



The Risk of Safest Available Annuity "Standard"

Annuity purchase rates moved narrowly to yield slightly higher PRT costs in December to the disadvantage of purchasers. Immediate annuity rates for Retirees increased 33 basis points to 4.99% and deferred rates rose 34 basis points to 4.98% from 4.64%.

January 10 Year Treasury rates ranged narrowly by 32 basis points between 4.49% and 4.81%. The 30 Year Treasury was again parallel ranging from 4.73% to 5.00%, or 27 basis points.

US and Foreign equity markets were mixed in January. The S&P 500 was up 2.3% after losing 2.6% in December and aggregate MSCI World markets fell 0.8%.

PRT Rate Action – Treasury Spreads Remain Tight

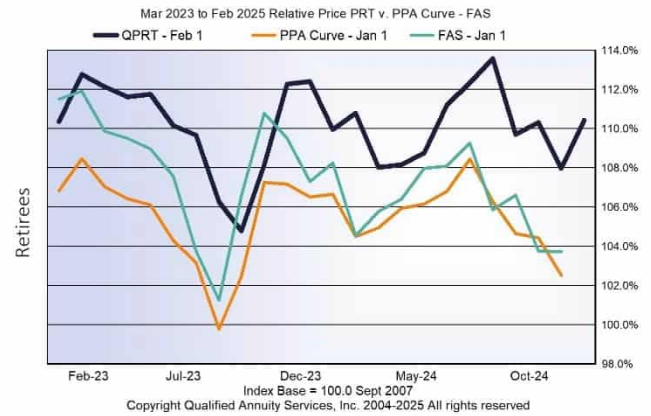
PRT Retiree Rate spreads to US 10 Year Treasuries rose slightly by 46 basis points while the Retiree Max spread slipped to 106 from 110 basis points.

The Folly of "Gilt Edge Standard"

The Safest Available Annuity "Standard" is a misguided goal and improper application of fiduciary responsibility. QAS took issue with this notion in 1995 (Gilt-Edge Standard).

Bussian should have settled this long ago. But advisors never adopted it. QAS did and it is our practice discipline: The QAS Procedural Prudence Standard as the appropriate.

QAS Pension Risk Transfer 1000 Index©



Fed Watch

The Fed's next move according to the CME Group FedWatch Tool (CME Fed Watch Tool) shows a 93.0% probability of rates unchanged at 425-450 basis points at the March 19, 2025 meeting.

Rates

The US Treasury 10-year yield ended at 4.57%, a mere 2 basis points lower than December 31 at 4.59%.

Table with 3 columns: PRT Model Plan Trax Index +/-, PRT, and PPA. Rows include 12mo HI-Lo %, YTD % Δ, 3mos % Δ, and 1mo % Δ.

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Where PRT Advice Matters Most

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Table with 9 columns: Date, Immediate, +/-, High, +/-, Deferred, +/-, High, +/-.