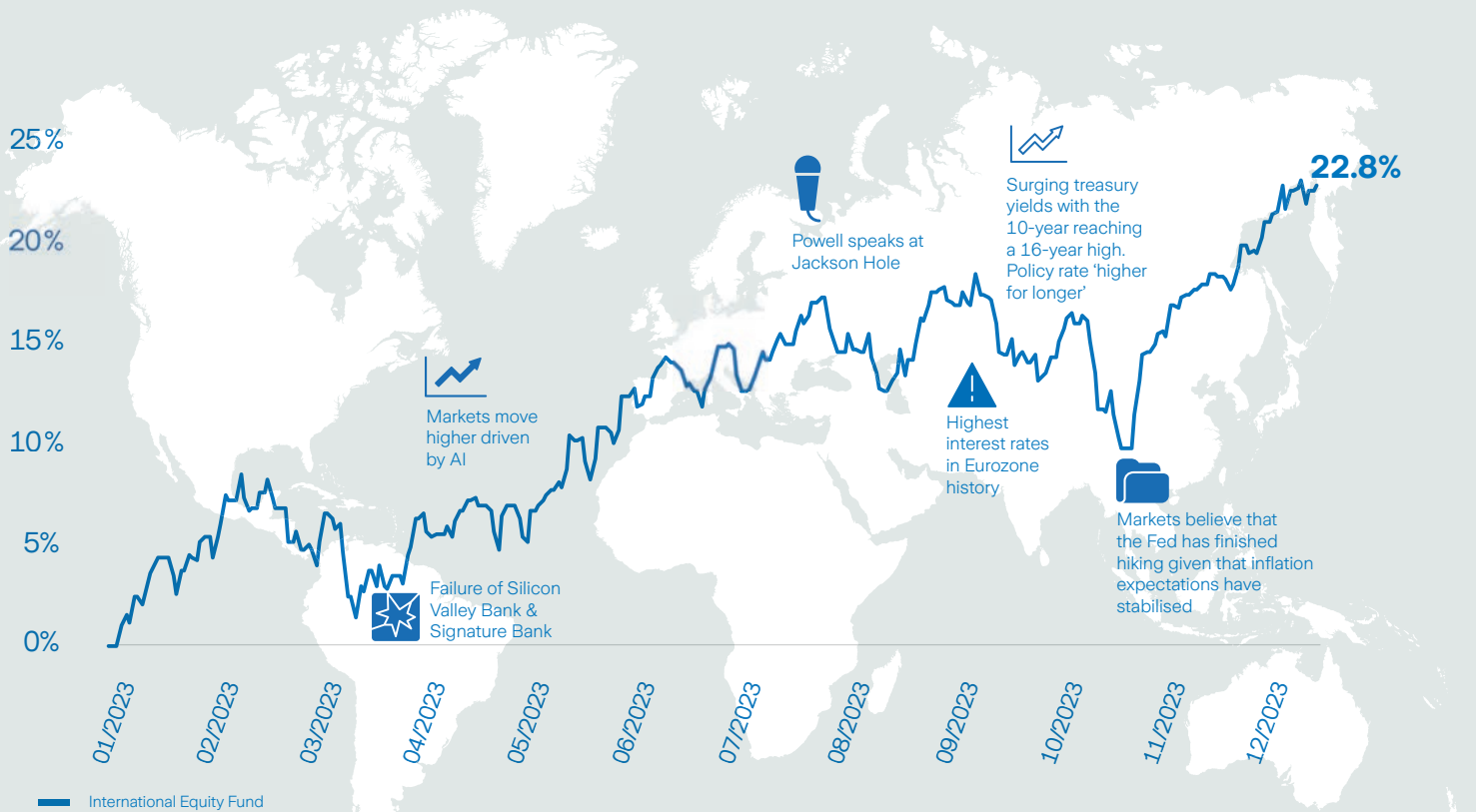


# Balancing Act

Investment Outlook 2024



# World review of 2023



Source: Zurich International Equity Fund inclusive of 0.4% AMC. Returns are based on offer/offer performance and do not represent the return achieved by individual policies linked to the fund. Performance to 2nd January 2024.

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

## Key Asset Allocation Decisions



**February 2023**  
Increased equity position, reduced allocations to sovereign and corporate bonds

**March 2023**  
Increased allocation to medium duration sovereign bonds, at the expense of short term sovereign and corporate bonds

**September 2023**  
Slightly increased our allocation to commodities

**October 2023**  
Began equity reduction exercise, allocating proceeds into short government and corporate bonds

**November 2023**  
Reduced equities twice more to a neutral level across multi-asset funds

# Key Highlights



## Interest Rates

- Central banks tightened policy aggressively, hoping to return their economies to normal levels of inflation without causing a sharp recession in the process. Despite a significant reduction, inflation broadly continues to surpass the 2% targets set by major central banks. The Federal Reserve, European Central Bank, and Bank of England all increased rates to the highest levels in decades. The collective impact of stringent monetary policies, escalating borrowing expenses, and diminishing savings from the pandemic era is anticipated to exert downward pressure on the economy in 2024.

## Magnificent Seven

- Throughout 2023 the Magnificent Seven, stocks comprising Apple, Microsoft, Alphabet, Amazon, NVIDIA, Meta, and Tesla, saw significant upward surges and proved themselves as reliable havens amid economic turbulence. However, some of the constituents, namely Alphabet and Meta, fell significantly in Q3 following disappointing earnings. Overall, as the wider market picked up in Q4 2023, the 'Magnificent Seven' rallied to finish the year on a high.

## Treasury Yields

- Bond yields have surged to levels not seen in nearly two decades. Throughout 2023, global government bond yields experienced a marked increase. Nominal bond yields have risen across the entire curve as higher interest rates have fed into bond markets. Notably, the US Treasury yield curve exhibited a steepening trend, with the 10-year and 30-year yields climbing by more than 30 basis points, reaching the highest levels in 16 years. However, a significant portion of this yield surge reversed in the final two months of the year.

## Geopolitical Risks

- In 2023, attention shifted towards geopolitical risks as a succession of crises introduced instability to global markets. The conflict in the Middle East, Russia's invasion of Ukraine, and escalating tensions between the U.S. and China have accelerated geopolitical fragmentation. Despite the human toll, outside of energy prices, there has been very little effect on wider investment markets.



# CIO Letter



We generally try to capture a key idea in the title of our annual Outlook documents. Last year's 'Pivotal Year Ahead' (disclaimer: I generally drive the titles) did envisage continued volatile markets – less a prediction, just more the likely pattern based on history. That it turned out to be so means it was right, once again, to pay attention to historic patterns in investment markets. Equally we thought it was best to position for the year ahead of us and not for the year that investors had experienced (if not endured) behind us in 2022. That's always the right approach but human nature can make us focus too much on what has happened in the immediate past, to the detriment of best outcomes. That's why, in our process, we try to lift our heads above the immediate term and, while we pay a lot of attention to trends and what history teaches us, we don't automatically extrapolate from one year to the next.

We're entering this new year having reduced equity exposures materially in the last two months of 2023 – in favour of bonds and cash – after running reasonably aggressive equity positions during the year in our multi-asset funds. This asset re-allocation drove the Outlook's title: 'Balancing Act'.

We reduced equities because we felt that the risk/reward for them had changed after they'd performed so strongly during the year. That equity strength confounded the generally held anxiety at the start of 2023, an anxiety that wasn't assuaged by the fact that much of the strength in the major equity markets was concentrated in certain sectors. We weren't overly concerned about such concentration as it reflects several factors, including structural trends in the technology arena, that may persist for some time. We need to be aligned with these trends if we are going to deliver good outcomes; but equally we need to be risk-aware in case valuations (as opposed to market concentration) become excessive. That particular 'balancing act' is part of our standard approach.

Currently we're not overly concerned with equity market valuations. Of course, earnings' expectations for the year ahead may be inflated somewhat but that's a cyclical, as opposed to a structural, issue. However, one factor of considerable interest to us is that cash and bonds are once more viable assets in the context of multi-asset fund investing. That was not the case for many years. Now that we have more choice again, it's likely we will exercise those choices more frequently or take a different medium-term stance towards asset allocation. The broad case for equities is still positive nonetheless and one key indicator for us – that medium-term inflation expectations are 'ok' – remain supportive of that medium-term positive case for equities.

The period ahead is all about how economies will fare in 2024, and whether the trajectory for growth and inflation justify the significant falls in short-term interest rates now firmly expected by investors for 2024. Getting inflation under control has been and remains, the immediate goal of all central banks. They seem to have been broadly successful in that, even if progress towards the desired 2% inflation target has been slower than hoped and in many cases has still not been achieved. Economic growth is below trend across the globe but is not excessively so. It probably outperformed many investors' low expectations during 2023 but anxiety about growth has not disappeared altogether. For now, it's probably the markets' central scenario that we will see a 'soft-landing' in the US economy and that Europe bumps along without a prolonged period of negative growth. There is no strict definition of a soft-landing – but think 'benign conditions for equity markets' and this conveys the general idea. At the same time history suggests we don't get many of them after a period of aggressive monetary tightening. Nonetheless that seems to be how investors are positioned for the year ahead.



There is the possibility that central banks have already raised interest rates too much and that there could be some negative lagged impacts for economies or financial markets, that are not part of the soft-landing scenario. Certainly, if you were a monetarist, you could be alarmed at the evolution of the money aggregates and their apparent negative implications for economic growth. However, in economics, as in financial markets, there is no magic indicator that will tell us the future. We try to take many different indicators into our analysis and determine what the balance of these is saying – alongside those all-important historic patterns. So, while the risk of unintended negative impacts from monetary policy is higher in our assessment, it is not dominating it currently.

During 2024, we still believe that the broadly positive equity market trend is intact, but we anticipate volatile conditions to persist while we get to a more balanced monetary policy environment. Bonds, as said already, are viable options for our multi-asset funds and we have added to positions significantly over 2023 – to a more balanced position – having been positioned more negatively for a prolonged period. Bonds are not risk free however and within a world seemingly addicted to high government deficits there is a new risk that bond investors demand a higher risk premium (higher long term interest rates) to hold or to buy new bonds.

Finally, it's worth saying again this year that investing in a way that reflects the importance of environmental, social and governance (ESG) factors remains an important element of how we work. Best portfolio outcomes are a function of taking all relevant information into account including using ESG factors, in order to improve the risk/return assessment we make; meaning we take a balanced perspective on this issue also.

So, plenty to look forward to in 2024 for us as active managers. We aim to keep aligned with the markets, fully attendant to the risks and hoping to avail of the opportunities that any likely volatility will present to us."

**David Warren,**  
Chief Investment Officer  
Zurich Life

# About Zurich Investments



At Zurich Investments we believe financial markets will always give opportunities to good active managers and we make investment decisions every day that we think will lead to a better outcome for our customers. Our goal is to add value through our expertise and investments are selected to take advantage of opportunities throughout the economic cycle, utilising a disciplined and flexible approach.

**No.1** for Investment Provider Excellence  
since 2014 (Brokers Ireland, November 2023.  
No awards held in 2020)



**Fund Management Company  
of the Year 2023**

(Business and Finance FS Awards, November 2023)

The Zurich Investments Team



# 2023 Review



After a negative twelve months in 2022 for the majority of risk assets, 2023 represented a strong recovery, particularly for equities. This recovery was driven by a combination of better news on inflation, optimism surrounding innovation in the artificial intelligence (AI) sector, the lack of a US recession, and a peaking of long term interest rates. In particular, we saw outperformance in European stocks in the first half of 2023. Much of Europe's gains were attributed to suppressed valuations post 2022 as many European companies had traded at a discount relative to their US counterparts. An additional contributing factor to the general optimism in developed markets was a milder than expected winter, which saw European energy stocks hold up despite fears of fuel scarcity amidst geopolitical tensions with Russia.

The 'AI revolution' gained momentum throughout the first half of the year, as companies such as Open AI and Nvidia made advances in artificial intelligence technology. Markets responded positively with large cap tech stocks in particular displaying sustained price growth. The 'Magnificent Seven' group of stocks which account for a large portion of the US stock market, and include names such as Apple, Microsoft and Nvidia, mostly led equities in their push higher. Whilst the US market led the way in 2023, the more cyclical European and Japanese markets also made solid gains on the back of resilient earnings. The major laggard has been Asia (ex-Japan) on Chinese geopolitical concerns. However, a lot of these concerns have now been priced in, with valuations in the region well below historical averages.

In March, the emergence of a bank-run on US lender Silicon Valley Bank, which ultimately led to its collapse, caused significant disquiet in the financial sector. The ensuing uncertainty resulted in a sell-off of banking assets and also culminated in the downfall of major global bank Credit Suisse. However, the broader market was mostly insulated from the negative moves within the sector, following the swift policy reaction from monetary authorities.

In China, the country's second largest property developer Evergrande, published large net losses in July which caused uncertainty in an already struggling real estate market. Despite initial optimism surrounding the country's growth prospects, a combination of a subdued consumer spending and a stressed property market hampered economic growth. The country's government remained committed to stimulating its economy, issuing a number of forms of fiscal stimulus throughout the year, albeit on a more modest scale than some had anticipated. The outlook in China brightened towards the end of 2023, although many macroeconomic data points remain less robust than anticipated.

Throughout the year, reported inflation rates eased further, particularly in the US. The US Federal Reserve decided to pause rate hikes in June for the first time in the current cycle and maintained a holding pattern in its September 2023 meeting continuing with the

5.25%-5.5% target range. The policy rate remains at its highest level since 2001. In Europe, the European Central Bank (ECB) also raised the key deposit rate to 4.0% – the highest since the inception of the single currency bloc in 1999. In Asia, the Bank of Japan (BoJ) saw the appointment of a new Governor in April, Kazuo Ueda. In October Ueda set the stage for a major policy change by moving towards ending the BoJ's seven year-long policy of 'yield curve control'.

Within fixed income markets, regular interest rate hikes throughout the first half of 2023 contributed to upward pressure on yields (and therefore downward pressure on prices). However, as inflation levels peaked, yields came off highs and bond prices rebounded, even as central bankers were reluctant to moderate their hawkish rhetoric. Towards the end of the year, lower inflation data in both the EU and US saw yields fall significantly, offering some level of capital return to investors in fixed income markets. In December the US Federal Reserve made clear that short term rates had peaked and given a similar affirmation from the ECB, several interest rate cuts are now fully anticipated by investors in both the US and eurozone for 2024. Whether policymakers will deliver will be a key question for the year ahead.





# 2024 Outlook

As we enter 2024, we have a broadly balanced asset allocation stance, namely a neutral weighting in equities and a much increased weighting in bonds. This follows a steady reduction in equity exposure throughout the last quarter of 2023. The consensus view is that interest rates have now reached a peak and the market expects rates to begin to fall in the first half of this year, on both sides of the Atlantic. We now have a scenario where sovereign bonds, credit, and cash are all yielding firmly in positive territory. In addition, real yields (which take account of inflation) are also positive. This creates a much more competitive backdrop from an asset allocation perspective with viable opportunities for active investment managers within multi-asset investing. Absolute valuations for equities and bonds are not elevated, and relative valuations metrics are reasonably balanced, therefore we see roughly equal risk/reward in both equities and bonds at this time. Our current positioning represents a balanced stance rather than expressing a negative view on equities.

## Economic Indicators

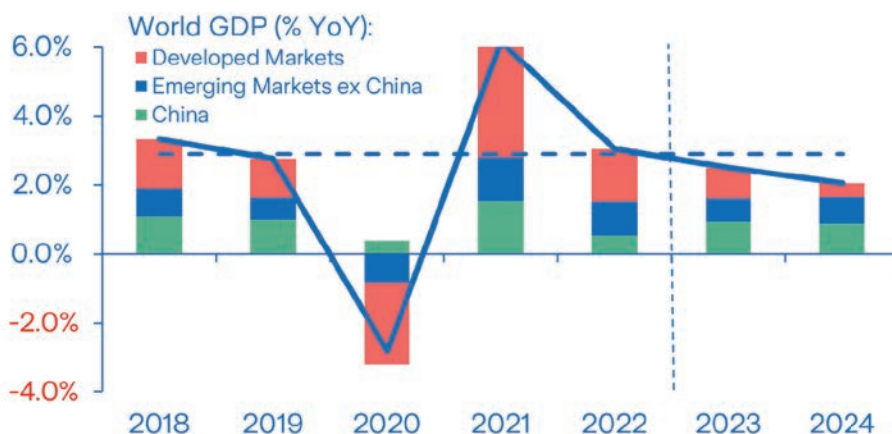
Global growth for 2024 is set to be positive but again below trend. Whilst there is no single indicator which we slavishly follow, there are numerous indicators to analyse, and which inform our thinking. For example, leading business indicators globally are in contraction territory. In the US, bank lending has fallen as a result of tighter underwriting requirements which have been accentuated by slowing demand. Metrics tracking global economic 'surprises' (when economic data surpasses forecasts) have also turned slightly negative in recent months. However, it is worth stating that the job market is still tight, and inflation is falling across the developed world. The above factors, amongst others, lead to a more balanced outlook. The much-touted US recession did not occur in 2023 but the consensus of forecasters still reflects a modest growth rate for the year ahead. Europe, in the meantime, has trundled along the zero growth line in the past twelve months and seems set to experience that again during 2024.

## Asset class positioning

Within our overall balanced equity allocation, we maintain a broadly neutral stance across equity regions. Investor sentiment is now elevated and trending towards extreme optimism (by some measures), in marked contrast to the dampened expectations that permeated markets as we entered 2023. At a sectoral level, we are more broadly balanced than we have been in some time. As an active manager we are simultaneously seeking to take advantage of positions in leading sectors (such as Tech) whilst also profiting from potential recoveries in lagging sectors (such as Financials). US earnings, along with a higher percentage of individual companies participating in market gains, have supported markets towards the end of 2023.

Within sovereign bond markets we have lengthened our duration throughout 2023 and are poised to take advantages of opportunities within longer dated eurozone sovereign debt as and when they present themselves in the year ahead. Whilst markets have been

## Global growth set to weaken further



Note: Dotted line shows thirty-year average for global growth.

Source: ZIG, Bloomberg, January 2024



romancing the concept of deep rate cuts in 2024, we take a more balanced view and will adjust fixed income positions accordingly throughout the year ahead.

## Risks

From a risk perspective, inflation data and subsequent interest rate expectations remain a dominant topic. The market is now forecasting numerous rate cuts from both the Federal Reserve and the European Central Bank throughout 2024. If these cuts, in either number or magnitude, do not materialise, risk assets and market sentiment may suffer. Equally, if rate cuts do materialise or indeed go deeper than forecast, it may be as a result of slower than expected economic growth or a faster than expected fall in the rate of inflation.

The sharp rise in rates globally, suggests that vigilance towards the risk of lagged monetary policy effects is warranted. Whilst Debt to Gross Domestic Product (GDP) ratios have been contained by higher inflation, fiscal policy remains very loose. The impact of higher sovereign borrowing costs deserves our full attention. Any global

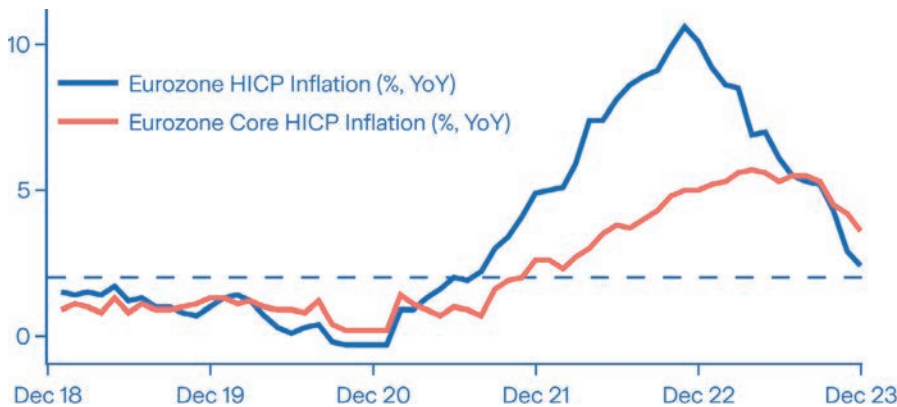
growth slowdown could also be exacerbated by a policy misstep and a further slowdown within China. For example, Foreign Direct Investment (FDI) into China turned negative for the first time in history during the last quarter of 2023.

Finally, as has been made explicitly evident over the last several years, geopolitical events can have a material impact on investment markets. The US Presidential election in November of this year will also move sharply into focus in the coming months. Nevertheless, our core necessary condition for medium-term positivity on risk assets – namely that inflation expectations remain well-anchored – is still in place.

## Conclusion

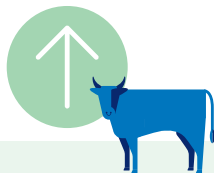
In conclusion, our asset allocation is more balanced than it has been in several years. We stated last January that the ‘There Is No Alternative’ (TINA) phenomenon was less compelling. This year it is no more. We maintain a flexible outlook and are poised to act from a position of strength. We may act upon buying opportunities within either equities or fixed income, as they present themselves.

### Inflation is clearly moving back towards the 2% target



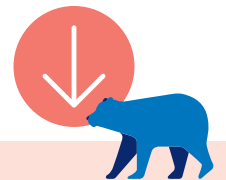
Source: Bloomberg Eurostat, January 2024

## For the Bulls



1. The ‘soft landing’ materialises
2. Rate cuts appear and accelerate across developed markets
3. Chinese growth accelerates
4. Earnings remain resilient

## For the Bears



1. Central Banks become overly hawkish
2. A recession occurs as a result of the lagged effects of monetary policy
3. Chinese growth concerns both deepen and spread
4. Geopolitical tensions remain elevated

# Equity Outlook



On an absolute basis, equities now look more expensive than last year but are broadly in line with historical averages. The equity risk premium is diminished versus previous periods, and this calls for a more balanced stance. However, there is still the potential for equity gains in 2024 and as active managers we are positioned to take opportunities at a geographical, sectoral and single stock basis. US stock gains in 2023 have been led by the fabled ‘Magnificent Seven’, underpinned by strong earnings in 2023. We have participated in much of this rally but remain mindful of the outperformance of the Technology and Consumer Discretionary sectors and will always be alert to opportunities to rebalance. The US consumer has remained resilient, and real income growth looks set to return for the first time since 2020. History can help inform our thinking in relation to respective sector performance as the cycle turns from one of rate hiking to rate cutting. At the time of writing, we have not seen this shift occur. There is also a dissonance between CEO sentiment (broadly negative) and that of investors within equity markets (broadly positive).

## Geographical and sector views

From a geographical perspective, we are currently broadly neutral across in most major markets (including the US). However, as mentioned in previous Investment Outlooks, our geographical allocations are influenced not only by the prospects for the region in question but also the underlying composition of the stock market. For example, a preference for the US could also be interpreted as a preference for Technology companies.

With a percentage of 70%+ of the global developed stock market, the US continues to be the most important and influential region within our equity book. At this time, within the US, we have captured the proceeds from some of 2023’s sectoral winners (including names associated with Artificial Intelligence), and our portfolio is as broadly neutral from a sector perspective as it has been for some time. It is also worth noting that we can continue to avail of opportunities within individual names, even within sectors, that may be out of favour. That being said, long term secular growth prospects in cloud computing, digital advertising, AI, and semiconductors are positive. In relation to other regions, with lower rates, a probable trough in economic activity and potentially a weaker dollar – non-US markets, which tend to be more cyclical, should fare relatively better than they did in 2023.

## Key indicators

Equity market volatility has trended lower in recent months, and in early December hit a level not seen since before COVID. However, equity markets have remained bifurcated, with a large spread between the best and worst performing sectors. The percentage of listed companies making gains in the last quarter of 2023 was higher than in the earlier part of the year, which is a positive development. Earnings have been strong and earnings revisions for 2024 have been relatively benign. Companies will look to continue to rebuild their profit margins as inflation, and therefore input costs, recede and the job market softens. However, whilst not the base case, if a recession was to materialise (i.e., no soft landing) more economically sensitive parts of the market would be most adversely affected. It is worth noting that equity market multiples (e.g., P/E Ratios) have expanded and it will be interesting to observe whether the market tolerates such increases into a medium term positive interest rate environment. As always, earnings will be key for equity markets this year, and wider market growth is also reliant on the much talked about ‘soft landing’ in relation to inflation, interest rates, and economic growth.

## The year ahead 2024

World Economic Forum in Davos

Indonesia holds presidential and legislative elections

Russian Presidential Election

Indian General Election

UK Local Elections

Annual G7 summit takes place

Jan

Feb

Mar

Apr

May

June

# Fixed Income Outlook



Eurozone government bond yields are now firmly in positive territory. For example, the benchmark German 10 Year Bund yielded 2.02% at the end of 2023. Our assessment of fixed income markets is more positive than it has been in some time, with bonds now holding an equal allocation to equities across our multi-asset funds (where applicable). At some point in 2024, we may allocate to longer duration bonds for the first time across our Prisma fund range.

## Rate Expectations

As mentioned previously, medium term inflation expectations remain anchored, and whilst eurozone sovereign debt has endured a difficult two years, the price entry point and accompanying yield is now attractive. Inflation does look to have peaked on both sides of the Atlantic, but eurozone policymakers will maintain a keen focus on the core inflation (which strips out volatile components such as energy and food) which remains stickier.

## Eurozone Outlook

Within the eurozone, debt to GDP ratios have been helped by inflation, but we remain cognisant of the percentage of respective country level debt that matures in the next five years – and the ensuing higher refinancing costs. The developed world faces the headwinds of structural demographic challenges and a potential costly implementation of an energy transition. There has been some discord in the ECB as more traditional hawkish core members have expressed concerns regarding the levels of borrowing – which is well in excess of formal parameters following both the pandemic and the Russian invasion of Ukraine. However, periphery yields are likely to remain contained due to central bank programs such as Outright Monetary Transactions Program (OMT). The recent affirmation of Italian debt as investment grade by ratings agencies is a positive.

## US Outlook

In the US, there has been a peak in the 'Fed fear' rhetoric and the market is now pricing in four rate cuts in 2024. In terms of timing, March may come too soon for the Fed, and it is worth noting that whilst the market might cheer numerous cuts if they materialise as a result of lower

inflation, a round of cuts due to economic growth missing expectations would not be positive for risk assets. Bond markets will also maintain a keen focus on the 2024 US Presidential Election and the prospect of a Trump victory – and ensuing fiscal policy implications. In terms of the Fed's twin policy focus, inflation appears to be slowing and the labour market remains very tight; even as market speculation intensifies on when material slack is expected to emerge here.

## Corporate Bonds

Within corporate bonds, or credit, we are taking a broadly neutral stance from an asset allocation perspective. Within portfolios we are relatively balanced from a duration viewpoint. In the face of higher funding and refinancing costs, credit spreads have so far been relatively benign. So far, both Investment-Grade and high-yield markets are well-behaved and offer nothing threatening in relation to lagged monetary policy effects. However, we remain cognisant of the risk of a financial misstep (as seen in US banks in March 2023).



Source: Bloomberg, January 2024

NATO summit takes place in Washington DC

Jackson Hole Economic Symposium

79th UN General Assembly Session opens in New York

IMF and World Bank Group meet in Washington DC

US Presidential Elections

Deadline for UK General Election

July

Aug

Sept

Oct

Nov

Dec

# Commodities & Currencies



## Commodities

With Gold hitting an all-time high in December 2023, allocations within applicable multi-asset funds were rewarded. We continue to direct a material allocation into the precious metal, where permitted. Much of the rise in prices has been attributed to increased purchases by central banks, particularly those seeking to distance themselves from the US dollar – a move accelerated by specific geopolitical conflicts over the last two years. Economic theory states that commodities can do better in late cycle growth stages. However, geopolitics are always a crucial factor in this corner of financial markets. This can be evidenced by the latest developments in the oil price as a result of the Organization of the Petroleum Exporting Countries (OPEC) cartel. More economically sensitive commodities, such as Copper, may suffer if the widely forecast economic 'soft landing' fails to materialise.

## Currencies

In relation to the important EUR/USD currency pair, interest rate expectations will be a key influence as the exchange rate evolves throughout 2024. A weaker US dollar could provide support for key commodities such as Oil, Gold, and Copper. The Euro is potentially in the midst of a multi-year bottoming process versus the USD, but the partial USD currency hedge which we had in place throughout 2023 remains but was partially unwound throughout December. In relation to the EUR/GBP rate, volatility has subsided over the last 12 months, with the rate broadly being rangebound between the 0.86-0.88 level.

# Four pillars of Responsible Investment at Zurich



## ESG Integration



- Online training modules for fund managers.
- Access to information from MSCI, our ESG analysis and rating provider.
- ESG information is part of our security selection for our funds through Bloomberg.

## Selective Exclusions



We exclude:

- Companies that derive greater than 30% of their revenues from mining thermal coal or generate more than 30% of their electricity from coal.
- Economic activities in areas such as thermal coal, oil sands and oil shale.
- Companies involved in Anti-personnel Landmine & Cluster Munitions.

## Carbon Ambition



- A carbon reduction ambition across our internally managed equity and credit portfolios.
- Aim to reduce the carbon intensity of the relevant portfolios by 25% by 2025 vs 2019 levels.

## Active Ownership



- Actively taking positions – not replicating an index.
- Actively engaging with management and representatives.
- Actively participating in shareholder votes.

For more information visit our Responsible Investment hub:  
[zurich.ie/responsibleinvestment](https://zurich.ie/responsibleinvestment)



# 2023 Performance

Risk/Reward Rating

Lower ——— Higher

1 2 3 4 5 6 7



**Notes:** Annual management charges (AMC) apply. The fund performance shown is before the full AMC is applied on your policy. Returns are based on offer/offer performance and do not represent the return achieved by individual policies linked to the fund. ESMA Ratings as at 30/09/23.

**Source:** Zurich Life as at 02/01/24.

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

# Calendar Year Performance since 2013

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Prisma Low	5.4	-5.8									
Prisma <b>2</b>	5.6	-5.6	2.6	1.7	3.1	-1.3	0.3	1.6	1.0	3.3	
Prisma <b>3</b>	8.6	-8.6	7.6	3.4	8.3	-2.4	2.2	4.1	2.6	7.1	
Prisma <b>4</b>	13.5	-13.3	16.8	6.9	17.8	-4.6	5.7	8.5	4.9	14.2	
Prisma <b>5</b>	18.3	-16.7	23.9	10.9	26.5	-6.2	7.7	11.3	6.2	16.0	
Prisma <b>Max</b>	21.3	-19.1	25.3	13.7	28.1	-5.4	8.7	9.8	7.9	7.4	
Active Asset Allocation	12.9	-12.2	18.6	7.4	19.0	-4.9	5.9	8.1	4.9	14.6	3.9
Balanced	16.8	-17.0	18.0	12.3	19.8	-3.6	6.3	6.7	10.0	15.3	16.1
Performance	19.4	-17.9	23.0	13.9	24.1	-4.3	8.3	6.9	10.9	16.1	17.2
Dynamic	21.0	-18.5	24.6	14.4	26.9	-4.9	8.8	7.4	11.8	15.8	19.0
Cautiously Managed	13.0	-12.3	11.5	7.1	11.8	-2.6	3.9	5.1	6.3	18.6	6.7
5★5 Americas	28.0	-24.9	35.5	23.3	33.6	1.5	2.1	14.1	11.8	28.8	24.7
5★5 Asia Pacific	10.2	-2.7	9.6	8.9	21.8	-10.8	23.8	10.4	5.7	9.2	2.6
5★5 Europe	18.9	-10.3	24.2	3.1	31.5	-12.2	16.4	4.8	17.5	8.6	23.6
5★5 Global	22.3	-19.0	29.1	18.4	28.7	-6.3	11.6	4.5	13.3	13.3	17.6
Active Fixed Income	7.1	-15.0	-3.8	3.2	5.4	0.4	-1.1	4.7	1.0	20.3	2.4
Asia Pacific Equity	7.7	-1.5	10.3	5.8	20.5	-8.7	21.8	11.4	0.8	10.5	1.6
Long Bond	8.7	-27.2	-6.6	8.5	11.5	1.3	-1.7	6.3	1.8	28.2	1.5
Cash	2.7	-1.0	-0.9	-1.0	-0.8	-0.9	-0.8	-0.8	-0.5	-0.3	-0.4
Short Duration Corporate Bond	4.4										
Medium Duration Corporate Bond	8.9										
Dividend Growth	12.3	-4.6	35.1	-16.1	28.5	-10.8	3.1	17.3	6.0	18.0	20.1
International Equity	22.8	-19.7	26.1	15.4	28.9	-5.5	9.3	10.0	10.7	17.7	20.6
Eurozone Equity	20.6	-13.1	23.4	5.0	26.0	-12.1	14.3	5.0	11.7	4.3	25.5
Indexed Australasia Property	-5.9	-7.9	13.4	-16.7	17.3	2.7	3.5	11.0	2.4	26.1	-10.3
Indexed European (Ex-UK) Property	17.4	-37.6	8.6	-9.3	23.8	-6.6	14.4	3.9	16.6	20.6	3.8
Indexed Global Energy and Metals	-13.3	19.9	38.7	-11.4	12.4	-4.1	-5.7	21.5	-20.2	-12.4	-5.3
Gold	9.4	5.7	3.6	13.0	19.7	3.0	-2.6	12.3	-2.3	12.8	-31.4
Indexed Inflation Linked Bond	5.1	-10.4	6.0	2.3	6.0	-2.2	0.6	3.4	0.1	4.6	-4.4
Protected 70	10.3	-15.8	17.9	4.1	17.7	-6.1	4.7	1.4	6.4	10.4	13.1
Protected 80	6.8	-12.1	12.4	1.3	10.4	-5.1	2.2	-0.3	4.2	7.1	9.3
Global Corporate Bond (J.P Morgan)	6.0	-16.3	-2.8	6.8	9.4	-5.2	3.5	3.2	-0.7	7.2	-0.2
Global Government Bond (J.P Morgan)	3.1	-14.0	-4.1	4.9	3.9	-1.0	0.1	1.3	0.6	8.1	-0.8
Emerging Market Opp (J.P Morgan)	2.3	-21.3	0.8	8.7	27.6	-9.7	28.6	17.1	-11.5	12.5	
Dynamic Diversified Growth (Blackrock)	4.6	-11.2	3.6	7.4	9.2	-4.4	6.8	-2.5	-1.7	5.1	5.9
American Select (Columbia Threadneedle)	19.0	-18.5	30.9	14.9	36.2	-1.3	6.3	17.5	9.9	21.3	24.5
European Select (Columbia Threadneedle)	22.0	-21.8	26.2	9.3	33.7	-11.0	13.9	0.1	13.9	12.9	15.7
Global Select (Columbia Threadneedle)	23.7	-20.3	22.3	11.1	38.9	-7.5	14.1	9.0	12.1	17.1	20.0
Indexed TopTech 100	49.8	-30.5	39.5	34.6	41.0	3.9	15.9	9.8	21.4	34.7	29.9

**Notes:** Annual management charges (AMC) apply. The fund performance shown is before the full AMC is applied on your policy. Returns are based on offer/offer performance and do not represent the return achieved by individual policies linked to the fund.

**Source:** Zurich Life as at 02/01/24.

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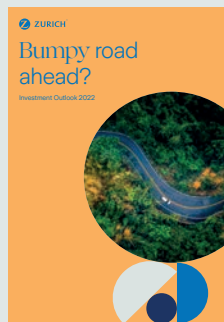
H2 2023



H1 2023



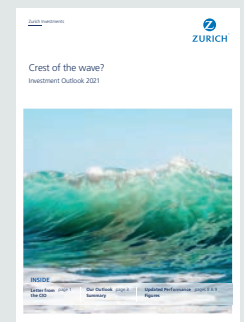
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H1 2022



H2 2021



H1 2021

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Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

GR: 8329 Print Ref: ZL IB 182 0124

