

SPOTLIGHT



Opinion ◦ Analysis ◦ Commentary ◦ 27 November 2017

THE METEOR FAN AND THEIR REINVESTMENT PLAN METEOR PRODUCTS VS UK EQUITY

Had you held a FTSE 100 Total Return accumulation ETF from 25th September 2009 to 15th February 2017, your total capital gain would be 86.74%; the equivalent of a compound annual growth rate of 8.81% (ignoring transaction and management fees).

I personally don't think many investors would complain with returns like that!

You could go a few steps further and also consider whether you could have:

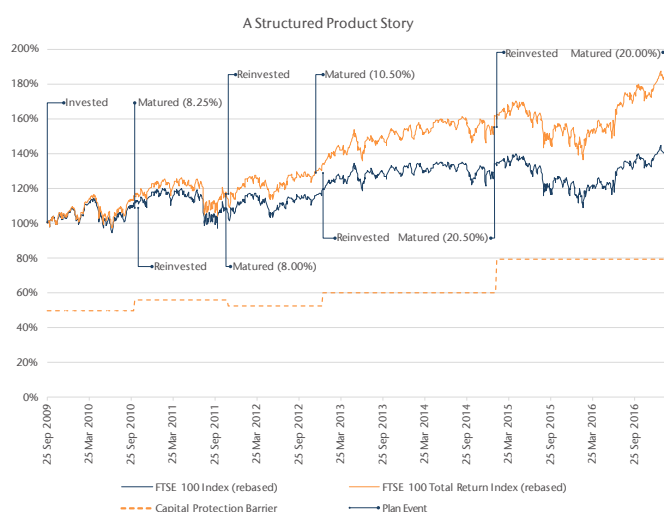
- achieved a similar or better rate of return,
- avoided transaction costs and management fees,
- included a deep safety net had equity markets turned sour,
- avoided relying on equities to grow by 8.81%pa.

Well, this is precisely what an actual Meteor customer achieved after investing in five separate Meteor plans over this period. Assuming an initial £10,000 investment to protect confidentiality, here is their story:

Meteor Plan	Action	Value of Holdings
Prima Growth Plan 17	Invested	£10,000
Prima Growth Plan 17	Matured	£10,825
Prima Platinum Plan 7 - 90% Option	Invested	£10,825
Prima Platinum Plan 7 - 90% Option	Matured	£11,691
Prima Platinum Plan 13 - 95% Option	Invested	£11,691
Prima Platinum Plan 13 - 95% Option	Matured	£12,918.56
Defensive Dual Index Kick-Out Plan January 2013	Invested	£12,918.56
Defensive Dual Index Kick-Out Plan January 2013	Matured	£15,566.86
FTSE/STOXX Defensive Kick Out Plan January 2015	Invested	£15,566.86
FTSE/STOXX Defensive Kick Out Plan January 2015	Matured	£18,680.23

As at that latest transaction, the investor's return over the period was equivalent to 8.81% compounded, equivalent to the FTSE 100 Total Return Index! None of these plans however, required any growth in their reference index(es) (FTSE 100, S&P 500, EURO STOXX 50) to provide their associated plan investment returns.

In addition, each one of the Plans allowed their reference index(es) to fall by up to 40% (some up to 50%) before a capital loss would have occurred. Whereas, that wouldn't have been the case with the ETF investment.



More recently, our client has actually come back for more, with a reinvestment into our FTSE/STOXX Enhanced Step Down Kick Out Plan March 2017. With the first potential return kick out having an investment return of 15% in 2 years time, we may see our fan back once again in 2019.

There are many more stories like this and I hope that there will be many more new ones to come.

If you would like more information on any of the above past plans or are interested in any of our current range, contact sales@meteoram.com.



Graham has been the Managing Director at Meteor since its creation in 2006. He has over 30 years experience in the financial services sector and brings his skills in product design, marketing and relationship development to bring customers the best service possible. His voice is one of the most experienced and respected in the industry today.

By Graham Devile