

Combat Falling Bond Values with a Risk Control Index

The inverse relationship between interest rates and bond values is well-known – when interest rates rise, bond values generally decrease. As we navigate the current rising interest rate environment, your clients may consider investments outside the bond category. With a fixed-indexed annuity (FIA) from Great American Life®, your clients may have the opportunity to allocate money to an indexed strategy linked to the S&P 500 Risk Control 10% Index, which has a history of outperforming bond values.*

Comparing Bond Values to the S&P 500 Risk Control 10% Index

In the example below, you can see that a point-to-point S&P 500 Risk Control 10% Index strategy with an 85% participation rate outperformed the Morningstar Core Bond Index seven out of the last 10 years, providing a greater average return than the bond index.

	Morningstar Core Bond Index	S&P 500 Risk Control 10% Index	
		Index Return	Pt-to-Pt with 85% Participation Rate
2009	4.59%	11.54%	9.81% ↑
2010	6.32%	8.62%	7.32% ↑
2011	7.97%	-3.49%	0.00%
2012	4.40%	6.54%	5.56% ↑
2013	-1.89%	21.91%	18.62% ↑
2014	6.07%	4.52%	3.84%
2015	0.97%	-4.82%	0.00%
2016	2.63%	5.47%	4.65% ↑
2017	3.64%	19.41%	16.50% ↑
2018	-0.01%	-2.04%	0.00% ↑
Avg.	3.47%	6.76%	6.63%



The Risk Control strategy outperformed the bond index seven out of the last 10 years!

Talk to your clients about how an FIA with an S&P 500 Risk Control 10% Index strategy could fit into their overall financial portfolio.

*The term "bond values" refers to investment-grade U.S. bond indexes, specifically the Morningstar Core Bond Index, representative of overall bond values. The Morningstar Core Bond Index is a broad investment-grade index that includes the largest, most important sectors of the investment-grade U.S. bond market. The index is comprised of the Morningstar U.S. Government Bond, U.S. Corporate Bond and U.S. Mortgage Bond indexes.

Returns shown are from 1/1/2009 - 12/31/2018.

The S&P 500 Risk Control 10% Index refers to the S&P 500 Average Daily Risk Control 10% USD Price Return Index. For more information, visit US.SPIndices.com and search keyword SPXAV10P. Past performance does not guarantee future results. You cannot invest directly in an index.

The launch date of this index was April 4, 2013. Performance prior to the index launch date is back-tested. Back-tested performance is not actual performance, but is hypothetical. Back-tested performance is subject to inherent limitations because it reflects application of an index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index.

The S&P 500 Average Daily Risk Control 10% Price Return Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by Great American Life Insurance Company. Standard & Poor's®, S&P®, S&P 500® and S&P 500 Average Daily Risk Control 10™ are trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Great American Life. Great American Life's annuity products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P or their respective affiliates, and none of such parties makes any representation regarding the advisability of investing in such products nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Average Daily Risk Control 10% Price Return Index.

Products issued by Great American Life Insurance Company®, a member of Great American Insurance Group (Cincinnati, Ohio). Products and features may vary by state. Not available in all states. © 2019 Great American Life Insurance Company. All rights reserved.