



## Global Trader launches ALSISURE “ABS brakes for fast changing markets”

Whilst European market **contagion** continues to drive international headlines and increase investor fear and uncertainty driving markets down at speeds last seen in October 2008, Global Trader CEO, **Charles Savage says** “Global Trader have been engineering a product that gives investors simple, affordable and smart **insurance** over their equity portfolios.”

If we **learnt** one thing from the last 2 years, it’s that markets **go down** much faster than they ever go up. Local equity markets have recorded **gains in excess of 50%** whilst international markets have extended their gains as much as **65%** from their 2008 lows.

Surely **now** is the time to lock in some protection.

In response to current economic conditions, Global Trader has engineered a simple but effective product, the **ALISISURE**, providing retail investor’s **full** protection from a South African TOP40 move to the down side of up to **7%**. All contracts taken out with Global Trader are fully hedged in the wholesale market.

In South Africa, **option** trading is the realm of more sophisticated investors. In the rest of the world markets retail investors take advantage of these effective financial instruments in leveraging their trading strategies as well as **protecting** their stock portfolio investments.

As part of our constant drive to innovate and enable investors, Global Trader have engineered and wrapped a simple options strategy into a single product. This product effectively provides you, the retail investor, with a single product that will **insure** your stock market portfolio, for a period of 6 months, against as much as a 7% downward move in the South African Top40.

**Mark Barnes**, Chairman of Purple Capital, who spearheaded the product development, adds “if ever there was a time for covering downside risk it must be **now**, in these uncertain times globally.

Essentially the **ALISISURE** is an **insurance contract for markets**, nothing more complex than that and easy to execute with Global Trader. Pay your protection premium and get on with it. It’s really that simple, **if you want to drive fast cars you better have an ABS**

## **braking system, the ALSISURE is ABS braking systems for fast changing markets.”**

As an example one **ALISISURE** contract will **currently** protect a portfolio of R250 000 of market exposure (nominal value) for a cost of R8 000 (or 3.2% of the portfolio nominal value). This cost will vary according to market pricing parameters. This insurance provides you with 100% cover in a South Africa Top40 downward move of up to 7% over the next 6 months.

In simple terms for every R250 000 you have invested in JSE stocks you would need to purchase one **ALISISURE** contract to provide you with **full insurance cover**.

Global Trader can tailor alternative protection trades to meet individual customer requirements where for example their portfolio is not highly correlated to the South Africa Top40.

### **Possible Scenarios**

Should the **market** continue to **rise** over the insured 6 month period and close above the market level when you entered into the **ALISISURE** then your insurance payout will be **zero**, however your JSE portfolio would have captured the market gains and your insurance would have only cost you R8 000.

However should the **market** move **down** over the insured period and close below the market level when you entered into the **ALISISURE** then your insurance payout will be equal to the losses suffered on a South African Top40 portfolio. It's important to understand that the closer your portfolio tracks (correlates) the performance of the South Africa Top40 the closer the **ALISISURE** payout will match your incurred JSE portfolio losses.

**The ALSISURE protects you against a downward move of up to 7% over a period of 6 months.**

Should you wish to extend the terms of the contract or protect against a more severe move for a portfolio greater than R1000 000 then please contact Global Trader directly.

For more information call us today on 011 214 8000 or visit us at [www.gt247.com](http://www.gt247.com)