



MAC FINANCIAL

Wealth Management

It is just over a year since MAC Financial took responsibility for the clients from Anglo Irish IFA Division. During that time we have seen some increase in interest rates but also volatility in stock-markets. Therefore we think this is a good time to provide you with some reassurance about your investment.



The MAC Financial Wealth Management Team (from left to right):
 Steve Shimmin, Consultant; Louise Reed, Technical Support;
 Clare Watson, Consultant; Jon McGowan, Managing Director.

Your Investments, An Update

Whilst bank and building society accounts are safe and easily accessible they offer limited growth. Although interest rates have increased recently, they are still relatively low compared to the heady days when they were over 13%. The problems recently experienced by Northern Rock have also caused concern for investors in banks and building societies.

The low interest rates seen over the last few years and turbulence experienced in the world's stock markets have made it difficult for investors who are looking for steady growth or regular withdrawals. With Profits funds can provide an answer to this problem.

With Profits funds give access to stock markets, and their potential growth, but reduce some of the risks. This is achieved by smoothing out the performance (both gains and losses) over the lifetime of the investment, instead of simply distributing all of the profits or losses each year.

Both Prudential and Norwich Union have produced substantial returns on their With Profit funds in the last few years. Below are some examples of client investments in the Prudential International or Norwich Union International With Profits funds.

	Date Invested	Company	Initial Investment	Value October 2007
Client A	Oct 2003	Prudential International	£100,000	£146,179
Client B	Oct 2004	Norwich Union International	€150,000	€213,651
Client C	Dec 2004	Norwich Union International	£180,000	£261,596
Client D	Oct 2005	Norwich Union International	\$18,000	\$22,390
Client E	Dec 2005	Prudential International	£400,000	£471,965
Client F	Nov 2006	Norwich Union International	£100,000	£115,868

The returns shown are actual values in respect of investors funds placed at the time shown. The figures are not surrender values as an exit charge is made during the initial 5 years. Past performance should not be used as an indication of prospective future returns.

MAC Financial has negotiated a special arrangement with Norwich Union International, which is available for a limited period, whereby MAC investors can apply further monies to a new contract on enhanced terms. This boosts the value of the initial investment at outset. Furthermore valuable, guarantees regarding capital and growth can also be included if required

It is a good idea to regularly review your investments to see whether they still meet your original or revised objectives. In particular, as your With Profits investment approaches its 5th anniversary, you may wish to look at your options.

Our Wealth Management team will be very happy to talk to you to explain the arrangement with Norwich Union or to review your investment portfolio and your options. To make an appointment please call or e-mail Steve or Louise.

MAC Financial, through its people and acquisitions, has over twenty-five years experience in financial services on the Isle of Man, and has grown to be the largest in our field by offering not just off-the-peg solutions but personal and tailored products and service.

For further information about this or our other Wealth Management services, please contact:
 Steve: stephen.shimmin@mac-financial.com; or Louise: louise.reed@mac-financial.com

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