

**TRADED LIFE POLICIES ARE SET FOR GLOBAL BOOM AS INVESTORS SEEK
REFUGE FROM MARKET VOLATILITY**

13 October 2011 – Traded life policies (TLPs), or life settlements, are attracting increased interest from investors around the world as worries over government debt in the Western world threatens to spark further financial crises, says Managing Partners Limited, the boutique fund manager.

MPL has seen the Net Asset Value of its Traded Policies Fund rise from \$126.6m to \$176.9m over the year to 15 September 2011, representing a near 40% rise. Over this time the value of new subscriptions into the Fund was \$40.5m. Interest in the Fund has been generated from across Europe and in Asia, where investors looking for alternatives to equities and bonds are attracted to the steady, incremental returns offered by TLPs.

The Merlin Stone Report 2010, commissioned by MPL and available for free on its website (www.managing-partners.com), pointed out that estimates of the size of the TLP market in North America has grown from around \$2bn in 2002 to \$16bn in 2008 in terms of the face value of policies traded. There are estimates for the market to grow as high as \$161bn by 2030.

Jeremy Leach, Managing Director of MPL, commented: “The government debt crises on both sides of the Atlantic have spooked investors. Commodities, especially precious metals, are being seen as a store of real value, but TLPs offer steady, incremental returns irrespective of what is happening on financial markets and that is highly attractive to investors going forwards. And this lack of correlation with equities and bonds is borne out by our research.”

The research by MPL has shown the extent to which traded life policies (TLPs) are uncorrelated with other major asset classes, particularly in bear markets. Using





the Traded Policies Fund as a proxy for TLPs and the S&P 500 as a proxy for equities, the research shows that the Fund has a negative correlation of -0.35 over the five years to 1 May 2011, where '1' represents a 100% positive correlation and '-1' represents 100% negative correlation. This period covers the credit crunch bear market when equity markets were extremely volatile.

Over the last one and three years, the correlation is 89% and 68% respectively, showing that when equity markets delivered positive performance the correlation was stronger.

The Fund was also compared with the JPMorgan Global Aggregate Bond Index. Over three and five years the TPF had a 76% and 93% positive correlation respectively, yet over the last year - when bonds have struggled - the correlation is negative at -45%.

TLPs, also known as life settlements, are US-issued whole of life policies sold before their maturity date to allow the original owners to enjoy some of the benefits during their own lifetimes. They offer investors the security of knowing exactly what amount will be paid out upon maturity, but not when. Therefore fund managers need to carry out prudent actuarial analysis and sufficient diversification.

MPL's 'Traded Policies Fund' was an outstanding performer during the financial crisis. The US Dollar Institutional share class has returned 83.98% net of all charges from its launch on 1 July 2004 to 1 August 2011, equivalent to an annualised return of 8.98%. It has delivered 9.64% over the 12 months to 1 August. The Sterling Growth share class, which is suitable for UK retail investors, returned 9.13% over the 12 months to 1 August 2011 and an annualised 9.18% since its launch on 15 April 2008. The Fund offers share classes in Japanese Yen, US Dollar, Euro, Sterling, Swiss Franc and Swedish krona.

The minimum direct investment in the fund is £35,000 but the fund can also be accessed via insurance bonds or SIPPs for £2,500.



For further information on Managing Partners Limited range of funds, call 0203 397 0525 or visit (www.managing-partners.com).

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Notes to Editors

MPL is a multi-disciplined investment company that specializes in managing alternative asset classes for institutions and sophisticated investors. It is a market leader in managing funds that invest in traded policies, an asset class that is renowned for its low-risk, inherent guarantees and balanced growth characteristics.

The board of MPL has more than 70 years' collective experience in asset management. MPL is recognized by the Cayman Islands Monetary Authority as an asset manager, where it manages a number of collective investment schemes and regulated mutual funds with total assets in the region of US\$200 million.