

CONTENTS

| | |
|--|------------|
| Title Page | i |
| Approval Page | ii |
| Declare Page | iii |
| Acknowledgments | iv |
| Motto | v |
| Notation and Abbreviation | x |
| ABSTRACT | xii |
| I INTRODUCTION | 1 |
| 1.1 Background | 1 |
| 1.2 Problem Formulation | 2 |
| 1.3 Objectives | 4 |
| 1.4 Benefit of Research | 4 |
| 1.5 Literature Review | 4 |
| II THEORETICAL BACKGROUND | 8 |
| 2.1 Earthquake | 8 |
| 2.2 Measurement of Earthquakes | 9 |
| 2.3 Gutenberg-Richter Law | 11 |
| 2.4 Risk of Natural Disasters | 12 |
| 2.5 Earthquake Insurance in Indonesia | 13 |
| 2.6 Earthquake Insurance Developed in Other Countries | 15 |
| 2.7 Estimation of Earthquake Insurance Premium | 17 |
| 2.7.1 Seismic hazard analysis | 17 |
| 2.7.2 Estimation of potential earthquake damage to structure | 17 |
| 2.7.3 Determination of the earthquake insurance premium | 18 |
| 2.8 Random Variable | 20 |
| 2.9 Point Process | 22 |
| 2.10 Branching Process and Generating Function | 27 |
| 2.11 Method of Maximum Likelihood | 29 |
| 2.12 Information Criteria | 32 |
| 2.13 Measurable Functions and Integrals | 33 |



| | |
|---|-----------|
| 2.14 Asymptotic Theorems | 35 |
| 2.15 Predictable Process | 41 |
| III SPATIO-TEMPORAL POINT PROCESS | 43 |
| 3.1 Intensity Function | 43 |
| 3.2 Epidemic Type Aftershock Sequence (ETAS) Model | 46 |
| 3.3 Spatio-Temporal Point Process Model | 47 |
| 3.4 Space-Time ETAS Model | 50 |
| IV EARTHQUAKE MODELING | 55 |
| 4.1 Construction of the Model | 55 |
| 4.2 Conditional Intensity Function in Space-Time ETAS Model | 61 |
| V SPACE-TIME ETAS MODEL IN JAVA ISLAND | 69 |
| 5.1 Estimation of Conditional Intensity Function | 69 |
| 5.2 Estimation of Earthquake Insurance Premium | 72 |
| VI CONCLUSIONS AND FURTHER RESEARCH | 78 |
| 6.1 Conclusions | 78 |
| 6.2 Further Research | 79 |
| REFERENCES | 80 |
| APPENDICES | 86 |