



Global Targeted Returns Fund (Invesco)

Launch Date 17th November 2014



Fund Description

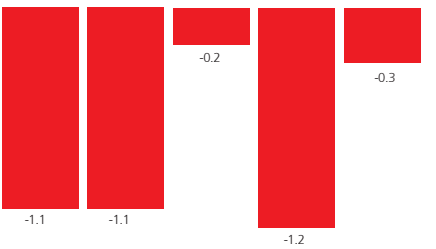
The Global Targeted Returns Fund (Invesco) seeks to deliver long-term capital growth with a low tolerance for capital loss. The fund aims to outperform cash returns. The fund uses a broad range of investment ideas based on advanced derivative techniques to gain exposure to a selection of assets across all economic sectors worldwide. This fund invests some of its assets outside the eurozone so a currency risk arises for a euro investor. The fund invests in the Invesco Global Targeted Returns fund which is managed by Invesco Management S.A.

The information presented below is for the Invesco Global Targeted Returns Fund.

Annualised Investment Performance (%)*

as at 31/12/2021

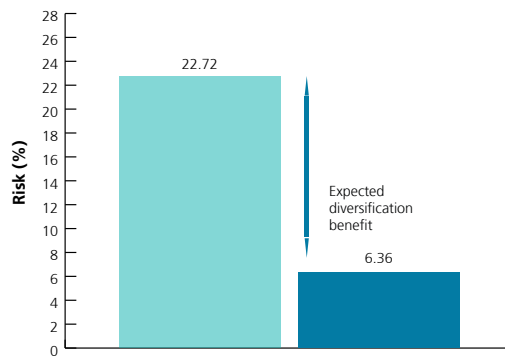
Year	2016	2017	2018	2019	2020	2021
Return %	2.1	-0.1	-5.2	2.8	-2.1	-1.1%



Year to date 1 Year 3 Years 5 Years Since Launch

Expected Diversification Benefit of Combining individual investment Ideas

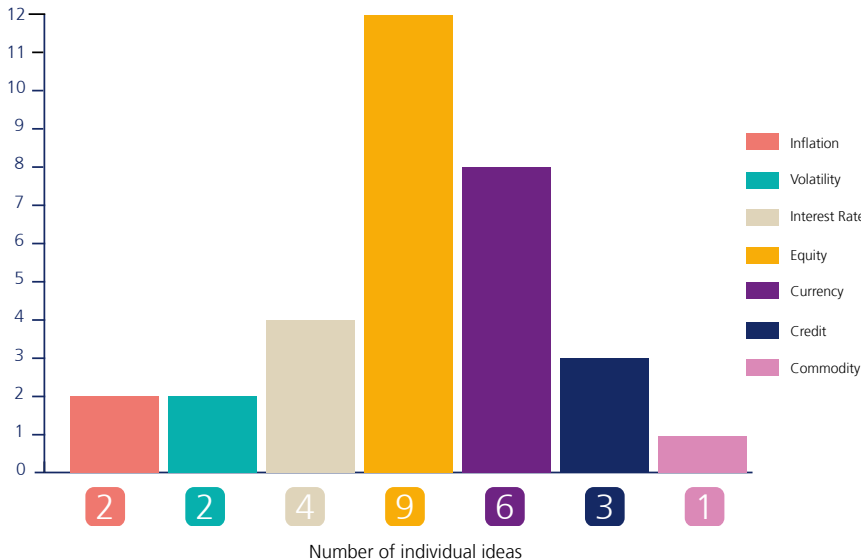
as at 31/12/2021



Source: Invesco

Ideas¹ by Investment Category

as at 31/12/2021



Source: Invesco

¹ **Independent risk** - the expected volatility of an **individual** idea as measured by its standard deviation over the last three and a half years.

² **Expected fund risk** - the expected volatility of **the fund** as measured by the standard deviation of the current portfolio of ideas over the last three and a half years.

Notes: The annual management charge applicable on this fund is 0.4%. The Global Targeted Returns Fund (Invesco) is a 'two stage switch' fund, further details of which are available in your policy document or from Zurich Life. Due to rounding some totals may not equal 100%.

***Source:** Financial Express. Returns are net of the annual management charge of the Invesco Global Targeted Returns Fund. Returns do not represent the return achieved by individual policies linked to the fund. Invesco Management S.A. is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

Warning: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up. Benefits may be affected by changes in currency exchange rates. If you invest in this product you may lose some or all of the money you invest.

Independent Risk¹ of Individual Ideas

as at 31/12/21

Idea Risk Breakdown	%
Credit - Selective Credit	33.7
Credit - US High Yield	9.7
Credit - US Investment Grade	-1.8
Total Credit	7.9
Commodity - Commodity Carry	-2.4
Total Commodity	-2.4
Currency - Japanese Yen vs Europe	0
Currency - Norwegian Krone vs Swedish Krona	0
Currency - Poland vs Europe	0
Currency - Mexican Peso Vs Brazilian Real	0
Currency - US Dollar vs Asia	0
Currency - US Dollar vs Euro	0
Total Currency	0
Equity - China	9.7
Equity - Diversified Alpha	3.6
Equity - Energy	-4.5
Equity - Equity Optionality	26.2
Equity - Europe	9.2
Equity - European Banks Vs Market	-23.2
Equity - Japan	0
Equity - Real Estate Recovery	24.2
Equity - Strong Balance Sheets Vs Market	34.8
Equity - Taiwan Carry	72.3
Equity - UK	-12.3
Equity - US	48.2
Total Equity	188.2
Inflation - Short UK	-81.7
Inflation - Short US Real Yields	-59.4
Total Inflation	-141.1
Interest Rates - Germany Vs France	2.7
Interest Rates - Policy Constrained	-55.4
Interest Rates - Selective EM Debt	20.5
Interest Rates - US Long Term	8.1
Total Interest Rates	-24.1
Volatility - Global FX Volatility	2.5
Volatility - US Variance	1
Total Volatility	3.5
Cash & Residual FX	-3.2
Total Independent Risk	22.72
Expected Fund Risk	6.36

Fund commentary

'Inflation – Short UK' was the strongest contributor at fund level, offsetting a portion of the losses registered earlier in the quarter aided by a hawkish surprise from the BoE, which unexpectedly hiked the bank rate by 15bp at the December meeting. 'Equity – Taiwan Carry' and 'Equity – Europe' also performed well, continuing to benefit from the constructive market backdrop for risk assets. 'Currency - Mexican Peso vs Brazilian Real' was another notable contributor. The currency of the oil-exporting nation took support from strong oil prices in December while Brazil's real continued to weaken amid rising fiscal concerns about populist policies by President Jair Bolsonaro ahead of elections in late 2022 coupled with fears that higher local interest rates could affect economic growth. 'Equity - Strong Balance Sheets vs Market' also added to overall performance. In light of central bank tapering and signals that policy rates would start to be normalised in 2022, investors continued to shift their focus towards more resilient businesses with stronger balance sheets over those constrained by weak cash flows, refinancing issues and debt servicing.

At the other end, 'Volatility - Global FX Volatility' was the main underperformer as the generally constructive market backdrop continued to suppress volatility levels across the board. 'Currency - Japanese yen vs Europe' detracted over the month following a weakening of the yen as fears somewhat subsided around the Omicron outbreak. Albeit to a lesser degree, 'Currency - US Dollar vs UK Pound' and 'Currency - US Dollar vs Asia' also detracted over the period. 'Interest Rates - US Long Term' ended the period in marginally negative territory as increased focus on tighter monetary policy in the US led to a surge in bond yields across the yield curve.

Source: Invesco

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