



### ***Does Tactical PRT Have Value?***

We made the call in February.<sup>1</sup> GM and Verizon made theirs last year.

**What's the Difference?  
About \$1 billion, actually.**

PRT solutions for risk mitigation should be strongly considered when PRT pricing and business economic conditions of the sponsor converge.

**Last month we posited:  
"When is the right time?"**

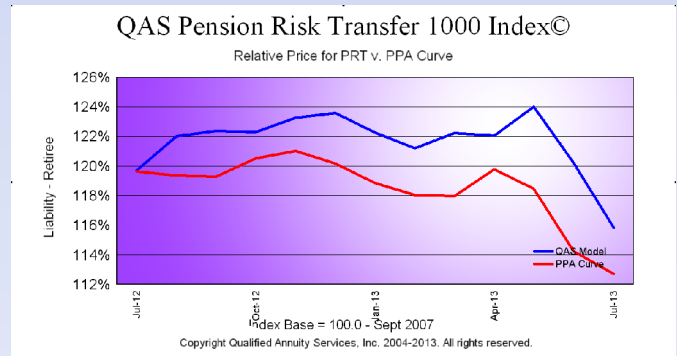
GM and Verizon decided it was last year. Any plan considering a PRT trade today has a significant advantage versus last year's trades.

The QAS PRT Index shows the Index change from July of 2012 (GM deal) to July of 2013.

As we stated, PRT trades are based upon client business and plan balance sheet conditions and sensitivities. So the questions is:

### **What did it cost GM to trade last year versus this year?**

By applying the QAS PRT Index from July 2012 and 2013, we gain insight. The Index value on July 2012 was 120.1 and 115.8 in 2013 or a change of 4.3 which is a price change of 3.24%.



Date	Value (\$bb)
July 2012	\$29,000,000,000
July 2013	\$28,061,722,140
Change \$	\$938,277,860
Change %	-3.24%

### **Our View:**

#### **Think Strategic. Act Tactical.**

Consider allocating LDI oriented target bond durations to more closely match a short portion of retirees such as 2 or 3 years.

QAS's PRT advice based tools demonstrate the value proposition for PRT. Now is time to engage QAS as your PRT advisor.

Learn about ERISA named Fiduciary service:  
[http://qualifiedannuity.com/services\\_fs.html](http://qualifiedannuity.com/services_fs.html)

***Call now to get more information on custom PRT index modeling capabilities.***

***Get Informed. Think Strategic. Act Tactical.***

For information contact Don Cunningham (513-772-4488) or Joe Cleary (201-447-3900) or QAS.

Date	Immediate Life Annuity	Deferred Life Annuity
May 1, 2013	2.57%	3.13%
June 1, 2013	2.96%	3.51%
July 1, 2013	3.51%	4.02%

<sup>1</sup> See Newsletter February 2013 here: [http://qualifiedannuity.com/newsletters/2013\\_02.pdf](http://qualifiedannuity.com/newsletters/2013_02.pdf)