

INDEX ANNUITIES

A Historical Look at Diversification – By Index and Crediting Strategy

Index annuities generally offer a wide variety of accounts linked to a stock-market index – and for good reason: not all perform consistently through varying market cycles. A point-to-point cap strategy linked to the S&P 500® tends to perform well during stable growth, while an Averaging strategy may stand out when stocks are more volatile.

EquiTrust index-annuity buyers also benefit from growth achieved in other asset classes, with protection against sustained periods of declining stock values. Broad diversification is achieved through accounts linked to volatility-controlled indices: Barclays Focus50 Index and S&P MARC 5% Excess Return Index.

MarketSeven Index

This table ranks annual index strategy performance from 2010 to 2021, assuming rates in effect 11/09/2022.

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
S&P 500 12.78%	S&P 500 0.00%	S&P 500 13.41%	S&P 500 29.60%	S&P 500 11.39%	S&P 500 -0.73%	S&P 500 9.54%	S&P 500 19.42%	S&P 500 -6.24%	S&P 500 28.88%	S&P 500 16.26%	S&P 500 26.89%
S&P MARC5 25.69%	S&P MARC5 21.81%	Barclays Focus50 12.47%	Barclays Focus50 20.91%	Barclays Focus50 15.58%		Pt to Pt Cap 9.54%	Barclays Focus50 22.16%	Mthly Avg Cap 2.42%	S&P MARC5 26.72%	S&P MARC5 16.15%	Mthly Cap 15.85%
Barclays Focus50 18.33%	Barclays Focus50 17.23%	S&P MARC5 11.61%	Mthly Cap 20.50%	S&P MARC5 12.64%		S&P MARC5 8.42%	S&P MARC5 20.88%	Mthly Avg Par 1.58%	Barclays Focus50 21.02%	Pt to Pt Cap 10.00%	Mthly Avg Cap 11.00%
Pt to Pt Cap 10.00%	Mthly Avg Cap 1.84%	Mthly Avg Cap 10.25%	Pt to Pt Par 11.84%	Pt to Pt Cap 10.00%		Barclays Focus50 8.30%	Mthly Cap 17.23%	Barclays Focus50 0.00%	Mthly Cap 16.31%	Pt to Pt Par 6.50%	Pt to Pt Par 10.76%
Pt to Pt Par 5.11%	Mthly Avg Par 1.19%	Pt to Pt Cap 10.00%	Mthly Avg Cap 11.00%	Mthly Cap 9.06%		Mthly Cap 5.04%	Mthly Avg Cap 10.11%	S&P MARC5 0.00%	Pt to Pt Par 11.55%	Barclays Focus50 4.50%	Pt to Pt Cap 10.00%
Mthly Avg Cap 1.40%	Pt to Pt Cap 0.00%	Mthly Cap 9.66%	Mthly Avg Par 10.30%	Mthly Avg Cap 5.20%		Pt to Pt Par 3.81%	Pt to Pt Cap 10.00%	Pt to Pt Cap 0.00%	Mthly Avg Par 11.18%	Mthly Avg Par 0.00%	Mthly Avg Par 9.05%
Mthly Avg Par 0.91%	Pt to Pt Par 0.00%	Mthly Avg Par 6.66%	Pt to Pt Cap 10.00%	Pt to Pt Par 4.56%		Mthly Avg Cap 3.03%	Pt to Pt Par 7.77%	Pt to Pt Par 0.00%	Mthly Avg Cap 11.00%	Mthly Avg Cap 0.00%	Barclays Focus50 6.85%
Mthly Cap 0.00%	Mthly Cap 0.00%	Pt to Pt Par 5.36%	S&P MARC5 0.00%	Mthly Avg Par 3.38%		Mthly Avg Par 1.97%	Mthly Avg Par 6.57%	Mthly Cap 0.00%	Pt to Pt Cap 10.00%	Mthly Cap 0.00%	S&P MARC5 0.55%

- **Five of the seven** strategies earned a top ranking in at least one year
- In years of negative or zero S&P 500 index change, **only one year resulted in zero credits** among all strategies
- Volatility-control index options assumed **first and second rankings** in six of the last 12 years

By diversifying premium among a variety of strategies – and among indices – your clients may realize more consistent overall performance than going “all in” on a single strategy – and reduces the temptation to chase past results by reallocating.

Index Annuity for All Seasons

MarketSeven Index features a 7-year design, nine index-linked strategies with competitive rates, and a history of strong renewal rates. Three account options are linked to the Focus50 or MARC 5% indices.

For illustrative purposes only. Past performance does not assure future results. The annual returns for the index strategies assume the current cap or participation rate applied consistently for the example period, and may not reflect actual rates Available during the example period. Cap and participation rates can change annually; some two-year accounts are offered but not included in this example. Contract issued on Form Series ICC16-ET-FIA7-2000(10-16) or ET-FIA7-2000(10-16). This material is not intended to provide investment advice to you or to your specific situation. EquiTrust does not offer investment advice to any individual and this material should not be construed as investment advice. Products underwritten and issued by EquiTrust Life Insurance Company, West Des Moines, Iowa. Products distributed by EquiTrust Insurance Marketing Services; in California doing business as EQT Insurance Marketing Services. For Producer Use Only.

