

July 18, 2013

Penbridge PRT Index: Buyout premium records largest decline in a single month

Highlights of July Penbridge PRT Index

-  Insurance provider's rates to annuitize defined benefit plan liabilities **set a record** in July for the **largest single-month decrease** since the Penbridge PRT Index's inception in January 2011.
-  The previous record for a one-month drop was set the month before.
-  The Index also dropped for the second month in a row relative to the PPA Spot basis, a rate used to establish DB plans' minimum funding targets which is based on current bond yields.

"In terms of insurer pricing, this is one of the more favorable times in recent years for plan sponsors to execute a pension risk transfer transaction," according to Steve Keating and Robert Goldbloom, Co-founders and Principals of Penbridge Advisors. They noted it is likely that many plans' buy-out funding positions improved in recent months, as well.

About Penbridge PRT Index

Sponsored by Penbridge Advisors, the Penbridge PRT Index represents the premium that an insurance provider would charge for a buy-out of a generic, corporate defined benefit plan. It is intended to illustrate relatively advantageous or disadvantageous times for a plan sponsor to purchase annuities from insurance providers. The Penbridge PRT Index is available each month on the Penbridge PRT Database. To access the database, please click here: <http://www.penbridgeadvisors.com/join>

About Penbridge Advisors

Penbridge Advisors provides specialist advice and manages a proprietary database focused on the Pension Risk Transfer (PRT) market for US defined benefit pension plans. Penbridge's PRT database is the first and only database dedicated to providing robust information about the US PRT market, products and insurance providers. The database, which is free of charge, is currently used by approximately 400 plan sponsors and advisory firms. Please visit www.penbridgeadvisors.com

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