

## What is the Dietrich Pension Risk Transfer (PRT) Index ?

The Dietrich Pension Risk Transfer Index has been designed to create a monthly benchmark that tracks the relative attractiveness of annuitizing accrued pension obligations by considering three key underlying financial ratios

- Funded Status Level **(50% Index Weight)**
- Current /Historical Annuity Rates **(30% Index Weight)**
- Annuity Rates vs. Treasury and Corporate Bonds **(20% Index Weight)**

## October 1, 2013 PRT Index Level

**96.19**

70 85 105 120

**Annuity Attractiveness**

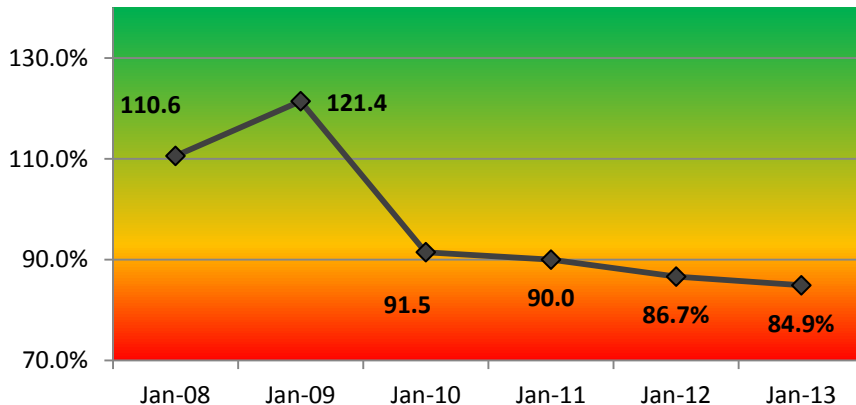
Evaluate Monitor Execute

Aug 2012:  
Index Low =79.8

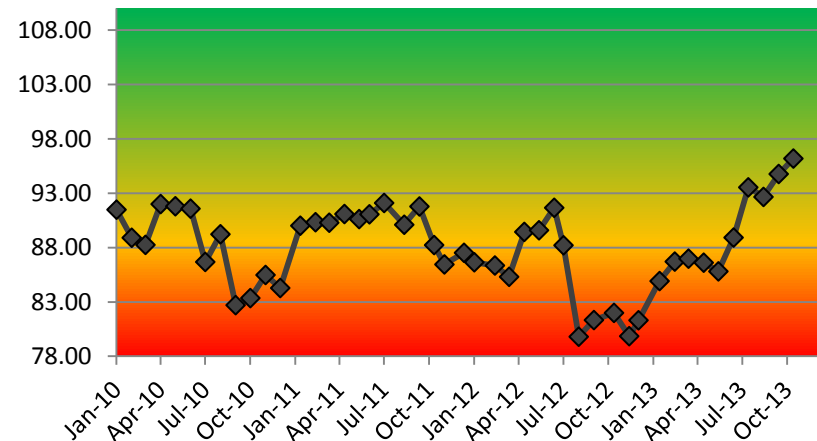
Jan 2009:  
Index High =121.4

**Annual PRT Index**

—◆— PRT INDEX



**Monthly PRT Index**



**Commentary:** The monthly index value increased 1.42 points due to widening spreads and increased plan funded status. The annuity discount rate proxy embedded within the index dropped 2 bps to 3.21%. This shows that there is a minor relationship solely between annuity discount rates and the attractiveness of insured Pension Risk Transfer solutions.