



RETHINK RETIREMENT

INTRODUCING JULI ADVANCE

If you think inflation will be more than 5% pa over the next 20 years

There has been a significant shift in the annuities market from Living Annuities to 5% Fixed Escalating Annuities (FEA) over the past year. But is anyone really confident that SA inflation will not exceed 5% pa over a pensioner's lifespan of 20 to 40 years?

Not the investment markets! The yield curve expects inflation to rise to 7.5% in 10 years and 9% in 15 years, averaging 8% pa over the next 20 years. If this is right, a pensioner buying a 5% FEA will see their income drop 30% in real terms over this period.

Not history! Since 1990, inflation has exceeded 5% in 21 out of 33 years.

On the other hand, is anyone really confident that balanced fund investment returns will be between 15% and 24% every year from 2030 to 2042, as suggested by the nominal yield curve?

Not advisers! While views are varied, we can sum these up as "if I got 15% pa over any six-year period, I'd be happy".

Just is introducing JuLIA (JuLI Advance), a new with-profit annuity feature to address these market anomalies:

- JuLIA's starting income will be much higher than a comparable with-profit annuity (including JuLI)
- JuLIA's starting income will be similar to a comparable FEA.
- Clients participate in investment returns that are smoothed over 6 years up to an average investment return of 15% pa (the "happy adviser" point)
- This provides potential upside against comparable FEAs:
 - JuLI StableGro Advance provides increases up to 8% pa (i.e. 3% higher than 5% FEA)
 - JuLI HiGro Advance provides increases up to 10,7% pa (i.e. 4,7% higher than 6% FEA)

Just has introduced this unique feature because we believe:

- A diversified balanced portfolio will yield more over a 20+ year period than a fixed income portfolio.
- It is never good to put all your eggs in one basket, even if that basket is backed by Government bonds.
- Clients shouldn't be paying, in the form of reduced starting income, for projected future investment returns which are significantly higher than adviser expectations.

Our Business Development Managers would love the opportunity to draw a quote and chat to you about *JuLI Advance*.

Just rethinking retirement again, following our previous innovations:

- Underwriting at retirement
- With-profit annuity, linked to independent asset managers and without insurer discretion
- Blended living annuities (lifetime income within a living annuity)

Just Retirement Life (South Africa) Limited is a registered life insurance company and an authorised financial services provider.