

## Purchase Rates Flat, Stocks Up On Vaccine News and Election Results

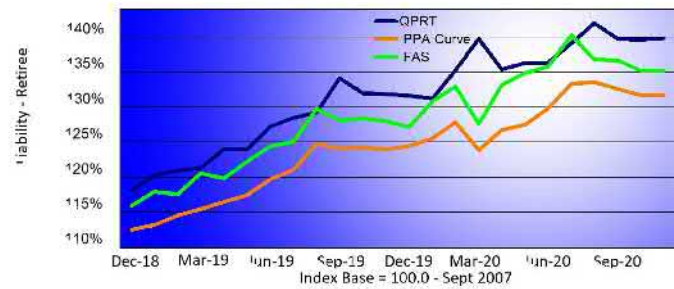
Purchase rates were relatively flat in October. The immediate annuity purchase rate was up 4 basis points from 1.66% to 1.70%, while the deferred purchase rate was flat at 1.94%. The highest rate for immediate annuities was up 5 basis points from 2.12% to 2.17%, while the highest deferred rate was up 20 basis points to 2.38%.

At the end of October, treasury yields were higher than at the end of September. The 10 Year treasury yield increased from 0.69% to 0.88%, an increase of 19 basis points, while the 30 Year treasury yield increased from 1.46% to 1.65%, an increase of 19 basis points. The Two Year treasury yield was up 1 basis point from 0.13% to 0.14%. Moody's Seasoned Baa ten year spreads tightened 14 basis points, while Moody's Seasoned Aaa 10 year spreads tightened 12 basis points.

US and Foreign equity markets were down in October. The S&P 500 was down roughly 2.6% while aggregate foreign markets were down around 2.3%. Year-to-date at the end of October, the S&P 500 was up 1.4% while foreign markets were down roughly 8.5%. November election results were warmly greeted by the markets as the expected blue wave turned into a light blue mist. Republicans gained a few seats in the house cutting into the Democratic majority, lost the presidency but by less of a margin than expected, and the Senate will be decided by a special election in January. The pandemic is now at all-time highs for new cases and is surging throughout the country. Hospitals throughout the country are warning that they are at or exceeding capacity. Surge capacity field hospitals are being reestablished as people are again encouraged to stay at home and not travel for Thanksgiving. Parts of Europe are back to the worst days of the virus as well. But the news on the vaccine front is very positive. Two companies are ready to seek emergency use authorization; one has 10 million doses ready to send as soon as the government gives the go-ahead. Both US and Foreign markets are up over 10% for the month.

## QAS Pension Risk Transfer 1000 Index®

Dec 2018 to Nov 2020 - Relative Price PRT v. PPA Curve - FAS



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### Rates

Since the end of October, treasury rates have decreased slightly. The 10 year yield decreased 1 basis point to 0.87%, while the 30 year yield is down 3 basis points to 1.62%. The two year treasury is up 4 basis points. The Moody's Seasoned Baa Spreads have tightened 19 basis points since the end of October, while the Moody's Seasoned Aaa Spreads have tightened 7 basis points. Stay healthy. Gobble! Gobble!

PRT Trax Index +/-	
12 mo Hi-Lo %	+/- 8.2%
YTD % Δ	+ 6.2%
3 mos % Δ	- 1.48%
1 mo % Δ	+ 0.2%

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Ron McHugh, FSA MAAA CFA (508)733-8591 # Joe Cleary (201)447-3900

Date	Immediate	+/-	High	+/-	Deferred	+/-	High	+/-
November 2020	1.70%	+0.04%	2.17%	+0.05%	1.94%	+0.00%	2.38%	+0.20%