
The Bucket

By Editorial Staff Tue, Sep 28, 2010

Late-breaking items about WealthVest, LifeYield, Vanguard, ING, MassMutual and more...

WealthVest To Distribute LifeYield's Tax-Efficiency Software

LifeYield, LLC's tax-efficient retirement income planning software will be distributed by Wealthvest Marketing, a provider of guaranteed products and practice management services for independent advisors, the two companies announced.

LifeYield builds a web-based, unified managed household (UMH) solution, LifeYield ROI, which suggests the most tax efficient sequence to grow and withdraw assets across multiple taxable and tax advantaged accounts while automating time consuming tasks.

WealthVest distributes guaranteed accumulation and income solutions for 13 product managers, offers coaching and practice management events through 44 field consultants.

Vanguard TDFs Increase International Equity Exposure

Vanguard plans to simplify the construction of its Target Retirement Funds and certain other funds-of-funds by replacing their three underlying international portfolios with a single broad international stock index fund. Vanguard will also increase the overall international equity exposure of these funds.

Assets in the funds' current international component funds—Vanguard European Stock Index Fund, Vanguard Pacific Stock Index Fund and Vanguard Emerging Markets Stock Index Fund—will be moved to Vanguard Total International Stock Index Fund. The transition will occur in the coming months in the 12 Vanguard Target Retirement Funds and three Vanguard Managed Payout Funds.

Under the simplified approach, most of the Target Retirement Funds will comprise three broad index funds. Target Retirement Funds with target dates greater than five years from the current year will offer allocations constructed using only three funds: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, and Vanguard Total International Stock Index Fund.

The use of Vanguard Total International Stock Index Fund offers better representation of the international equity markets. The fund's benchmark, which Vanguard recently announced will change to the MSCI All Country World ex USA Investable Market Index, provides broad coverage of developed and emerging countries across the capitalization spectrum, including international small-cap companies, as well as Canada.

Vanguard also plans to increase the international equity exposure of Vanguard Target Retirement Funds, Vanguard LifeStrategy Funds, and Vanguard STAR Fund from about 20% to about 30% of the equity allocations. The exposure to domestic equities in these funds will be reduced, so that the overall allocation

of stocks and bonds remains the same.

New Global Bond Product from ING

ING Investment Management Americas has launched the ING Global Bond Collective Trust Fund for institutional investors. The strategy combines fundamental and quantitative analysis of investments in more than 20 countries. The strategy has a 5 star rating from Morningstar and has been a top decile performer since inception according to PSN (1).

“We believe that there will be considerable opportunity in global bonds over the next years and that this asset class will continue to provide favorable results over a market cycle,” said Erica Evans, senior vice president and head of the U.S. Institutional Business at ING Investment Management.

The ING Global Bond Collective Trust Fund tracks the Barclays Capital Global Aggregate Bond Index by investing sovereign debt, corporates, emerging markets, high yield and mortgage-backed securities.

The strategy employs three main tools: duration and yield curve, active currency management and broad sector rotation. Currency markets provide a liquid means to capitalize on opportunities in various types of economic environments and to manage the risk profile of the fund more precisely.

“The U.S. represents less than half of the global bond market, and there are significant opportunities in fixed income investing in other parts of the world. Global bonds have provided an effective approach to broadening and diversifying portfolios and yet the category still has historically been under-utilized by many investors,” said Michael Mata, Senior Portfolio Manager for the Global Bond strategy.

Two MassMutual Execs to Lecture at TRAU

Two senior executives from MassMutual’s Retirement Services Division have been named founding lecturers of The Retirement Advisor University (TRAU), a newly-created certification program specifically for defined contribution retirement plan advisors offered by the UCLA Anderson School of Management Executive Education. Completion of the certification program results in the designation C(k)P.

The two executives are Elaine Sarsynski, executive vice president of MassMutual’s Retirement Services Division and chairman and CEO of MassMutual International LLC and Hugh O’Toole, senior vice president and head of sales and client management for MassMutual’s Retirement Services Division.

Sarsynski will give her first lecture on Sept. 29 and it will focus on *Distinguishing Yourself in the Competitive Landscape of the Retirement Plan Industry*. O’Toole’s lecture will take place in December and will focus on *How to Develop & Implement Results-Driven Participant Education*.

The creator of TRAU, Fred Barstein, founder and CEO of the 401kExchange, said, “The mission of The Retirement Advisor University at UCLA Executive Education is to empower financial professionals focused on the defined contribution and 401(k) industry with the qualifications and skill sets necessary to deliver on the promise of a secure retirement for plan sponsors and participants.” says Fred Barstein, founder and

CEO, 401kExchange and creator of TRAU™.

Ascensus and PacLife in 401(k) Co-Venture

Ascensus and Pacific Life have teamed up to offer a new program to address the needs of small business retirement plan sponsors—fee disclosure, diversified investment options, and cost-effectiveness.

The Pacific Life Keystone Program combines the Portfolio Optimization Funds, offered through Pacific Life Funds, and Ascensus, Inc. provides an employer-sponsored 401(k) plan for small businesses.

“Through this relationship, Ascensus and Pacific Life have developed a powerful retirement plan solution. Small businesses will benefit from the combination of our proven industry expertise, high-quality investment options and tailored approach,” states Mike Narkoff, senior vice president, Sales at Ascensus.

The Keystone Program provides fee transparency, investment flexibility, and a simplified implementation process. The program offers access to Portfolio Optimization Funds—five target-risk funds that range from conservative to aggressive. In addition, plan sponsors may choose from a variety of other investment options to ensure that they receive a plan tailored to the individual needs of their participants.

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