**Practical exercise: Run-off triangles**

1. Write a program in SAS with the following input and output: [18]

**Input:**

1. A run-off triangle (or trapezium) of any size, containing annual incremental paid claims information in Excel. Hence the program should be able to handle any range of accident years and development years specified.
2. The relevant annual past inflation index data (in the same Excel document).
3. A fixed future inflation assumption (in the same Excel document).

(Note: assume that all claims data and the corresponding inflation data are given as at the middle of each respective calendar year).

**Output:**

The total required reserve according to the inflation-adjusted chain-ladder method. The reserve should be given as at the date of the latest available claim data.

1. Test the program to calculate the required reserve, using the given test cases in Excel. [2]