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SEI Releases Research on 2017 Pension Accounting Disclosure Assumptions

OAKS, Pa., Dec. 23, 2016 (GLOBE NEWSWIRE) -- SEI (NASDAQ:SEIC) today released its annual pension accounting research study, which found that 2016 discount rates reached a record low in August but have almost fully recovered, climbing 71 basis points through November 2016.

Now in its 15th year, SEI's research outlines how plan sponsors and auditors are interpreting recent years' events and the impact of the current economic environment. Based on this analysis, and assuming no change during December 2016, plan sponsors with a Dec. 31 measurement date may experience a slight decrease in rates and slight increase in liability determination due to the change in market yields.

"The yield curve decreased slightly in 2016, with corporate bond indices decreasing 16 to 26 basis points," said Jonathan Waite, Director, Advisory Team and Chief Actuary for SEI's Institutional Group. "This information can be misleading and may cause individuals to believe that the 2016 rate experience was relatively calm; however, accurate assumptions about the level and shape of the yield curve should not be made before year-end. Additionally, most plan sponsors will likely adopt the new mortality assumptions, decreasing liabilities by less than two percent."

The change in the shape of the current yield curve indicates the potential for a relatively small range of variation changes. As of Nov. 30, 2016, the yield curve has decreased slightly in relation to last year at most maturity points. As a result, any change in the effective discount rate will be very dependent on the structure of the benefit pay-out projection to be discounted.

This research series has drawn on SEI's knowledge around defined benefit accounting to provide assumptions that can serve as a barometer in such a complicated area. The data is derived from proprietary analysis created by SEI's Institutional Group.

To access the full paper, please visit seic.com/ASC2016.

About SEI's Institutional Group
SEI's Institutional Group is one of the first and largest global providers of outsourced investment management services. The company delivers integrated retirement, healthcare and nonprofit solutions to more than 475 clients in 13 countries. Our solutions are designed

to help clients meet financial objectives, reduce business risk and fulfill their due diligence requirements through implemented strategies for the management of defined benefit plans, defined contribution plans, endowments, foundations and board designated funds. For more information visit: seic.com/institutions.

About SEI
SEI (NASDAQ:SEIC) is a leading global provider of investment processing, investment management, and investment operations solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of September 30, 2016, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers $751 billion in mutual fund and pooled or separately managed assets, including $281 billion in assets under management and $470 billion in client assets under administration. For more information, visit seic.com.

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