
Security Benefit adds high-dividend stock index to fixed indexed annuity

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Security Benefit Life has added one-year and two-year interest crediting options based on the BNP Paribas High Dividend Plus Index (HD Plus Index) to its Total Value Annuity (TVA), the company announced this week.

The HD Plus Index is made up of high-dividend stocks, chosen through a “rules-based” strategy that adds “yield-enhancement” and “risk-reduction” overlays to a dividend-focused stock portfolio, according to Security Benefit.

Every month, the HD Plus Index tries to buy stocks it expects to pay strong, consistent dividends. On average, the HD Plus Index is comprised of 75 to 80 highly liquid, non-financial U.S. stocks. The Index also aims for a targeted volatility rate of 6%—about half the S&P500's historical volatility—through actively adjusted cash exposure.

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