

Approximations to ruin probabilities in the perturbed model

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31st March 2009

Abstract

We recover the risk model with a diffusion component presented by Dufresne and Gerber (1991) and subsequently developed by several other authors. In this work we target the computation of ruin probabilities by approximation, picking up some simple and classical methods that can easily be adapted for the perturbed model. We show the accuracy of the methods by comparing figures with exact results.

*The author gratefully acknowledges financial support from FCT-*Fundação para a Ciência e a Tecnologia* (Programme FEDER/POCI 2010).