
Pioneer In Life Settlements Calls It Quits

By Editor Test *Wed, Feb 3, 2010*

Goldman Sachs decided to shut down Longmore Capital, its life settlements provider, about a month after unplugging its QxX mortality index.

Goldman Sachs Group Inc. has shut down its life settlements provider, Longmore Capital, *Investment News* reported.

The move marks Goldman Sachs's exit from the secondary life settlements market, said Michael DuVally, a spokesman for the firm. He said that the decision to shut down the life settlements provider was a "commercial decision."

"When we entered in 2006, we thought the life settlements market had the potential to grow into a large institutional market, but at the present time we don't see it growing beyond the size it has right now," he added.

Goldman's decision to shut down Longmore Capital arrives about a month after the investment bank's decision to shut down its QxX mortality index.

Launched in January 2008, the QxX index tracked the lives of 46,000 people over 65 with a primary impairment (other than AIDS or HIV). Goldman followed that with the release of the QxX.LS.2 index in December 2008, with another pool of 65,655 people over 65 with conditions that included cancer and diabetes.

That market never took off, however, and industry observers said that few trades were made on the index.

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