

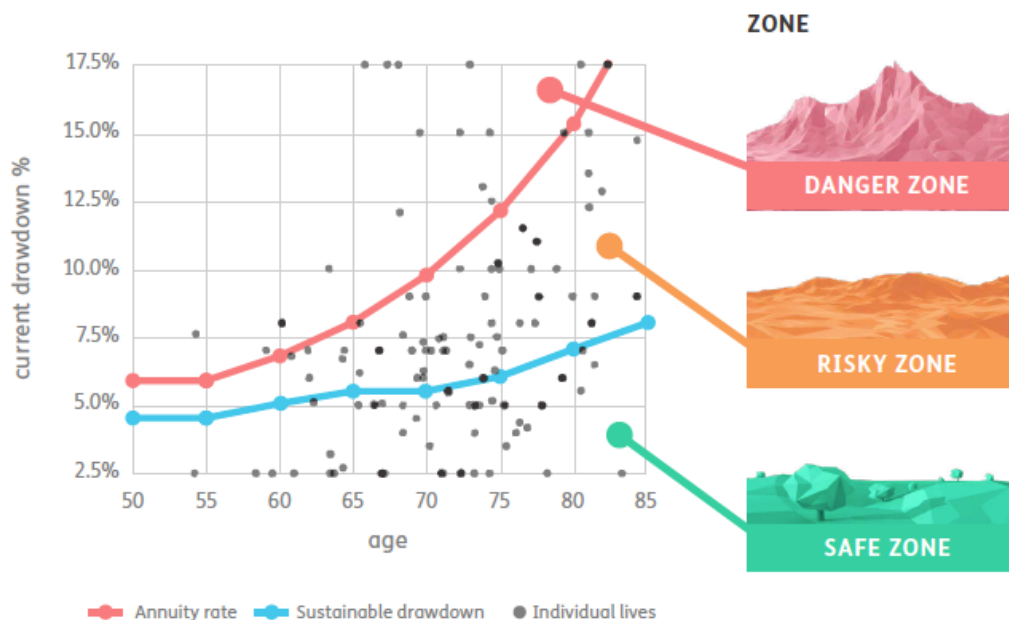
INVESTMENT PROTECTION FOR PENSIONERS

In the last month, the CEOs of JP Morgan, Goldman Sachs and Morgan Stanley have warned of the risk of a significant fall in the equity market

- JPMorgan Chase CEO Jamie Dimon warned of a heightened risk of a significant correction in the US stock market within the next six months to two years
(9/10/2025 [JPMorgan CEO Dimon warns of US stock market correction risk, BBC reports | Reuters](#))
- “We should welcome the possibility that there would be drawdowns, 10 to 15 per cent, that are not driven by some sort of macro cliff effect,” Morgan Stanley CEO Ted Pick said.
- “When you have these cycles, things can run for a period of time. But there are things that will change sentiment and will create drawdowns, or change the perspective on the growth trajectory, and none of us are smart enough to see them until they actually occur,” Goldman CEO David Solomon.
(04/11/2025: [Goldman, Morgan Stanley CEOs warn of pullback in global equity markets - The Business Times](#))

You have the opportunity to help your clients lock in guaranteed income for life before the next market fall

- 1/3 of living annuity pensioners are in the Risky Zone, drawing more than a sustainable level of income, but less than guaranteed life annuity rates.
- If they were invested in a balanced fund, they have benefited from 2 years of strong double digit returns:
 - drawdown rates may have become more comfortable for some
 - some may have moved from the Danger Zone to the Risky Zone



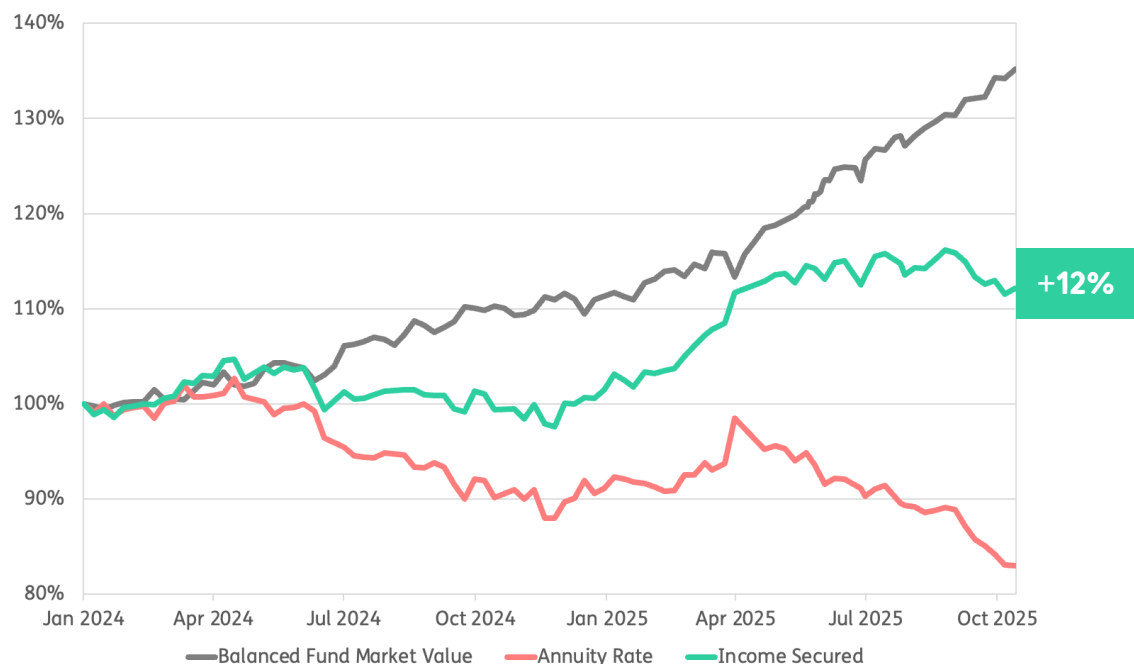
Source: Just SA

Your clients can stay invested and look to beat inflation, with downside protection

- A with-profit annuity allows pensioners to remain invested in this strategy, but with smoothed returns and downside protection.
 - Their income will never decrease even if investment markets fall from current levels.
- With-profit annuity increases for 2026 will be formally announced in December
 - Those targeting increases in line with inflation will beat that target comfortably in 2026.
- Increases for 2027 will remain strong, even if investment returns are low single digits next year (check your fund fact sheet for projected increases under different investment return scenarios).

Don't wait for better annuity rates

- The equity market and long-term interest rates (that drive annuity prices) are typically inversely correlated.
- When pensioners invest their higher market values at current annuity rates, they can secure higher guaranteed income for life than in early 2024 when annuity rates were higher



Source: Just SA

Your pensioners could enjoy peace of mind over the festive season

They can focus on family and don't need to worry about market predictions from the CEOs of the world's major investment banks.