
The Bucket

By Editorial Staff *Thu, Feb 21, 2013*

Brief or late-breaking items from Nationwide, MetLife, Northwestern Mutual, and Jefferson National.

Nationwide's 2012 operating income survived Superstorm Sandy

Despite paying out \$400 million for damages related to Superstorm Sandy in the fourth quarter of 2012 and despite "some planned risk management actions" in its variable annuity line, Nationwide reported net operating income of \$741 million in 2012, up 43% from \$517 million in 2011.

In a release, Nationwide reported total operating revenue for 2012 of \$22.4 billion, or some \$1.7 billion more than 2011. Nationwide paid over \$13.7 billion in property & casualty, life insurance and other benefits to customers in 2012.

"P&C direct written premiums grew across all major product lines in 2012, particularly in our commercial lines," said Mark Thresher, chief financial officer. "In total, property & casualty premiums rose more than 10% to \$16.2 billion, including nearly \$800 million in premiums from Harleysville Insurance, which was acquired on May 1, 2012.

"In our financial services business, sales topped \$18 billion for the year, down modestly from last year due to some planned risk management actions taken during 2012 in our variable annuity product line."

Despite Superstorm Sandy, Nationwide reported a net operating income of \$18 million in the fourth quarter, down from \$142 million during the same period in 2011.

MetLife sheds bank holding company status

MetLife has received the required approvals to deregister as a bank holding company from the Federal Deposit Insurance Corporation and the Federal Reserve. MetLife sold its MetLife Bank's depository business to General Electric Capital on January 11.

Northwestern Mutual hosts webcast for plan

participants

On March 5 at noon Central Standard Time, Northwestern Mutual will host a webcast for plan participants called, "Make Your Money Last: Shattering the Top 5 Retirement Planning Myths."

Northwestern Mutual's vice president-market strategy, Rebekah Barsch, will discuss longevity risk, income planning and healthcare costs. The webcast is the second in the mutual insurer's "Planning for Success" series.

Jefferson National VA to offer tactically-managed portfolios from CMG Capital Management

Jefferson National, whose flat-fee Monument Advisor variable annuity offers hundreds of investment options to Registered Investment Advisors and fee-based advisors for tax-deferred investing, has launched three new tactically managed model portfolios with CMG Capital Management Group.

Models available to the RIAs and fee-based advisors working with Jefferson National include CMG System Research Treasury Bond Program, CMG Opportunistic All Asset Strategy and CMG Scotia Partners Growth S&P Plus Program.

These tactical strategies employ what CMG refers to as "enhanced modern portfolio theory," using "quantitative rules-based trading strategies, incorporating various technical, fundamental and mathematical indicators, with a clearly defined buy and sell discipline," according to a Jefferson National release.

The high-turnover typical of tactically managed portfolios can produce short-term capital gains, and generate taxes that can reduce returns. Morningstar estimates that over the 74-year period ending in 2010, failure to defer those taxes could have reduced some investors' returns by as much 100 to 200 basis points a year, the release said.

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