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## The Bucket

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By Editorial Staff    *Wed, Sep 14, 2011*

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*Brief or late-breaking items from MassMutual, Genworth Financial, Morningstar, Deutsche Borse and Nationwide Financial.*

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### **Sweet deal: MassMutual to manage Godiva 401(k)**

Godiva Chocolatier, Inc. has chosen MassMutual as the new retirement plan services provider for the company's 401(k) and new nonqualified retirement plans. Godiva is headquartered in New York, N.Y., with production facilities in Belgium and the U.S.

The Centurion Group, based in Plymouth Meeting, Pa., assisted Godiva with the search for a new retirement plan services provider.

### **Genworth names Amy Corbin CFO of Retirement and Protection**

Genworth Financial, Inc. has named Amy R. Corbin senior vice president and chief financial officer of its Retirement and Protection segment.

Corbin, 44, joined Genworth in 2003 and has held a number of roles of increasing responsibility in financial management, most recently as Genworth's controller and Principal Accounting Officer.

In her new role, she will provide overall financial leadership for the Retirement and Protection segment as well as financial and analytic expertise to drive consistent, profitable growth through Genworth's commercial and capital allocation strategies.

Corbin received her Master's of Science in Taxation and Bachelor's Degree in Accounting at the University of Central Florida and is a Certified Public Accountant.

While an internal and external search for Corbin's replacement is conducted, she will also maintain her current responsibilities as Genworth's Controller and Principal Accounting Officer.

### **Morningstar reports U.S. mutual fund and ETF asset flows through August 2011**

Morningstar, Inc. reported estimated U.S. mutual fund and exchange-traded fund asset flows through August 2011.

Redemptions from long-term mutual funds nearly doubled to approximately \$32.5 billion in August after outflows of about \$17.1 billion in July. August marked the most severe mutual fund outflows since

November 2008. U.S. ETFs collected assets of just \$947 million in August following July's inflows of \$17.2 billion. Although August's inflows were meager, U.S. ETFs have realized only a single month of outflows in the trailing 12.

Additional highlights from Morningstar's [report](#) on mutual fund flows:

- Despite August market volatility, U.S.-stock outflows fell to \$15.5 billion during the month after redemptions of \$22.9 billion in July.
- As an indication that risk aversion has spread to fixed income, investors pulled \$12.0 billion from taxable-bond funds in August. Bank-loan and high-yield bond funds were hardest hit, with outflows of \$7.3 billion and \$5.1 billion, respectively.
- With assets fleeing all of the major asset classes during August, investors found refuge of a sort in money market funds, which saw inflows of \$74.8 billion. This total was the biggest monthly inflow for such funds since January 2009, and partially reversed June and July's combined \$150.0 billion in outflows.
- Modest outflows continued for international-stock and balanced funds in August. The asset classes experienced respective outflows of \$2.9 billion and \$2.3 billion.

Additional highlights from Morningstar's report on ETF flows:

- U.S. stock ETFs, which typically drive overall ETF flows, saw inflows of just \$394 million in August.
- International-stock ETFs lost \$5.5 billion during the month, the greatest outflow for any ETF asset class. This outflow also marks the largest monthly net redemption for international-stock ETFs in the past three years.
- Taxable-bond offerings, which added another \$4.3 billion in August, saw greater inflows than any of the other ETF asset classes during the month.
- Commodities ETFs experienced outflows of nearly \$2.0 billion in August.

### **In Europe, longevity index ETFs are discussed**

Exchange-traded funds (ETFs) could be used for trading longevity once the market becomes sufficiently liquid, Deutsche Börse has suggested, according to a report from IPE.com.

Asked when the market would be liquid, Hendrik Rogge, who is responsible for the Deutsche Börse's Xpect longevity indices, conceded it was a question Deutsche Börse would also like answered.

If liquidity develops, Rogge also told delegates at the Longevity Seven conference in longevity trading would be limited to ETF funds and future contracts, as regular trading would be impractical due to the monthly release of new data.

Introducing ETFs was a "possible solution" toward making longevity risk more tradable, he added, but that other stumbling blocks remained. For instance, it has been "hard to find a first mover" to commit to a first trade.

“I don’t think we will see day traders on longevity indices because changes occur on a monthly basis,” he said when asked about such a possibility. “It will be hard to find a day trader willing to trade within the days we publish these indices.”

### **Nationwide Financial unveils Flexible Advantage**

Nationwide Financial Services, Inc. has expanded its retirement plan offerings to include a new product, Nationwide Retirement Flexible Advantage, for use by retirement plan specialist advisors, most of whom receive fee-based compensation and who account for 70% of industry sales, up from 55% in 2005.

The new package offers a range of investment options, no proprietary fund requirements, fee transparency, fee-based compensation and comprehensive support.

The product’s features include:

- **More** than 900 mutual funds from 90 fund families, along with fixed investment choices, including the Nationwide Bank FDIC Insured Deposit Account.
- **Sever**al target date fund options, a self-directed brokerage account and managed accounts from multiple providers.
- **Sever**al fee-based pricing options, including per participant, percent of assets or flat dollar fee-based pricing options, or commission compensation.
- **Upfront pricing** so advisors can share expense information with their plan sponsor clients and participants. Flexible Advantage also offers **Nationwide ClearCredit** which enables Nationwide to lower overall plan costs.
- **Fiduciary tools and support** designed to help give advisors and plan sponsors meet fiduciary responsibilities.
- **End-to-end sales support**, plan reporting, participant education and an ERISA and regulatory online resource.