al.) or survival functions (Carriere) are assumed to be of Gompertz type. Frees et al. (1996) use Frank's copula, with a single parameter of dependence, and couple the two lives from the time of birth. Carriere (2000) on the other hand, discusses several copulas with more than one parameter (Frank, Clayton, Normal, Linear Mixing, Correlated Frailty), and couples the lives at the start of the observation period. Using the same data set, in an attempt to address the issue of different types of dependence, Youn and Shemyakin (1999, 2001) refine Frees et al.'s method by classifying individuals according to the age difference between the female and the male member of each couple. Shemyakin and Youn (2001) adopt a Bayesian methodology as an alternative. All three papers use the Gumbel-Hougaard copula.

Fully parametric estimation methods (where all functions have been specified parametrically and all parameters - margins and copula - are estimated at the same time) bear the drawback that different parametric specifications of the

margins lead to different estimates of copula parameters, and may even lead to different choices of the type of copula itself. Since different copulas entail different characteristics regarding the type of dependence and aging properties, as shown in Spreeuw (2006), the choice of the right copula is essential.

Ideally, the process of choosing a copula should be completely independent of the specification of the margins. Genest and Rivest (1993) have shown that this is feasible for Archimedean copulas, as long as data are complete, i.e. uncensored. Denuit et al. (2001) managed to get hold of complete data by visiting cemeteries. Applying the method developed by Genest and Rivest (1993), they established a weak correlation of lifetimes between males and females, and identified several plausible candidates for the copula.

Genest and Rivest's method cannot be used if data are censored. This is the case for the data set from the large Canadian insurer as described in Section 5. The period of observation is slightly longer than five years, and most lives were still alive at the end of the period of observation.

Wang and Wells (2000) have extended Genest and Rivest's method to bivariate right-censored data. Their methodology has been applied to Loss-ALAE data by Denuit et al. (2004). The procedure requires a nonparametric estimator of the joint bivariate survival function. A popular candidate of such an estimator is Dabrowska (1988), which needs estimates of the margins in accordance with Kaplan-Meier.

Following Denuit et al. (2004), we are going to apply the Wang and Wells' method for the data set. This is a methodology which allows at the same time the calibration of the copula parameters - for any given copula family in the Archimedean class – and the choice of the best fit copula among the calibrated ones.

This paper differs from the aforementioned papers on bivariate survival models (Frees et al., 1996, Carriere, 2000, Shemyakin and Youn, 2001, Youn and Shemyakin, 1999, 2001, Denuit et al., 2001) not only because we include stochastic mortality improvements at the marginal level, but also because, instead of assuming a specific copula, we select a best fitting one by following the Genest and Rivest/Wang and Wells procedure for censored data. Using Wang and Wells means that we maintain the Archimedean assumption for the copula. Archimedean copulas have been widely used, due to their mathematical tractability. The Archimedean class is rich, so allowing for Archimedean copulas only does not seem to be very restrictive. We refer the reader to the book by Nelsen (1999) for a review of Archimedean copulas' definition and properties, and to Cherubini et al. (2004) for their applications.

In the Archimedean class in particular we will take into consideration the copulas in Table 1.

We have selected these families following the results in Spreeuw (2006), who studied the type of time-dependent association implied by many Archimedean copulas.

Three measures of time-dependent association have been introduced in Anderson et al. (1992). We will deal with all of them in Section 6, though in a different order.

No.	**Name**	**Generator** $\phi(t)$	$C(u,v)$	**Kendall's** τ
1	Clayton	$t^{-\theta}-1$	$\left(u^{-\theta}+v^{-\theta}-1\right)^{-\frac{1}{\theta}}$	$\frac{\theta}{\theta+2}$
2	Gumbel-Hougaard	$(-\ln t)^{\theta}$	$\exp\left[-\left((-\ln u)^{\theta}+(-\ln v)^{\theta}\right)^{\frac{1}{\theta}}\right]$	$1-\frac{1}{\theta}$
3	Frank	$-\ln\frac{e^{-\theta t}-1}{e^{-\theta}-1}$	$-\frac{1}{\theta}\ln\left[1+\frac{\left(e^{-\theta u}-1\right)\left(e^{-\theta v}-1\right)}{e^{-\theta}-1}\right]$	$1-\frac{4}{\theta}\left(\int_{t=0}^{\theta}\frac{t}{\theta(e^{t}-1)}dt-1\right)$
4	Nelsen	$\exp\left[t^{-\theta}\right]-e$	$\left[\ln\left(\exp\left(u^{-\theta}\right)+\exp\left(v^{-\theta}\right)-e\right)\right]^{-\frac{1}{\theta}}$	$1-\frac{4}{\theta}\left(\frac{1}{\theta+2}-\int_{t=0}^{1}t^{\theta+1}\exp\left[1-t^{-\theta}\right]\right)$
5	Special	$\frac{1}{t^{\theta}}-t^{\theta}$	$2^{-\frac{1}{\theta}}\left(-W+\sqrt{4+W^{2}}\right)$; $W=\phi(u)+\phi(u)$	Complicated form

Table 1: Archimedean copula families

First of all, we have the rescaled conditional probability, denoted by $\psi_1(s,t)$:

$$\psi_1(s,t)=\frac{\Pr\left[T_x^m>s\left|T_y^f>t\right.\right]}{\Pr\left[T_x^m>s\right]}=\frac{S(s,t)}{S_x^m(s)\,S_y^f(t)}=\frac{\Pr\left[T_y^f>t\left|T_x^m>s\right.\right]}{\Pr\left[T_y^f>t\right]}, \quad (1)$$

for fixed t and s. This measure has an interpretation in terms of conditional probabilities. If T_x^m and T_y^f are independent, then $\psi_1(s,t)=1$ for all $s\geq 0$ and $t\geq 0$. If T_x^m and T_y^f are positively associated, then $\psi_1(s,t)>1$ for all $s>0$ and $t>0$, with ψ_1 monotone nondecreasing in each argument.

Secondly Anderson et al. (1992) discuss the conditional expected residual lifetimes of (x) and (y) which we will specify as $\psi_{2x}(s,t)$ and $\psi_{2y}(s,t)$, respectively

$$\begin{aligned}\psi_{2x}(s,t) &= \frac{E\left[T_x^m-s\left|T_x^m>s,T_y^f>t\right.\right]}{E\left[T_x^m-s\left|T_x^m>s\right.\right]}\\ \psi_{2y}(s,t) &= \frac{E\left[T_y^f-t\left|T_x^m>s,T_y^f>t\right.\right]}{E\left[T_y^f-t\left|T_y^f>t\right.\right]}.\end{aligned} \quad (2)$$

The measure $\psi_{2x}(s,t)$ ($\psi_{2y}(s,t)$) describes how the knowledge that $T_y^f>t$ ($T_x^m>s$) affects the expected lifetime of T_x^m (T_y^f). Independence of T_x^m and T_y^f implies $\psi_{2x}(s,t)=\psi_{2y}(s,t)=1$, while if T_x^m and T_y^f are positively associated, then $\psi_{2x}(s,t)>1$ and $\psi_{2y}(s,t)>1$ for all $s>0$ and $t>0$, with $\psi_{2x}(s,t)$ ($\psi_{2y}(s,t)$) monotone nondecreasing in t (s). We will concentrate on the behaviour of the functions $\psi_{2x}(0,t)$ and $\psi_{2y}(s,0)$.

The third measure is the cross-ratio function $CR\left(S\left(t_t, t_2\right)\right)$, defined in Clayton (1978) and Oakes (1989) as

$$CR\left(S\left(s,t\right)\right) = \frac{S\left(s,t\right)\frac{d}{ds}\frac{d}{dt}S\left(s,t\right)}{\frac{d}{ds}S\left(s,t\right)\frac{d}{dt}S\left(s,t\right)}.$$

Spreeuw (2006) has shown that for Archimedean copulas and $u = s = t$, this definition reduces to an expression in terms of the inverse of the generator as

$$CR\left(S\left(u,u\right)\right) = \left(\frac{\phi^{-1}\left(v\right)\left(\phi^{-1}\right)''\left(v\right)}{\left(\left(\phi^{-1}\right)'\left(v\right)\right)^2}\right)_{v=\phi(S(u,u))}. \tag{3}$$

Oakes (1994) derived a similar expression for frailty models (being a subclass of Archimedean copula models).

The cross-ratio function specifies the relative increase of the force of mortality of the survivor, immediately upon death of the partner. If $CR\left(S\left(u,u\right)\right)$ increases (decreases) as a function of u, this means that members of a couple become more (less) dependent on each other as they age. Manatunga and Oakes (1996) have demonstrated that a plot of $CR\left(v\right)$ versus $1-v$, for $v \in [0,1]$ can be used as a diagnostic technique for assessing goodness of fit. (Note that $S\left(0,0\right) = 1$ and $\lim_{u\to\infty} S\left(u,u\right) = 0$.)

The first copula in Table 1, Clayton, will be studied because it is well known and bears the special property of the association remaining constant over time. Copulas 2 (Gumbel-Hougaard) and 3 (Frank) share the characteristics of being well known as well. Moreover, unlike Clayton, the association is decreasing over time. Copula families 4 and 5 are due to Nelsen (1999). Family 4 can be identified as "Family 4.2.20" in Chapter 4 of Nelsen (1999) and will henceforth be referred to as the "Nelsen copula". It is studied, since, unlike the first three copulas, the association is increasing over time. And finally copula 5, which is also due to Chapter 4 of Nelsen (1999), will be labelled as the "Special copula". It differs from the other four, in the sense that the dependence between the two risks is not necessarily of a long-term type. Like the Nelsen copula, association is increasing in time.

3 Marginal stochastic mortality

It has been widely accepted that mortality has improved over time, and different generations have different mortality patterns: according to the standard terminology, we will call this phenomenon mortality risk. Evidence of this phenomenon is provided by Cairns et al. (2005), who present also a very detailed discussion of the different existing approaches for modelling it. Essentially, most of these approaches rely on a continuous time stochastic process for the instantaneous mortality intensity, which can be interpreted as a stochastic force of mortality. In order to define it appropriately, in what follows we briefly describe

the doubly stochastic approach to mortality modelling. Then we summarize some previous findings, which justify the modelling choice for the intensity made in this paper.

3.1 Theoretical framework

3.1.1 Cox processes

Following Lando (1998, 2004), let us assume a complete probability space $(\Omega, \mathcal{F}, \mathbb{P})$, a process X_t of $\mathbb{R}^d$ -valued state variables ($t \leq T$) and the filtration $\{\mathcal{G}_t : t \geq 0\}$ of sub-σ-algebras of $\mathcal{F}$ generated by X, i.e. $\mathcal{G}_t = \sigma\{X_s; 0 \leq s \leq t\}$, satisfying the usual conditions.

Let Λ be a nonnegative measurable function s.t. $\int_0^t \Lambda(X_s)ds < \infty$ almost surely and define the first jump time of a nonexplosive adapted counting process N_t as follows:

$$\tau = \inf\left\{t : \int_0^t \Lambda(X_s)ds \geq E_1\right\} \tag{4}$$

where E_1 is an exponential random variable with unit parameter. In addition, let us consider the enlarged filtration $\mathcal{F}_t$, generated by both the state variable and the jump processes:

$$\begin{aligned} \mathcal{F}_t &= \mathcal{G}_t \vee \mathcal{H}_t, \\ \mathcal{H}_t &= \sigma\{N_s; 0 \leq s \leq t\} \end{aligned}$$

and assume that the $\mathcal{H}_0$ filtration is trivial, in that no jump occurs at time 0. Under this construction, the process N_t is said to admit the intensity $\Lambda(X_s)$, if the compensator of N_t admits the representation $\int_0^t \Lambda(X_s)ds$, i.e. if

$$M_t = N_t - \int_0^t \Lambda(X_s)ds$$

is a local martingale. If the stronger condition $\mathbb{E}\left(\int_0^t \Lambda(X_s)ds\right) < \infty$ is satisfied, $M_t = N_t - \int_0^t \Lambda(X_s)ds$ is a martingale.

Intuitively, this implies that, given the history of the state variables up to time t, the counting process is "locally" an inhomogeneous Poisson process, which jumps according to the intensity $\Lambda(X_t)$:

$$\mathbb{E}(N_{t+\Delta t} - N_t|\mathcal{G}_t) = \Lambda(X_t)\Delta t + o(\Delta t).$$

Formally, the construction (4) easily implies that the survival function of the first jump time τ, evaluated at time 0, and conditional on knowledge of the state process up to time t, is

$$\Pr(\tau > t|\mathcal{G}_t) = \exp\left(-\int_0^t \Lambda(X_s)ds\right)$$

where Pr(.) is the probability associated to the measure $\mathbb{P}$. It can also be shown, by simple conditioning, that the time 0 unconditional survival probability, which we will denote as $S(t)$, is

$$S(t) = \Pr(\tau > t) = \mathbb{E}\left[\exp\left(-\int_0^t \Lambda(X_s)ds\right)\right]. \tag{5}$$

The unconditional probability at any date t' greater than 0 can be shown to be

$$\Pr(\tau > t \mid \mathcal{F}_{t'}) = \mathbb{I}_{\{\tau > t'\}}\mathbb{E}\left[\exp\left(-\int_{t'}^t \Lambda(X_s)ds\right) \mid \mathcal{G}_{t'}\right]$$

where $\mathbb{I}_{\{\tau>t'\}}$ is the indicator function of the event $\tau > t'$.

A nonexplosive counting process N_t constructed as above is said to be a *Cox* or *doubly stochastic process driven by* $\{\mathcal{G}_t : t \geq 0\}$. The corresponding first jump time is *doubly stochastic* with intensity $\Lambda(X_s)$.

As a particular case, any Poisson process is a doubly stochastic process driven by the filtration $\mathcal{G}_t = (\emptyset, \Omega) = \mathcal{G}_0$ for any $t \geq 0$, in that the intensity is deterministic.

These results can be naturally applied in the actuarial domain: if τ is the future lifetime of a head aged x, T_x, his/her survival function, $S_x(t)$, is

$$S_x(t) = \Pr(T_x > t) = \mathbb{E}\left[\exp\left(-\int_0^t \Lambda(X_s)ds\right)\right] \tag{6}$$

3.1.2 Affine processes

In general, the expectations (5) and (6) are not known in closed form: however, a remarkable exception is the case in which the dynamics of X is given by the SDE:

$$dX(t) = f(X(t))dt + g(X(t))d\check{W}(t) + dJ(t),$$

where $\check{W}$ is an n-dimensional Brownian motion, J is a pure jump process, and, above, all the drift $f(X(t))$, the covariance matrix $g(X(t))g(X(t))'$ and the jump measure associated with J have affine dependence on $X(t)$. Such a process is named an affine process, and a thorough treatment of these processes is in Duffie et al. (2003).

The convenience of adopting affine processes in modelling the intensity lies in the fact that, under technical conditions, it yields:

$$S_x(t) = \mathbb{E}\left[e^{\int_0^t -\Lambda(X(s))ds}\right] = e^{\alpha(t)+\beta(t)\Lambda(X(0))}, \tag{7}$$

where the coefficients $\alpha(\cdot)$ and $\beta(\cdot)$ satisfy generalized Riccati ODEs (see for instance Duffie et al., 2000). The latter can be solved at least numerically and in some cases analytically. Therefore, the problem of finding the survival function becomes tractable, whenever affine processes for $X(s)$ are employed.

3.2 Selection of the intensity

In the existing actuarial literature, different classes of affine processes have been chosen for the intensity of mortality. For example, Milevsky and Promislow (2001) investigate a so-called mean reverting Brownian Gompertz specification, with intensity h_t given by

$$h_t = h_0 e_t^{gt+\sigma \int_0^t e^{-b(t-u)} dW_u^h},$$

with g, σ, b constant and the Brownian motion W uni-dimensional.

Dahl (2004) selects an extended Cox-Ingersoll-Ross (CIR) process, i.e. a time-inhomogeneous process μ, reverting to a deterministic function of time

$$d\mu_{x+t} = (\beta^\mu(t,x) - \gamma^\mu(t,x)\mu_{x+t})dt + \rho^\mu(t,x)\sqrt{\mu_{x+t}}dW_t,$$

where x is the initial age.

Biffis (2005) chooses two different specifications for the intensity process. In the first one, the intensity μ_t is given by a deterministic function $m(t)$ of time plus a mean reverting jump diffusion process Y_t with dynamics given by

$$dY_t = \gamma(\overline{y}(t) - Y_t)dt + \sigma dW_t - dJ_t.$$

In the second one, which is a two factor model, the intensity μ_t is a CIR-like process, mean reverting to another process $\overline{\mu}_t$. The dynamics of the two processes are given by

$$\begin{aligned} d\mu_t &= \gamma_1(\overline{\mu}_t - \mu_t)dt + \sigma_1\sqrt{\mu_t}dW_t^1 \\ d\overline{\mu}_t &= \gamma_2(m(t) - \overline{\mu}_t)dt + \sigma_2\sqrt{\overline{\mu}_t - m^*(t)}dW_t^2. \end{aligned}$$

Schrager (2005) proposes an M-factor affine mortality model, whose general form is given by

$$\mu_x(t) = g_0(x) + \sum_{i=1}^{M} Y_i(t)g_i(x),$$

where the factors Y_i are mean reverting.

Luciano and Vigna (2005) explore the following models: an Ornstein Uhlenbeck, a mean reverting with jumps and a CIR process as concerns the mean-reverting group, a Gaussian and a Feller type process, with and without jumps, as concerns the non-mean reverting set.

Among the one-factor models, Biffis (2005) fits his mean reverting time inhomogeneous intensity to some Italian mortality tables, while Luciano and Vigna (2005) calibrate their time-homogeneous, simpler versions to the Human Mortality database for the UK population. In doing the calibration, they assume negative jumps, so as to incorporate sudden improvements in non-diversifiable mortality. As a whole, they show that, among time-homogeneous diffusion and jump diffusion processes, the ones with constant drift "beat" the ones with mean reversion, as descriptors of population mortality. Both the fit and the predictive

power of the non mean reverting processes - when they are used for mortality forecasting within a given cohort- are very satisfactory, in spite of the analytical simplicity and limitations. Among them, no one seems to outperform the others. Moreover, for different generations, different estimates of parameters are obtained: this confirms that generation effects cannot be ignored.

The results obtained in Luciano and Vigna (2005) justify the choice, made in the present paper, of an affine, time-homogeneous intensity process, without mean reversion. In particular, we will use the Feller model, whose intensity, for the generation born x years ago and for fixed generation, follows the equation

$$d\mu_x(s) = a_x\mu_x(s)ds + \sigma_x\sqrt{\mu_x(s)}dW_s^x,$$

where $a_x > 0$ and $\sigma_x \geq 0$, since in this case the intensity is never negative. The corresponding survival probability[1] is given by (7), with $\Lambda(X) = \mu_x$, i.e.

$$S_x(t) = \mathbb{E}\left[e^{\int_0^t -\mu_x(s)ds}\right] = e^{\alpha_x(t)+\beta_x(t)\mu_x(0)}, \tag{8}$$

where, omitting the dependence on the cohort or generation x for simplicity

$$\begin{cases} \alpha(t) = 0 \\ \beta(t) = \frac{1-e^{bt}}{c+de^{bt}} \end{cases}$$

$$\begin{cases} b = -\sqrt{a^2+2\sigma^2} \\ c = \frac{b+a}{2} \\ d = \frac{b-a}{2} \end{cases}$$

The parameters a and σ can be obtained either from mortality tables, or, as we will do below, on sample, censored data. In both cases they can be calibrated by minimizing the mean squared error between the theoretical and actual probabilities: in the mortality table case the actual probabilities are the table ones, while in the sample case they are the empirical ones, as obtained, for instance, by the classical Kaplan-Meier procedure for censored data.

4 Copula estimate and best fit choice

In this section, we describe the procedure of estimating an Archimedean copula under censoring. In some respects, the approach in this paper is common to Denuit et al. (2004), who apply it to loss-ALAE data in non-life insurance.

[1] These probabilities are decreasing in age t if and only if

$$e^{bt}(\sigma^2+2d^2) > \sigma^2 - 2dc$$

A sufficient condition for this is that $\sigma^2 - 2dc < 0$.

4.1 The distribution function of the Archimedean copula

Let $Z = S\left(T_x^m, T_y^f\right)$. Define K as the distribution function of Z. Note that we have that $Z = C\left(U, V\right)$ where (U, V) is a random couple with unit uniform margins, and C the copula.

Genest and Rivest (1993) have shown that, for Archimedean copulas, with generator ϕ, this distribution function K is given by $K\left(z\right) = z - \lambda\left(z\right)$, where

$$\lambda\left(\xi\right) = \frac{\phi\left(\xi\right)}{\phi^{'}\left(\xi\right)}, \quad 0 < \xi \leq 1. \tag{9}$$

The function K is to be estimated from the data. We will make a distinction between complete data, such as in Denuit et al. (2001), and censored data, such as the application shown in this paper.

4.1.1 General principle without censoring

Genest and Rivest (1993) have shown that, for complete data of size n, K can be estimated by $\widehat{K}_n$, defined as

$$\widehat{K}_n\left(z\right) = \frac{1}{n}\#\left\{i \left| z_i \leq z\right.\right\} \text{ where } z_i = \frac{1}{n-1}\#\left\{\left(x_{(j)}, y_{(j)}\right) \left| x_{(j)} < x_{(i)}, y_{(j)} < y_{(i)}\right.\right\},$$

where the symbol # indicates the cardinality of a set and $\left\{\left(x_{(i)}, y_{(i)}\right), i = 1, ..., n\right\}$ are the observed data.

4.1.2 Wang-Wells empirical version of the generator in the presence of censored data

Wang and Wells (2000) have proposed a modified estimator of K for censored data. Since K can be written as

$$K\left(v\right) = \Pr\left[S\left(T_x^m, T_y^f\right) \leq v\right] = \mathbb{E}\left[\mathbb{I}_{\left\{S\left(T_x^m, T_y^f\right) \leq v\right\}}\right],$$

the estimator is given by

$$\widehat{K}_n\left(v\right) = \int_0^\infty \int_0^\infty \mathbb{I}_{\left\{\widehat{S}(s,t) \leq v\right\}} d\widehat{S}\left(s,t\right), \tag{10}$$

where $\widehat{S}$ stands for a nonparametric estimator of the joint survival function, taking censoring into account. For $\widehat{S}$ we will use the estimator introduced in Dabrowska (1988).

4.1.3 Dabrowska's estimator

Denote by $\widehat{S}^m$ and $\widehat{S}^f$ the Kaplan-Meier estimates of the univariate survival functions of T_x^m and T_y^f, and, for $i \in \{1, .., n\}$, let δ_{1i} and δ_{2i} be the indicators

of the event that observations $x_{(i)}$ and $y_{(i)}$, respectively, will be uncensored. Furthermore, define

$$\begin{aligned}
\widehat{H}(s,t) &= \frac{1}{n}\#\left\{i \,\middle|\, x_{(i)} > s, y_{(i)} > t\right\}; \\
\widehat{K}_1(s,t) &= \frac{1}{n}\#\left\{i \,\middle|\, x_{(i)} > s, y_{(i)} > t, \delta_{1i} = 1, \delta_{2i} = 1\right\}; \\
\widehat{K}_2(s,t) &= \frac{1}{n}\#\left\{i \,\middle|\, x_{(i)} > s, y_{(i)} > t, \delta_{1i} = 1\right\}; \\
\widehat{K}_3(s,t) &= \frac{1}{n}\#\left\{i \,\middle|\, x_{(i)} > s, y_{(i)} > t, \delta_{2i} = 1\right\},
\end{aligned}$$

and

$$\begin{aligned}
\widehat{\Lambda}_{11}(s,t) &= \int_{u=0}^{s}\int_{v=0}^{t} \widehat{K}_1(du,dv) \Big/ \widehat{H}\left(u^-, v^-\right); \\
\widehat{\Lambda}_{10}(s,t) &= -\int_{u=0}^{s} \widehat{K}_2(du,t) \Big/ \widehat{H}\left(u^-, t\right); \\
\widehat{\Lambda}_{01}(s,t) &= -\int_{v=0}^{t} \widehat{K}_3(s,dv) \Big/ \widehat{H}\left(s, v^-\right).
\end{aligned}$$

Dabrowska's estimator is:

$$\widehat{S}(s,t) = \widehat{S}^m(s)\,\widehat{S}^f(t) \prod_{\substack{0<u\leq s \\ 0<v\leq t}} \left(1 - L(\triangle u, \triangle v)\right), \tag{11}$$

with

$$L(\triangle u, \triangle v) = \frac{\widehat{\Lambda}_{10}(\triangle u, v^-)\,\widehat{\Lambda}_{01}(u^-, \triangle v) - \widehat{\Lambda}_{11}(\triangle u, \triangle v)}{\left(1 - \widehat{\Lambda}_{10}(\triangle u, v^-)\right)\left(1 - \widehat{\Lambda}_{01}(u^-, \triangle v)\right)}, \tag{12}$$

with $\triangle u = u - u^-$, and $\triangle v = v - v^-$. Then $\widehat{\Lambda}_{11}(\triangle u, \triangle v)$ is defined as the estimated hazard function of double failures (i.e. deaths) at point (u, v), while $\widehat{\Lambda}_{10}(\triangle u, v^-)$ and $\widehat{\Lambda}_{01}(u^-, \triangle v)$ are the estimated hazard functions of failures of (x) at u and (y) at v, respectively, given the exposed to risk defined at (u, v). The principle of equation (12) can be derived from the numerator. We match the expected number of joint failures in case of independence, with the actual number of joint failures. A negative difference implies positive association. We define

$$F(s,t) = \prod_{\substack{0<u\leq s \\ 0<v\leq t}} \left(1 - L(\triangle u, \triangle v)\right), \tag{13}$$

as the multiplier by which the joint survival function differs from the one under independence (see equation (11)). It follows that positive association is implied if $F(s,t) \geq 1$.

4.2 Estimating Kendall's tau under censoring

Let Kendall's tau be denoted by τ. Since for Archimedean copulas

$$\tau = 4\int_0^1 \lambda(\xi)\, d\xi + 1, \tag{14}$$

we have that τ can be expressed in terms of K in the following way:

$$\tau = 3 - 4\int_0^1 K(\xi)\, d\xi. \tag{15}$$

The estimated τ from (15) is suitable for censored data as well.

4.3 Estimation of generator

We can estimate λ by means of K. Let $\widehat{\lambda}_n$ be the empirical estimate of λ. Then, for $v \in (0,1)$, $\widehat{\lambda}_n(v) = v - \widehat{K}_n(v)$. For each generator listed in Table 1, we estimate the parameter θ through equations (9) and (14), with τ derived from (15). This leads to functions $\lambda_{\phi_{\widehat{\theta}}}$. We define $K_{\phi_{\widehat{\theta}}}(v) = v - \lambda_{\phi_{\widehat{\theta}}}(v)$, and choose the generator whose $K_{\phi_{\widehat{\theta}}}$ has a minimum distance to $\widehat{K}_n$. In this paper, the distance is defined in a quadratic sense as a mean squared error**,** denoted by MSE.

$$MSE\left(\phi_{\widehat{\theta}}\right) = \int_0^1 \left(K_{\phi_{\widehat{\theta}}}(v) - \widehat{K}_n(v)\right)^2 dv. \tag{16}$$

4.4 Omnibus procedure

The procedure described above leads to the choice of the "most appropriate" Archimedean copula, with parameter corresponding to Kendall's tau. To check the correctness of the procedure, for the same copulas the parameter is estimated through the pseudo-maximum likelihood or omnibus procedure. This method has been described in broad terms by Oakes (1994). Its statistical properties are analyzed in Genest et al. (1995).

The procedure treats marginal distributions as nuisance parameters of infinite dimension. The margins are estimated nonparametrically by rescaled versions of the Kaplan-Meier estimators, with the rescaling factor (multiplier) equal to $n/(n+1)$. The loglikelihood function to be maximized, denoted by $L(\theta)$, has the following shape:

$$L(\theta) = \sum_{i=1}^{n} \left[\begin{array}{c} \delta_{1i}\,\delta_{2i}\,\ln\left[c_\theta(u_i, v_i)\right] + (1-\delta_{1i})\,\delta_{2i}\ln\left[\frac{\partial C_\theta(u_i,v_i)}{\partial v}\right] \\ +\delta_{1i}(1-\delta_{2i})\ln\left[\frac{\partial C_\theta(u_i,v_i)}{\partial u}\right] + (1-\delta_{1i})(1-\delta_{2i})\ln\left[C_\theta(u_i, v_i)\right] \end{array} \right],$$

where $(u_i, v_i) = \left(\widehat{S}^m(x_i), \widehat{S}^f(y_i)\right)$, $C_\theta(u_i, v_i)$ is the copula under consideration, and $c_\theta(u_i, v_i)$ its density (i.e. the derivative with respect to both arguments). Note that this procedure could also be applied to non Archimedean copulas.

5 Application to the Canadian data set

5.1 Description of the data set

We have used the same data set as Frees et al. (1996), Carriere (2000) and Youn and Shemyakin (1999, 2001). The original data set concerns 14,947 contracts in force with a large Canadian insurer. The period of observation runs from December 29, 1988, until December 31, 1993. Like the aforementioned papers, we have eliminated same-sex contracts (58 in total). Besides, like Youn and Shemyakin (1999, 2001), for couples with more than one policy, we have eliminated all but one of those (3,435 contracts). This has left us with a set of 11,454 married couples.

Since, as explained in Section 3, the methodology for the marginal survival functions applies to single generations, we have focused on a limited range of birth dates, both for males and females. In doing this, we have also taken into consideration the fact that the average age difference between married man and women in the sample obtained after eliminating same sex and double contracts, is three years. In focusing on a generation and allowing for the three-year age difference, we have considered only one illustrative example; however, the procedure can evidently be repeated for any other couple of generations. We have selected the generation of males born between January 1st, 1907 and December 31, 1920 and those of females born between January 1st, 1910 and December 31, 1923. These two subsets, which amount to 5,025 and 5,312 individuals respectively, have been used for the estimate of the marginal survival functions. Then, in order to estimate joint survival probabilities, we have further concentrated on the couples whose members belong to the generation 07-20 for males and 10-23 for females. This subset includes a total of 3,931 couples. Both individuals and couples are observable for nineteen years, because they were born during a fourteen year period and the observation period is five years.

On this data set, we have adopted the general procedure sketched in Section 3 for the margins and the one in Section 4 for the joint survival function.

We have first obtained the empirical margins, using the Kaplan-Meier methodology. These margins feed the Dabrowska estimate for the empirical joint survival function. Starting from it, the best fit analytical copula has been estimated using the Wang and Wells (2000) method, as based on the approach by Genest and Rivest. Like Denuit et al. (2004), we have performed a check of the parameters and of the best fit choice using the omnibus procedure.

The marginal Kaplan-Meier data have been used also as inputs for the calibration of the analytical marginal survival functions, according to the methodology in Luciano and Vigna (2005).

The final step of the calibration procedure has consisted in obtaining the joint analytical survival function from the best fit copula and the calibrated margins.

5.2 Kaplan-Meier estimates of marginal survival functions

The Kaplan-Meier maximum likelihood estimates of the marginal survival probabilities are collected in Table 2.

We notice that, differently from both Carriere (2000) and Frees et al. (1996), we can calculate the empirical survival probabilities ${}_tp_x$ only until $t = 19$. This is due to the limited range of birth dates of our generations, coupled with the five year length of observation. Based on the explanation above, we take the initial age x to be 68 for males, 65 for females.

5.3 The bivariate survival function (Dabrowska)

Given the empirical margins in Table 2, provided by the Kaplan-Meier method, we reconstruct the joint empirical survival function using the Dabrowska estimator. We have simplified the estimator by truncating to integer durations. This means that e.g. a duration of failure of k (integer) corresponds to death between k and $k + 1$. As data of death between durations 5 and 6 were incomplete (due to the maximal period of observation of 5.0075 years), we did not consider any deaths more than five years after the start of the observation.

In Table 3 we present the multipliers $F(s, t)$, as defined in equation (13). Due to the time frame of observation of five years, we cannot explicitly compute the multipliers for durations greater than five. As usual with censoring, for durations greater than the observation period, we take the multiplier computed for the maximal duration.

We notice that all the multipliers are greater than one. This indicates positive association and confirms our intuition about the dependency of the lifetimes of couples. Later on, we will provide an exact measure (Kendall's tau) of the amount of association.

Another relevant feature of the data, which can be captured from the table, is the fact that the multipliers are generally increasing per row and per column: this means that the amount of association is increasing. Namely, it means that, for given survival time of one individual in the couple, the conditional survival probability of the other member is more and more different from the unconditional one as time goes by. It also means that with a longer period of observation, we would probably have faced a stronger association between the two lives.

5.4 The copula choice (Wang & Wells)

The Dabrowska empirical estimate of the joint survival function in turn is used as an input for $\hat{K}$, the empirical version of the K function, according to the discretized version of formula (10), dividing the unit interval into a hundred subintervals. Figure 1 presents the empirical estimate for K, $\hat{K}$.

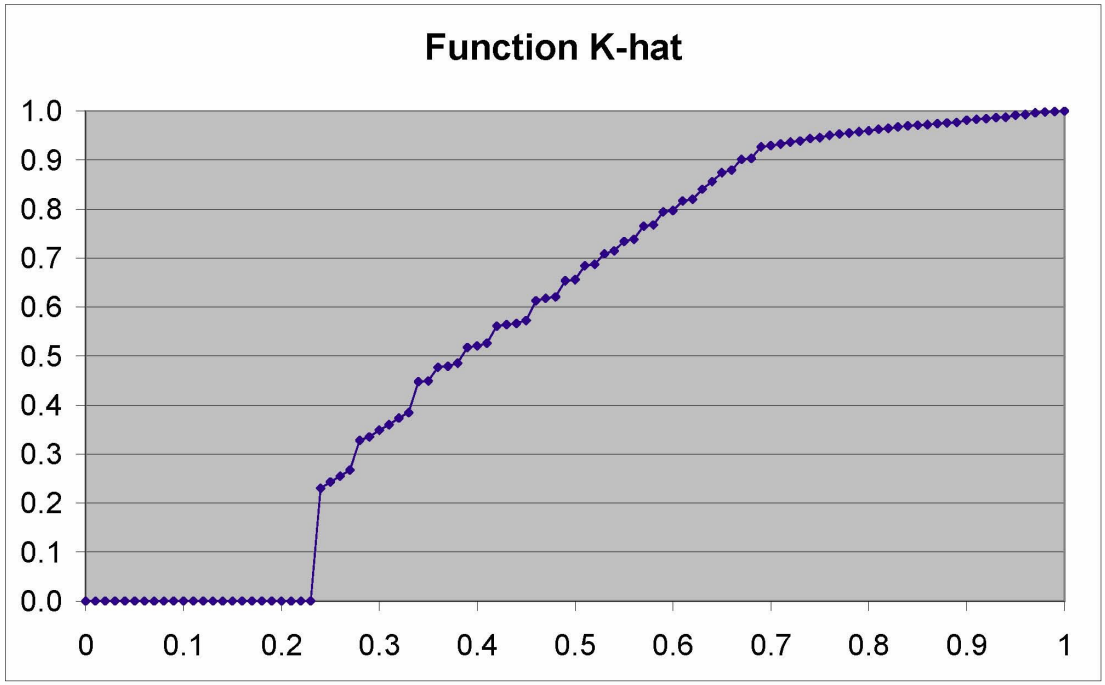

Figure 1

We observe that $\hat{K}(v)$ is zero for $v < 0.23$, because the smallest value of $S(s,t)$ is $S(19,19) = 0.23$ (recalling that the presence of this minimum in turn is due to censoring and to the restriction to one generation, which reduces the observation window to 19 years).

The empirical K is used, according to formula (15), in order to calculate an estimate of the Kendall's tau. We get $\tau = 0.71172$, in line with the values obtained, for the same Canadian set, but without focusing on a generation, by other authors (Frees et al., 1996, Carriere, 2000, Youn and Shemyakin, 1999, 2001, Shemyakin and Youn, 2001).

The estimated τ provides us with the parameter values needed for implementing the theoretical copulas: as explained in Section 4.3, for each generator we obtain its parameter θ.

From each copula we obtain a different theoretical K function, and we are ready to compare them in order to assess their goodness of fit and to select the

best copula. The graphical comparison can be done using Figure 2, where we present the theoretical K's and the empirical one.

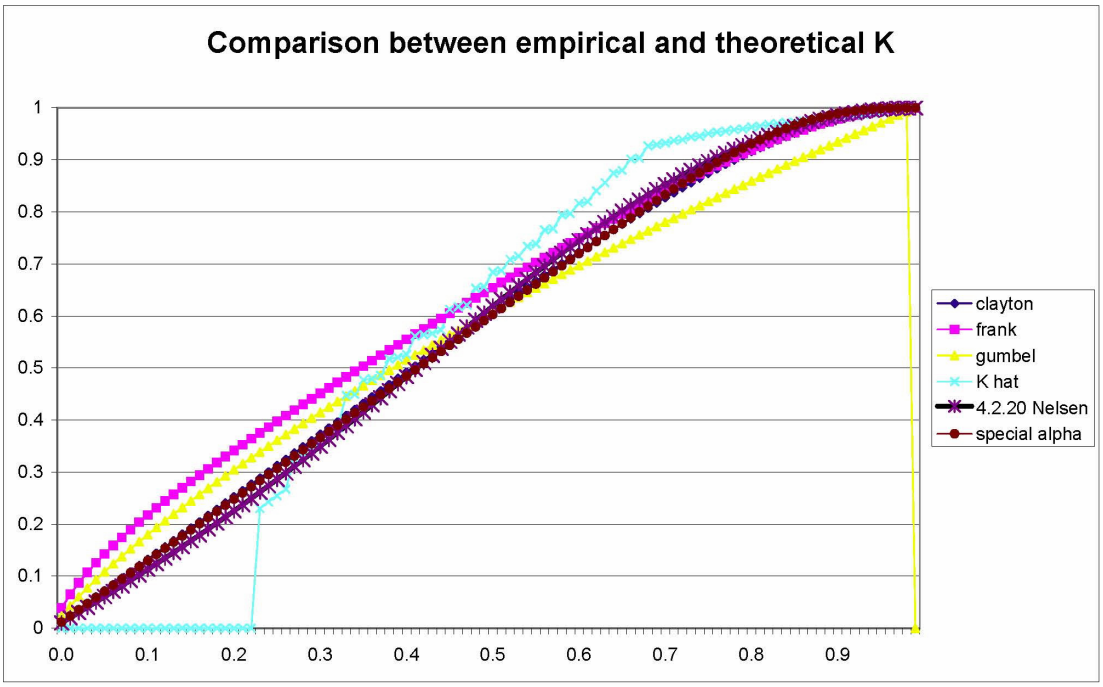

Figure 2

We also compute the distance of each theoretical function from the empirical one, i.e. the mean square error MSE in (16), both starting from $v = 0$ and starting from $v = 0.23$. By so doing, we obtain the errors in Table 4.

Both from the graph and the errors we conclude that the best fit copula is the 4.2.20 Nelsen's one.

The smallest percentage difference between the errors is a two digit one, namely 44%. This big difference supports further the best fit of the Nelsen copula.

5.5 Omnibus procedure

As a further check of our selection, we implement the omnibus or pseudo-maximum likelihood procedure described in Section 4.4. As inputs for it, we use again the Kaplan-Meier marginal probabilities in Table 2. Table 5 presents the estimated parameters for each copula, their standard errors and the maximized likelihood function.

The maximum likelihood is maximized in correspondence to the Nelsen copula: this procedure then confirms the results of the Wang and Wells one. However, contrary to the mean square error above, the difference between maximized likelihoods is very weak: it ranges from 0.03% to 3%.

Also, the omnibus approach confirms the validity of the Kendall's tau estimates obtained with the Wang and Wells' approach: using the above standard errors, for each copula parameter - and consequently for the Kendall's tau - we computed a 95% confidence interval around the maximum likelihood one. The Kendall's tau of the Wang and Wells' method falls only in the confidence interval of the Nelsen copula.

5.6 The analytical marginal survival functions

The couples of the data set have dates of birth between 1884 and 1993: even though in the papers which have dealt with the same data set the same law of mortality is assumed to apply for any life of the same gender, irrespective of the date of birth, we distinguish different generation survival probabilities and different intensity processes.

Contrary to Luciano and Vigna (2005), however, we take as a generation not a single age of birth, but thirteen consecutive of them, as specified above: this assumption is based on the one side on the possibilities of reliable calibration (number of data) offered by the present data set; on the other side, by the fact that there is not a unique definition of generation, and, generally speaking, persons with ages of birth close to each other are considered to belong to the same generation.

We have chosen the generation 1907-20 for males, initial age 68, and 1910-23 for females, initial age 65. We therefore present only two survival functions, which will be denoted as $S^m_{68}(t), S^f_{65}(t)$ respectively. Their analytical expression is given by (8), where the estimated parameters are, respectively for males and females

$$a_{68} = 0.0810021, \sigma_{68} = 0.00005, a_{65} = 0.124979, \sigma_{65} = 0.00005$$

while the initial intensity values are

$$\mu_{68}(0) = 0.0204276, \mu_{65}(0) = 0.0046943$$

Regarding the values of $\mu_{68}(0)$ and $\mu_{65}(0)$, according to Luciano and Vigna (2005) we should choose $-\ln(p_{68})$ and $-\ln(p_{65})$ respectively, with p_{68} being the

survival probability of a Canadian insured male born in 1920 and aged 68 and with p_{65} being the survival probability of a Canadian insured female born in 1923 and aged 65. However, this data is not available. Therefore, we have used the Canadian data set outlined above, and estimated with the KM method p_{68} males and p_{65} females with all data available from the data set, without restrictions on the generation. This has been done in order to have an estimate of those survival probabilities as accurate as possible (also considering the fact that the observation period is only five years, and therefore the individuals entering the method for the calculation of the survival probabilities were born in a six years interval).

The two survival functions are presented in Figure 3.

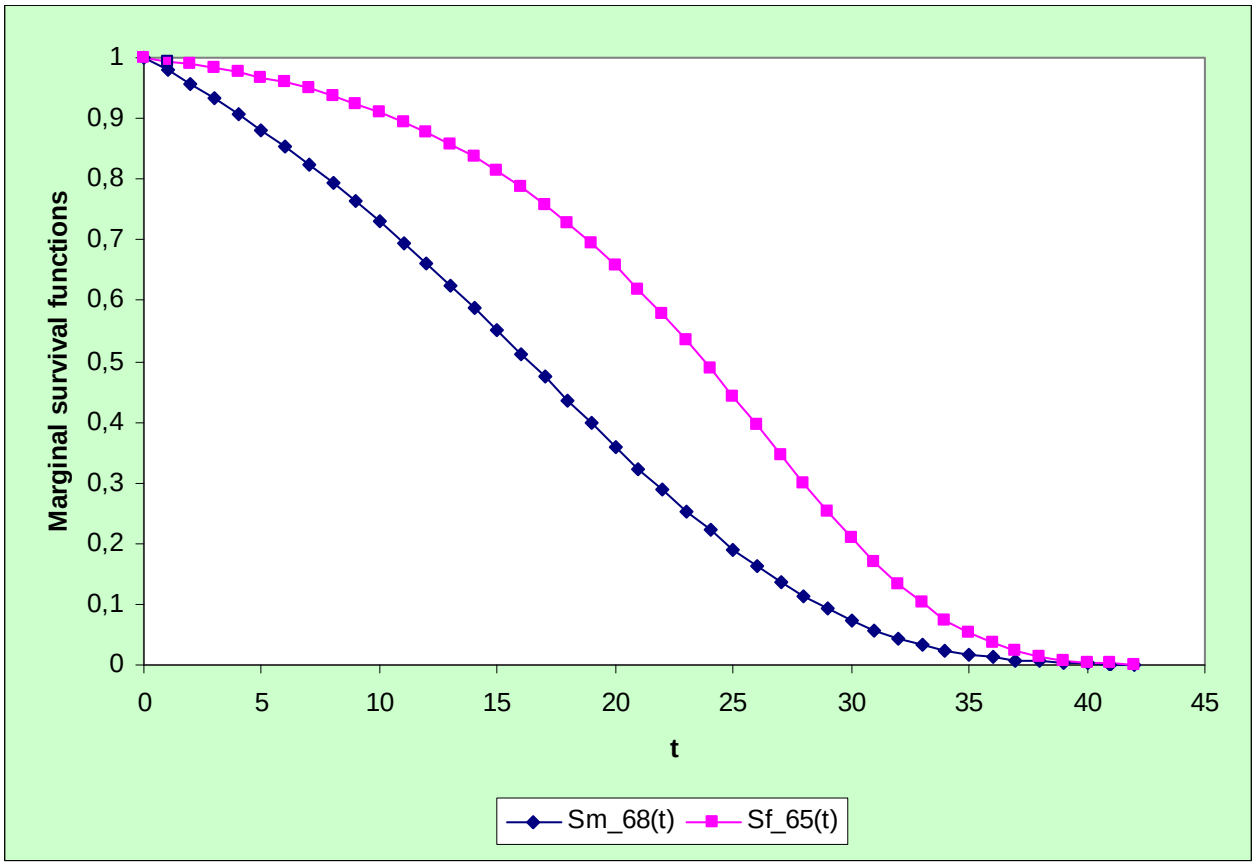

Figure 3

6 The analytical joint survival function, its association and long term dependency

We couple the fitted marginal survival functions of Section 5.6with the best fit copula choice of Section 5.4, according to the formula

$$S(x,y) = C(S^m_{68}(x), S^f_{65}(y))$$

with

$$C_\theta(u,v) = \left[\ln\left(\exp(u^{-\theta}) + \exp(v^{-\theta}) - e\right)\right]^{-\frac{1}{\theta}}$$

By doing so, we obtain the joint survival function $S(x,y)$ of Figure 4, whose sections are presented in Figures 5 and 6 respectively

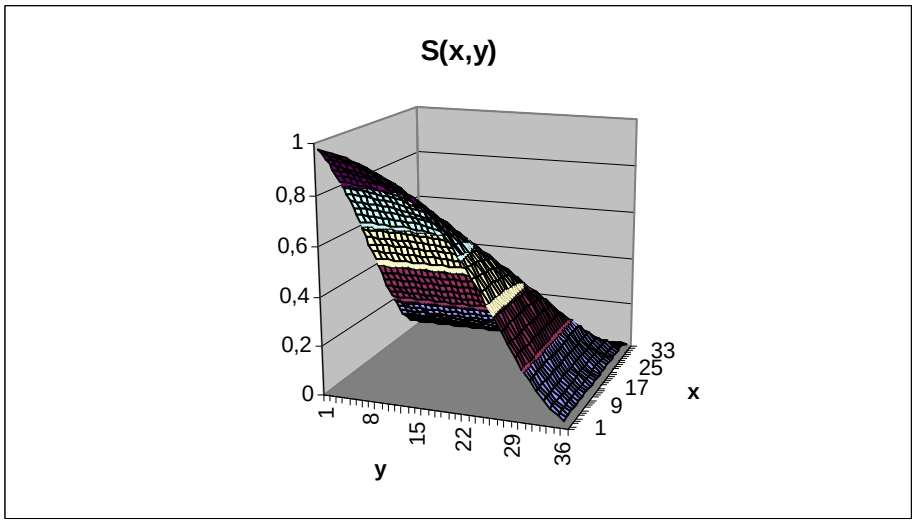

Figure 4

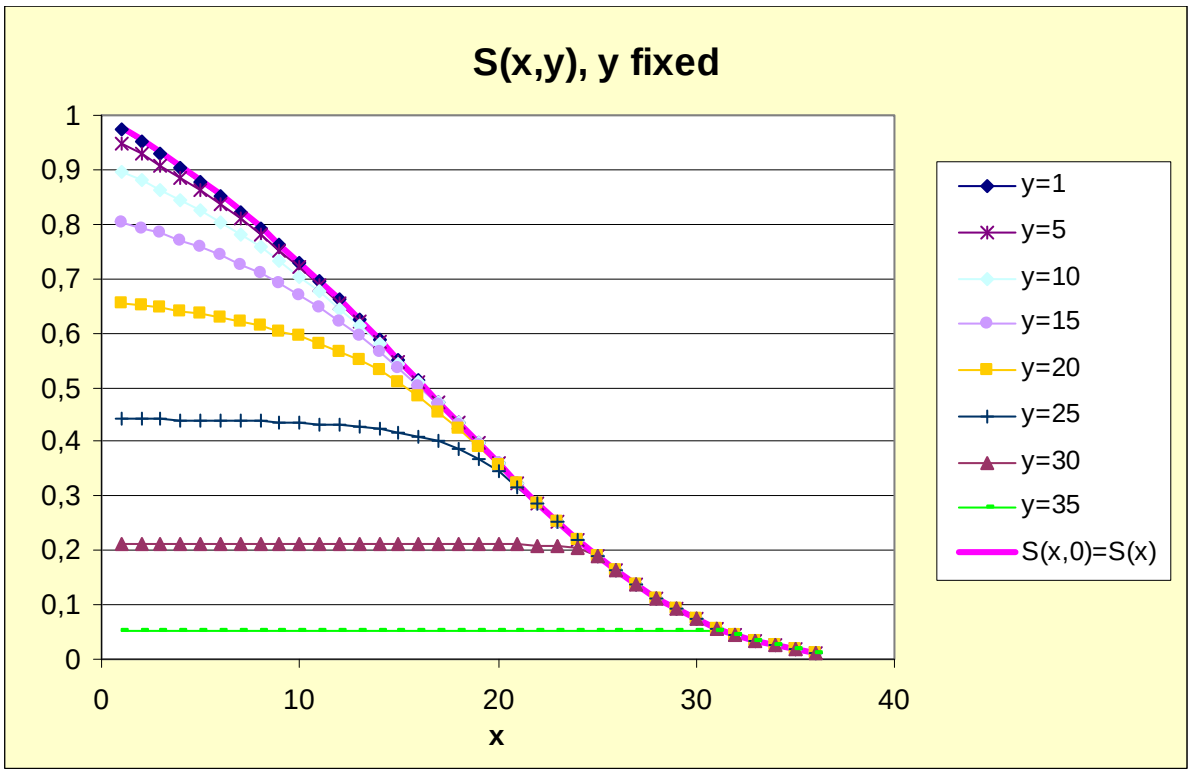
S(x,y), y fixed
1
0,9
0,8
0,7
0,6
0,5
0,4
0,3
0,2
0,1
0
0
10
20
30
40
x
y=1
y=5
y=10
y=15
y=20
y=25
y=30
y=35
S(x,0)=S(x)

Figure 5

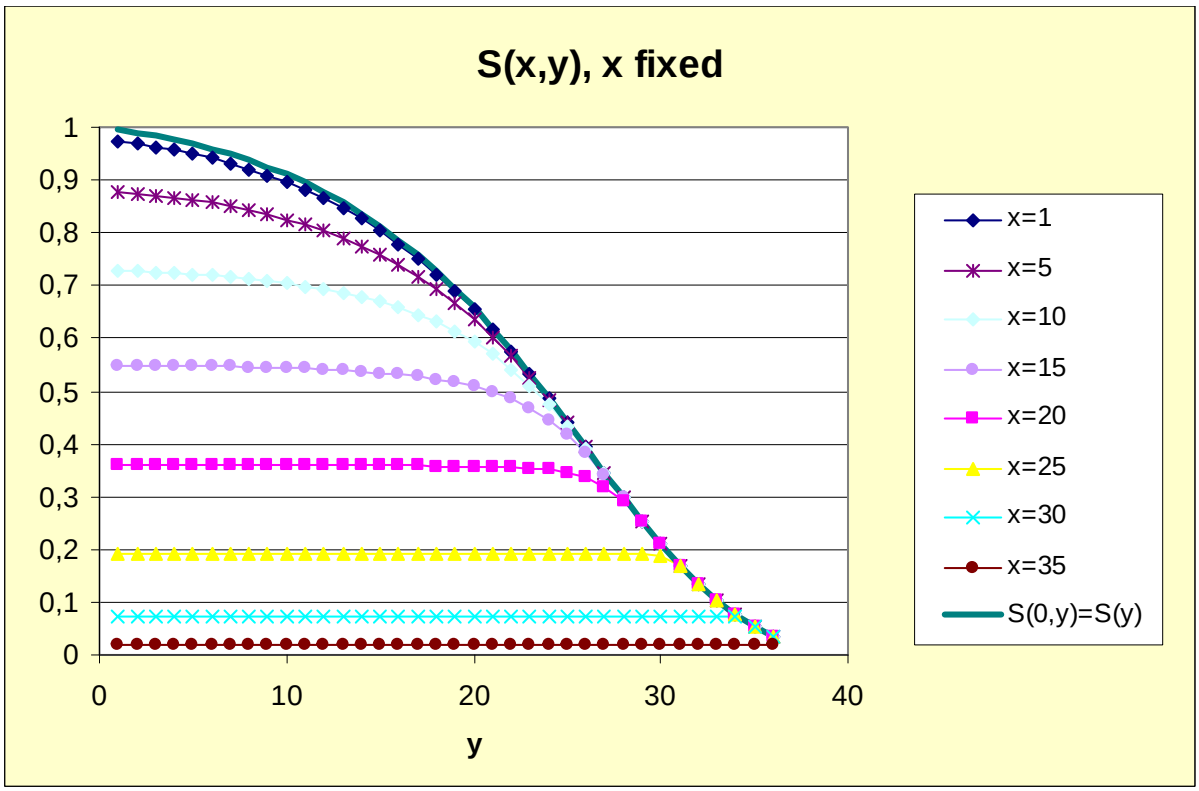

Figure 6

Looking at Figure 5, we notice that the smaller y, the closer $S(x,y)$ to the marginal distribution $S(x,0) = S(x)$. On the other hand, if y is high, $S(x,y)$ is almost flat until a certain age $\widehat{x}$ after which it decreases. This is due to the fact that the probability for the female of surviving y years, with high y, is very low and this affects to a great extent the joint probability of surviving x years for the male and y years for the female (even when the probability $S(x,0)$ is very high because x is small). After age $\widehat{x}$ the joint probability starts to decrease because of the joint effect of low probability of surviving y years for the female and x years for the male.

For Figure 6 the same comments made for Figure 5 apply. Notice that, while the age $\widehat{x}$ after which $S(x,y)$, y fixed, starts to decrease is always smaller than the fixed value of y (e.g. $y = 35 \Longrightarrow \widehat{x} = 31, y = 30 \Longrightarrow \widehat{x} = 25, y = 25 \Longrightarrow \widehat{x} = 18$,), here the age $\widehat{y}$ after which $S(x,y)$, x fixed, starts to decrease is always higher than the fixed value of x (e.g. $x = 35 \Longrightarrow \widehat{y} = 36, x = 30 \Longrightarrow \widehat{y} = 34, x = 25 \Longrightarrow \widehat{y} = 30$). This is probably due to the difference in death rates for a male and a female with the same age. Evidence of this can be also found in the different level of the sections when we change sex: for instance, $S(x,35)$ lies at a higher level than $S(35,y)$, $S(x,30)$ lies at a higher level than $S(30,y)$, etc.

In Figure 7, we report the ratio between the joint survival function and the probability which we would obtain under the assumption of independence (the "classical" one): $\frac{S(x,y)}{S(x)S(y)}$.

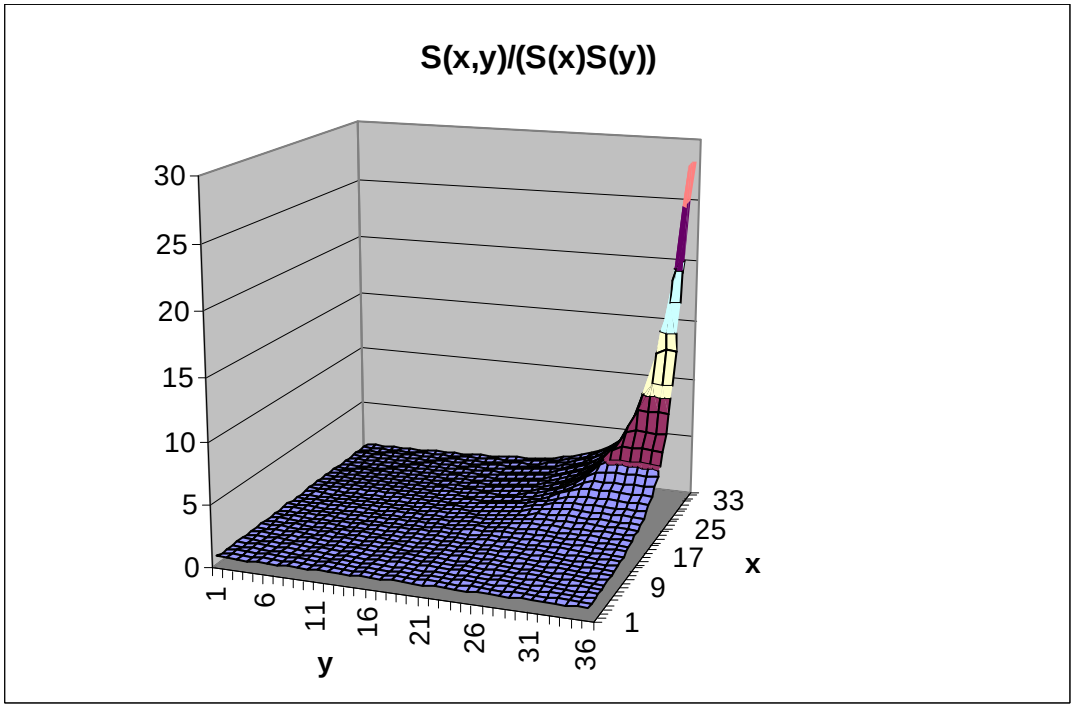

Figure 7

In doing this, please notice that we use the short notation $S^m_{68}(x) = S(x), S^f_{65}(y) = S(y)$. Figure 7 reports the time dependent measure of association $\psi_1(x,y)$ as defined in (1), i.e. the joint survival probability as proportional to the independence case. The ratio is monotone in each argument and reaches very large values for large x and y. Note that for any (x,y), $\psi_1(x,y)$ takes values between 1 and $\frac{1}{\max(S(x),S(y))}$. The lower bound is due to the positive association measured above, since 1 corresponds to the independence case. The upper bound corresponds to the limit reached by the ratio when the joint survival function reaches the Fréchet upper bound, namely $S(x,y) = \min(S(x), S(y))$.

The sections are in Figures 8 and 9.

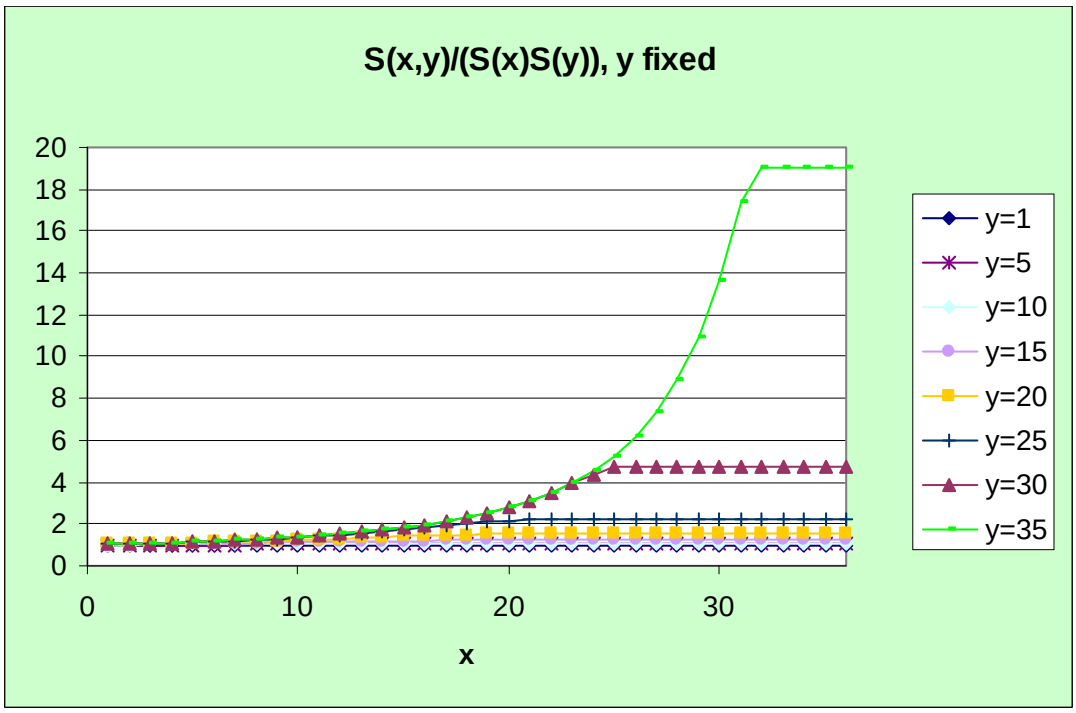
S(x,y)/(S(x)S(y)), y fixed
20
18
16
14
12
10
8
6
4
2
0
0
10
20
30
x
y=1
y=5
y=10
y=15
y=20
y=25
y=30
y=35

Figure 8

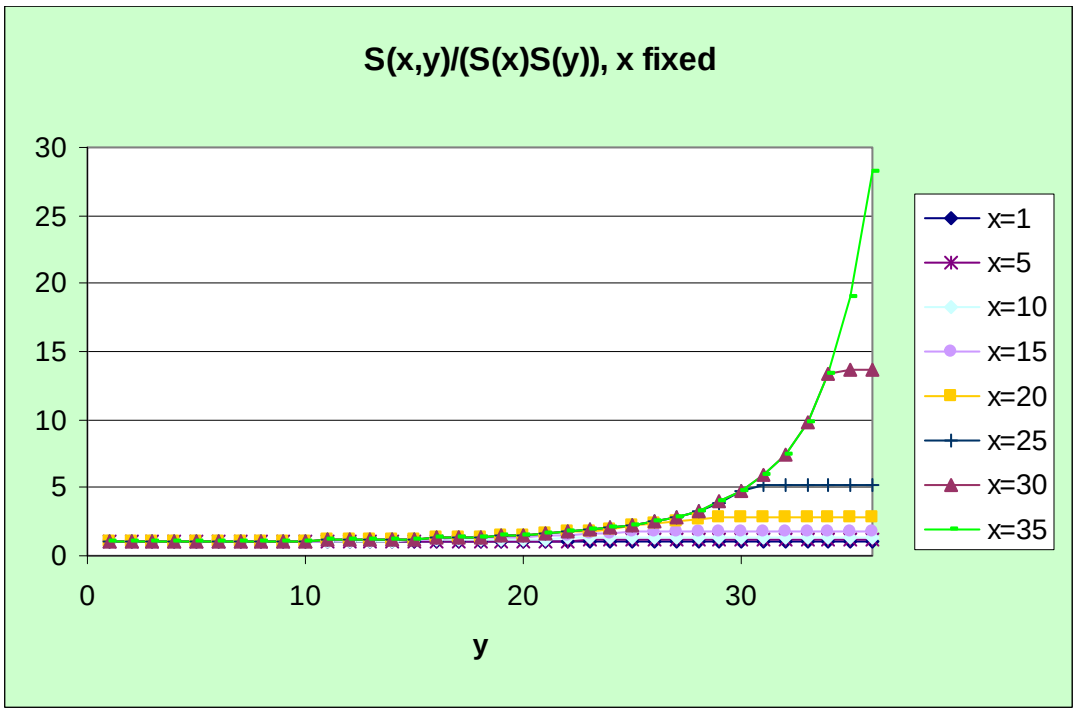

Figure 9

All the curves start at 1 for $x = 0$ or $y = 0$ and increase monotonically until a certain value, defined as x^* in Figure 8 and y^* in Figure 9, from which they remain constant. This suggests that the behaviour of the sections is quite similar to the curves corresponding to the Fréchet upper bound. Comparing the sections of Figure 8 with Figure 9 for the same fixed value, we observe that $x^* < y^*$. This is probably due to the higher mortality experienced by males, compared to females.

Table 6 illustrates the measures $\psi_{2x}(0, y)$ and $\psi_{2y}(x, 0)$ as defined in equation (2). Column 2 displays the relative increase of the conditional expected remaining lifetime of (x), given that (y) survives to y, which, as explained in Section 2 increases as a function of y. We have that $E[T_x^m] = 16.51$. Similarly, column 4 shows the relative increase of the conditional expected remaining lifetime of (y), given that (x) survives to x, now increasing as a function of x. The unconditional life expectancy $E\left[T_y^f\right]$ is equal to 21.92. We observe that, for $x = y$, $\psi_{2x}(0, y) < \psi_{2y}(x, 0)$ for small values of x or y but this inequality sign is reversed for large values of this argument.

As for the third measure of time-dependent association in Section 2, the cross-ratio function for the Nelsen copula, as a function of $S(u, u)$ is

$$CR(S(u,u)) = 1 + \theta\left(1 + [S(u,u)]^{-\theta}\right),$$

which is increasing as a function of u, as also shown in Spreeuw (2006). Figure 10 gives a plot of $CR(v)$ versus $1 - v$.

Note that $CR(1) = 2.43472$ and that $CR(v)$ takes very large values for v close to 0. Hence, for the Nelsen copula, members of a couple become more dependent on each other as they age. This seems to be a reasonable assumption for married couples.

7 Conclusions

This paper represents a first attempt to model the mortality risk of couples of individuals, according to the stochastic intensity approach.

On the theoretical side, we extend to couples the Cox processes setup, i.e. the idea that mortality is driven by a jump process whose intensity is itself a stochastic process, proper of a particular generation within a gender. The dependency between the survival times of members of a couple is captured by a copula, which we assume to be of the Archimedean class, as in the previous literature on bivariate mortality.

On the calibration side, we fit the joint survival function by calibrating separately the (analytical) margins and the (analytical) copula. First, we select the best fit copula according to the methodology of Genest and Rivest (1993), as extended by Wang and Wells (2000) to censored data. We obtain the so-called Nelsen copula and we confirm its appropriateness with the so-called pseudo maximum likelihood or omnibus procedure.

The best copula is far from representing independence: this confirms both intuition and the results of all the existing studies on the same data set. In addition, since the best fit copula turns is the Nelsen one, dependency is increasing with age.

Then, we provide a calibration of the marginal survival functions of male and female selecting time-homogeneous, non mean-reverting, affine processes for the intensity and give them in analytical form. Differently from Luciano and Vigna (2005), we base the calibration on sample insurance data and not on mortality tables. Coupling the best fit copula with the calibrated margins we obtain a joint survival function which is fully analytical and therefore can be extended, for the chosen generation, to durations longer than the observation period.

The main contribution of the paper is in the calibration of a joint survival function which incorporates stochastic future mortality for both individuals in a couple. The approach seems to be manageable and flexible, and lends itself to extensive applications for pricing and reserving purposes.

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