



May 2008 CPD TOPICS

News and updates

The monthly online CPD update service provides an online summary of all the important developments in the world of financial services. This month's topics and focus item are detailed below. After reading the online summary the learner completes an online assessment to demonstrate their understanding and must obtain a mark of 50% to pass. After taking the monthly assessment the online CPD certificate is automatically updated with the test result and CPD time of 1.5 hours.

A. PENSIONS

1. The at retirement market to double in five years
2. Poor private pension income figures for 2005/6
3. Aegon and Standard enter the variable annuity market
4. New moral hazard powers to be given to Pensions Regulator
5. Sales of SIPP by advisers increase by nearly a third
6. PPF Latest membership
7. Income withdrawal gross yield for May 2008
8. SIPP from Axa will allow investors to purchase hotel rooms
9. FSA to continue ongoing analysis of pension transfer advice
10. HMRC NISPI Issues latest pensions industry newsletter

B. SAVINGS AND INVESTMENTS

1. Cautious and balanced funds may 'mislead investors'
2. UK fund managers favour blue-chip companies in current economic climate
3. Adviser forum for investment platforms launched
4. Commodity companies - 'the new barometers of London equity'
5. Gold – considered an effective hedge against economic risks

C. ECONOMY

1. Global economies face dilemma of balancing economic slowdown with rising inflation
2. Hope of a "soft" economic landing for UK according to CBI
3. Bank of America profits fall by \$4bn
4. Inflation data encouraging
5. Thousands more likely to face troubles with "problem" debt
6. MPC keeps rates at 5%
7. Bush's £168bn aid package
8. Bank of England warns that over-stated losses will delay recovery
9. 'Oil price at record high'

D TAXATION AND TRUSTS

1. Transferable nil rate band
2. Discounted gift trusts for very elderly clients
3. Brown prompted to get tough on inheritance tax

4. Darling announces plans to form a tax working group
5. European ruling on IHT goes against UK taxpayers
6. The anticipated increase in sales of buy-to-let property seems unlikely following the introduction of the 18% flat rate of CGT
7. New IR 20 booklet produced

E. PROTECTION

1. Roving underwriter service brought in by Axa
2. Campaign for 'wet signatures' gathers momentum following new research
3. GP's reports threatened by government's pharmacy drive
4. PPI study shows further TCF concerns
5. Record numbers effecting PMI cover according to ABI
6. New healthcare business launched by Chartwell

F. MORTGAGES

1. Advisers lose out on conveyancing fees
2. Confidence in the UK housing market slumps to 30-year low
3. Drop in demand for equity release products
4. Bank of England adding extra £15bn into market
5. Gross lending up in March by 5%
6. Profits are private, but losses hit us all
7. House prices drop another 1.1% in April
8. House prices to recover in 2008 - Assetz
9. House purchase approvals drop wildly in March according to BBA
10. CML wants EU mortgage market plans to be suspended
11. Government holds back on full HIP implementation

G. COMPLIANCE

1. FSA fines mortgage adviser £10,500
2. New adviser ISO standard claims to embed TCF principle
3. Regulator and Treasury launch consultation on EU insurance
4. FSA staff still got extra regardless of Northern Rock fiasco
5. FSA declares there will be bigger fines to come as fifth mortgage IFA gets banned
6. FSA wants insurance comparison sites to abide by TCF
7. Quality and standards of financial advertisements not improving according to FSCP

H. MISC

1. OFT claims that financial services causes highest financial loss to consumers
2. Closed firms are causing long delays over transfers
3. Life Trust sets up foundation to raise awareness of issues relating to longevity
4. Norwich Union brand to fade away
5. Winterthur to launch alternative to CAR
6. Fay Goddard to start senior role at CII
7. Financial Services suffering from a worsening skills gap

FOCUS ITEM

Retail Distribution Review - interim report