
Securian, Nationwide add managed-vol funds to VAs

By Editor Test Thu, May 2, 2013

The trend toward embedding risk-management mechanisms inside variable annuity portfolios continues.

Securian adds managed-volatility portfolios to some VAs

Securian has added a new set of Managed Volatility Portfolios as investment options in some of its MultiOption variable annuities, which are issued by Minnesota Life Insurance Company, a subsidiary of Securian Financial Group, Inc., the company said in a release.

“These new investment options join three TOPS® Managed Risk ETF Portfolios we introduced last year that also employ hedging strategies,” said Dan Kruse, second vice president and actuary, Individual Annuity Products, Securian Financial Group.

The new options, listed below, became available on May 1, 2013.

- AllianceBernstein VPS Dynamic Asset Allocation
- Goldman Sachs VIT Global Markets Navigator
- PIMCO VIT Global Diversified Allocation
- SFT Advantus Managed Volatility Fund

They join these TOPS® Managed Risk ETF Portfolios introduced in 2012:

- TOPS® Managed Risk Balanced ETF Portfolio
- TOPS® Managed Risk Moderate Growth ETF Portfolio
- TOPS® Managed Risk Growth ETF Portfolio

Nationwide adds four new managed-vol funds to core VA line-up

Nationwide Financial announced today the addition of four new managed volatility fund options for its core VA line-up. The new NVIT (Nationwide Variable Insurance Trust) Managed Funds are designed to capture growth when the stock market rises and help buffer against major losses when it falls.

The new managed volatility funds include:

- NVIT Cardinal Managed Growth Fund

- NVIT Cardinal Managed Growth & Income Fund
- NVIT Investor Destinations Managed Growth Fund
- NVIT Investor Destinations Managed Growth & Income Fund

The patent-pending algorithm incorporated into the new NVIT funds evaluates stock market conditions on a daily basis, actively adjusting equity exposure to seek gains when volatility is low and avoid excessive losses when volatility is high.

The new funds invest in a traditional asset allocation portfolio of underlying stock and bond funds, managing investment risk through diversification. An additional layer of risk management for market volatility comes from an overlay of stock index futures, which dynamically adjusts the funds' overall equity exposure in response to market volatility.

© 2013 RIJ Publishing LLC. All rights reserved.