

Treasury Rates Peak in March, Stock Markets Up But Volatile

Purchase rates were up significantly in March. The immediate annuity purchase rate was up 28 basis points from 1.93% to 2.21%, while the deferred purchase rate was up 17 basis points from 2.29% to 2.46%. The highest rate for immediate annuities was up 29 basis points to 2.86%, while the highest deferred rate was up 5 basis points to 2.75%. Increasing treasury rates were the main driver.

At the end of March, US Treasury bond yields were also up significantly from the end of February. The Ten Year treasury yield rose 30 basis points from 1.44% to 1.74%, while the 30 Year treasury yield rose 24 basis points from 2.17% to 2.41%. The Two Year treasury yield rose 2 basis points from 0.14% to 0.16%. During March, the ICE BofA BBB US Corp Index Option Adjusted Spread widened by 4 basis points to 1.23%.

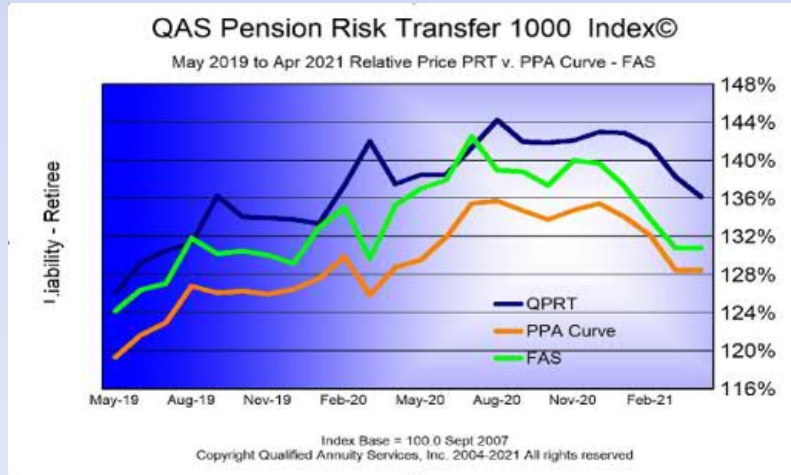
US and Foreign equity markets were both up in March. The S&P 500 was up roughly 4.2% while aggregate foreign markets were up around 1.6%. Since the end of March, both US and foreign markets are up with the US gaining another 4% and foreign markets rising nearly 3%.

The US population is now 27% fully vaccinated, while 41% have received at least one dose. Concern over the J&J vaccine has diminished. However, vaccine supply is expected to be replaced by vaccine hesitancy as the primary challenge. Concerns for J&J's vaccine add to that hesitancy.

Unemployment filings are down as more businesses have reopened and some restrictions are rolled back. India has become the global hot spot as Europe struggles with vaccine rollout and new variants linger. Markets, although up, remain volatile due to continued concerns over inflation and government spending as the Biden administration announces multi-trillion dollar initiatives.

Advice Alpha In the PRT Space

QAS defines Advice Alpha in the PRT space as the extra value that a client finds in being informed whether their PRT settlement cost meets or exceeds their expectations.



This expectation is usually in the form of an additional contribution necessary to fund the annuity purchase. As PRT Advisor, QAS monitors this gap in *real time* and when it's in the client's best interest to act, we add Advice Alpha as the key ingredient. This is one of the most valuable benefits of working with QAS as your trusted PRT Advisor. If volatility and cost are concerns, then QAS is the Alpha Advisor of choice. To find out more, give QAS a call.

Rates

Since the end of March, treasury rates have declined. The 10 year yield fell 17 basis points to 1.57%, while the 30 year yield also declined 17 basis points to 2.24%. The 2 year treasury was unchanged. The ICE BofA BBB US Corp Index Option Adjusted Spread has tightened 5 basis points since the end of March. Stay healthy.

PRT Trax Index +/-	
12 mo Hi-Lo %	+/- 5.9%
YTD % Δ	- 4.80%
3 mos % Δ	- 4.70%
1 mo % Δ	- 1.50%

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Learn More About QAS's PRT Advice Alpha Capabilities.

Get Informed. Think Strategic. Act Tactical.

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Date	Immediate	+/-	High	+/-	Deferred	+/-	High	+/-
April	2.21%	+0.28%	2.86%	+0.29%	2.46%	+0.17%	2.75%	+0.05%

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