

From the Editor

Dear Valued Clients,

Welcome to the new year 2013. Hope you all had a wonderful holiday season.

2012 was quite an interesting year for us with the PALVF making a return on investment of 13.24%. And the retiree fund 12.87%.

Last year, a number of events took place ranging from the nations economic climate to our activities as a company hinged on our responsibilities to the community as a whole as well as our contributors.

Taking a look at some of the activities in the nations economy early in the year, there was the partial removal of fuel subsidy which resulted in the decline of the country's real GDP growth from 7.43% in 2011 to 6.58% in 2012. This also had its toll on inflation.

The money market on the other hand was relatively stable with an average of 15%. Interestingly, some FGN bonds were included in the JP Morgan Emerging Market Bond Index which had an impact on the bond yield which averaged 12%. The stock market ended the year on an impressive note gaining 35.45% in 2012 with the banking sector being the best performers. This was the best performance posted by the equity market since the global financial crisis of 2008.



A snapshot of presentation of gifts by Pal Staff to Staff of Regina Mundi Old People's home.

On the social side, one of our activities during the year was our visit to the Regina Mundi Old People's home. This is one of the various ways we try to give back to the community, re-emphasising that we are truly what we say we are...*your PAL for life*. It was indeed a memorable outing for both parties.

As part of our objectives to provide value added services to our clients, we organised several Pre-Retirement Seminars in different locations across the country. These seminars were held in Lagos, Nsukka, Ibadan, Port Harcourt and Benin respectively. The seminars served as an avenue for prospective retirees to be enlightened on our expectations of them as they approach their retirement.



Cross section of participants being addressed by the MD, Palpensions at one of the seminars.

Also, attendees were informed of what their expectations should be of us as the PFA, PENCOM as the regulator and their employers at their point of retiring. One of the sessions of the seminar focused on educating participants on life in retirement. Another session discussed medical care in retirement. The sessions were very interactive and a lot of grey areas were covered.

JOKE



A lady with her baby is sitting in a bus beside the driver...
 "What an ugly baby!", said the driver to the lady.
 Feeling insulted, she moved to another seat and murmured a few things under her breathe. The man next to her asked, "What happened?"
 "The driver just insulted me!" she cried. Sympathetic, the man offered, "That foolish man, he shouldn't have insulted you! Go, get his number. I'll hold your monkey for you."

FAQs & Answers



Q: Can I now transfer my Retirement Savings Account from one PFA to another?

A: Not yet. In August 2012, the National Pension Commission PENCOM released the guidelines for the process of transferring ones RSA from one PFA to another. The process has not begun yet due to issues bordering on data validity.

However, when the process begins, the following documents are required to effect a transfer:

- the completed transfer form
- a recent photograph on white background
- original copy of letter/certificate of PIN registration or statement of account
- copy of official id card (staff id) along with drivers license, national id card or international passport
- appointment letter for private sector employees and letter of 1st appointment/attestation letter for public sector employees
- introduction letter from current employer
- birth certificate/declaration of age

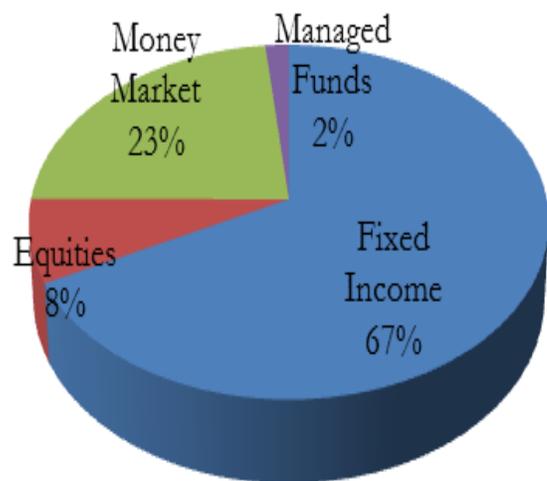
The transfer can be effected on quarterly basis for periods ending March 31st, June 30th, September 30th and December 31st.

The guideline is available at www.pencom.gov.ng.

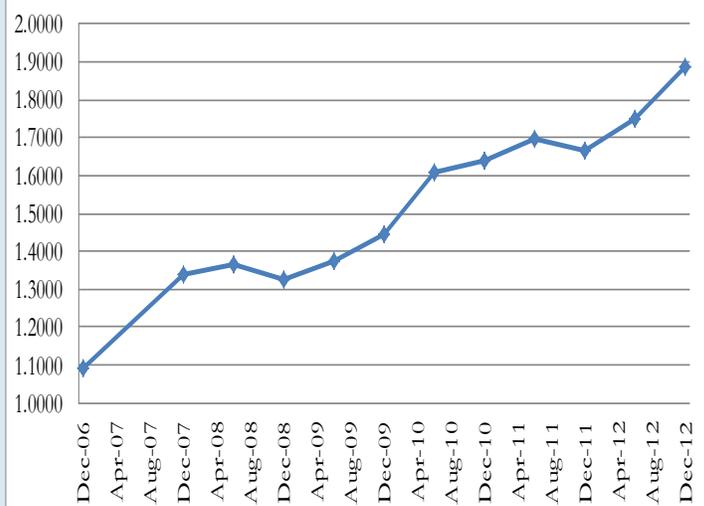
THE PAL VALUE FUND

The PAL Value fund opened with a unit price of 1.6743 at the beginning of the year and closed at 1.8887 at year end. The funds portfolio was constituted of the following instruments: fixed income (67%), equities (8%), money market (23%) and managed funds (2%).

PAVF Asset Allocation Structure as at 31st December, 2012



PAL Value Fund Unit Price Trend



QUOTES

:"Wealth consists not in having great possessions, but in having few wants- Epictetus"

"If you can imagine it, you can achieve it, if you can dream it, you can become it" - William Arthur Ward