

Monthly Investment Review

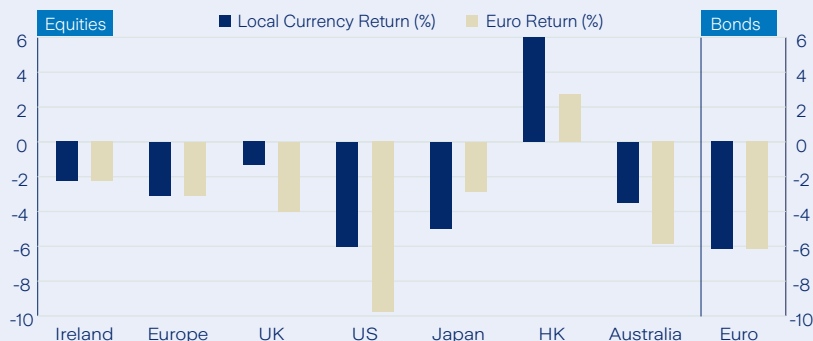
December closed out the year in a negative fashion for both equities and bonds, to leave the two main asset classes firmly in the red for the calendar year. Economic activity releases in December showed that the global economy remains under pressure. Overall, global trade and purchasing manager indexes have been fragile as major central banks continued to tighten monetary policy. However, pricing pressures should ease as global supply chain issues recede and energy prices retreat year over year. The Federal Reserve, ECB, and the Bank of England all raised interest rates at their respective December meetings. However, given the varying pace of hikes seen to date, we expect to see central bank policy diverge somewhat in 2023. Japan's bond market remains under pressure following the Bank of Japan's sudden change in its yield curve management strategy. In Asia, China has reversed many of its 'zero-COVID' policies with mobility restrictions reduced, case numbers no longer being released, and travel mostly reopening.



Activity

As we look forward to 2023, we maintain a preference for equities over other asset classes. The prevailing market consensus is that inflation has now peaked, and that rates will therefore peak by the middle of 2023. Attention will now shift to the consequences of these higher rates and the impact that may be felt in relation to economic growth. On a geographical basis, we remain positively positioned towards Europe and Asia ex Japan, and on a sectoral basis we have a bias towards industrials, materials, and consumer discretionary companies. Within eurozone sovereign bond markets the moves seen in 2022 see a return to positive yields with resultant cash flows at their highest levels in a decade. As this developed, we shifted the duration of our sovereign holdings higher in the second half of 2022 and could look to increase absolute allocations in the first half of 2023. 2023 will present clear and tangible opportunities for active asset allocation.

Equity & Bond % Returns: December 2022



This graph shows the performance of the major equity markets over the month of December. The returns are shown in both local and euro currencies. The bond index is the ICE BofA 5+ Government Bond Index. Source: Bloomberg, January 2023.

Current Positioning

Asset Class	Region	Positive	Neutral	Negative
Equities	North America			✓
	Europe	✓		
	Japan		✓	
	UK	✓		
	Asia-Ex Japan	✓		
Fixed Income	Sovereign Eurozone			✓
	Sovereign US		✓	
	Sovereign UK		✓	
	Credit	✓		
Currencies	USD			✓
	GBP		✓	
	YEN		✓	
Alternatives	Oil		✓	
	Gold	✓		
	Copper		✓	
	Global Property			✓
	Soft Commodities		✓	
	Water		✓	

Market Performance

Equities

The final month of 2022 saw world equities down -762% in Euro terms with equities suffering in particular following the 14th December FOMC meeting, where the Federal Reserve reiterated hawkish guidance regarding the path of interest rates. A negative month for many markets the only major positive performer was Hong Kong, returning 2.73% in Euro terms. Hong Kong equities benefited from the Chinese unwinding of strict covid policies which many investors expect to cause a growth resurgence in the region. The energy sector returned -6.9% in Euro terms for December yet remains a vast outperformer for the year returning 57.0% in 2022. A recovery of value stocks was also prevalent on a sector basis in December as utilities performed best returning -3.45% in Euro terms. Utilities were also the second-best performing sector globally for the year 2022, returning 2.36%.

Bonds

The introduction of further interest rate rises from several central banks guided much of fixed income movements in December. The benchmark US 10 Year yield finished the month at 3.85% up 0.24% during December. The German 10 Year yield was up 0.58% in December finishing the month at 2.50%. The rise in yields in Europe brought on largely by an uncharacteristically hawkish European Central Bank saw Eurozone Bonds suffer in December. The Eurozone 5+ Year bond returned -6.15% in December, and was down 24.4% for the calendar year. The rise in rates has meant large capital losses in much of fixed income in 2022, however the instance of positive rates now presents investors with opportunities for returns from bond coupons, as opposed to capital gains alone, for the first time in several years.

Commodities & Currencies

Reflective of the overall performance of energy, WTI Crude Oil lost -3.73% in Euro terms in December. A basket of commodities returned -5.90% in December as the general slowdown in economic activity within the global economy affected demand. Precious metals such as gold performed better, returning -0.30% in Euro terms last month. The returns were lower than the positive territory gold has experienced in dollar terms due to shifts in the euro/dollar exchange rate. Much of this has been due to a weaker US dollar, which finished the month lower. At year end, 1 euro purchased 1.069 dollars, demonstrating a far weaker dollar than prevailed throughout much of 2022.

Zurich Life Annualised Performance
to January 2023

	Annualised							Fund Size (Euros)
	Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	
Multi-Asset Funds								
Prisma Low	-5.8%	-5.8%	Not Started	Not Started	Not Started	Not Started	Not Started	27,433,790
Prisma 2	-5.6%	-5.6%	-0.5%	0.0%	Not Started	Not Started	Not Started	493,464,470
Prisma 3	-8.6%	-8.6%	0.6%	1.5%	Not Started	Not Started	Not Started	1,998,887,091
Prisma 4	-13.3%	-13.3%	2.7%	4.0%	Not Started	Not Started	Not Started	2,760,160,881
Prisma 5	-16.7%	-16.7%	4.6%	6.3%	Not Started	Not Started	Not Started	1,661,555,187
Prisma Max	-19.1%	-19.1%	4.9%	6.9%	Not Started	Not Started	Not Started	175,104,882
Active Asset Allocation	-12.2%	-12.2%	3.8%	4.8%	6.1%	Not Started	Not Started	846,174,225
Managed Funds								
Cautiously Managed	-12.3%	-12.3%	1.6%	2.7%	5.3%	Not Started	Not Started	697,232,158
Sector Average	-9.3%	-9.3%	-0.8%	0.3%	2.4%	2.0%	3.1%	
Balanced	-17.0%	-17.0%	3.2%	4.9%	7.8%	5.5%	7.1%	2,028,233,346
Sector Average	-10.8%	-10.8%	0.8%	2.2%	5.3%	3.1%	4.8%	
Performance	-17.9%	-17.9%	4.8%	6.4%	9.1%	6.0%	7.8%	1,594,453,687
Dynamic	-18.5%	-18.5%	5.2%	7.0%	9.7%	6.3%	8.2%	1,905,626,919
FinEx Sector Average	-11.5%	-11.5%	1.6%	3.0%	6.0%	3.7%	5.1%	
Protected Funds								
Protected 70	-15.8%	-15.8%	1.1%	2.7%	4.9%	Not Started	Not Started	16,624,416
Protected 80	-12.1%	-12.1%	0.0%	1.0%	2.7%	Not Started	Not Started	26,776,127
Cash								
Cash Fund	-1.0%	-1.0%	-1.0%	-0.9%	-0.7%	Not Started	Not Started	1,506,093,614
FinEx Sector Average	-0.5%	-0.5%	-0.6%	-0.6%	-0.3%	0.2%	0.7%	
Bond								
Medium Duration Corporate Bond	-15.7%	-15.7%	Not Started	Not Started	Not Started	Not Started	Not Started	602,308,070
Short Duration Corporate Bond	-4.8%	-4.8%	Not Started	Not Started	Not Started	Not Started	Not Started	1,177,152,225
Global Corporate Bond (JP Morgan)	-16.3%	-16.3%	-4.6%	-2.0%	0.2%	Not Started	Not Started	13,405,774
Global Government Bond (JP Morgan)	-14.0%	-14.0%	-4.70%	-2.20%	-0.20%	Not Started	Not Started	1,201,854
Indexed Eurozone Government Bond (BlackRock)*	-16.7%	-16.7%	-6.00%	-2.20%	0.70%	Not Started	Not Started	17,025,632
Active Fixed Income	-15.0%	-15.0%	-5.50%	-2.20%	1.40%	3.30%	3.50%	490,096,794
Inflation-Linked Bond	-10.4%	-10.4%	-1.00%	0.10%	0.50%	Not Started	Not Started	9,811,722
Long Bond	-27.2%	-27.2%	-9.6%	-3.6%	1.5%	3.4%	Not Started	37,637,354
FinEx Sector Average	-18.1%	-18.1%	-5.6%	-2.0%	0.8%	2.1%	2.6%	
Absolute Return/Diversified Assets Funds								
Global Targeted Returns Fund (Invesco)	-2.1%	-2.1%	-1.8%	-1.6%	Not Started	Not Started	Not Started	15,197,316
Dynamic Diversified Growth (BlackRock)	-11.2%	-11.2%	-0.4%	0.6%	1.6%	Not Started	Not Started	12,582,562
Commodity Funds								
Gold	5.7%	5.7%	7.4%	8.8%	2.4%	Not Started	Not Started	325,698,077
Indexed Global Energy and Metals	19.9%	19.9%	13.8%	9.7%	1.9%	-1.3%	Not Started	26,951,515
Equity Funds (Global)								
5 Star 5	-19.0%	-19.0%	7.4%	8.3%	10.1%	6.1%	8.6%	317,543,909
International Equity	-19.7%	-19.7%	5.3%	7.3%	10.4%	7.0%	8.6%	4,354,256,606
Global Select (Threadneedle)	-20.3%	-20.3%	2.7%	6.8%	10.5%	7.2%	8.7%	10,545,224
Indexed Global Equity (BlackRock)*	-11.1%	-11.1%	6.7%	8.5%	10.7%	Not Started	Not Started	188,439,083
FinEx Sector Average	-11.0%	-11.0%	4.5%	5.7%	8.4%	5.4%	6.6%	
Equity Funds (European)								
5 Star 5 Europe	-10.3%	-10.3%	4.7%	5.8%	9.8%	5.8%	Not Started	123,442,081
European Select (Threadneedle)	-21.8%	-21.8%	2.6%	5.1%	8.1%	6.6%	8.8%	8,063,076
FinEx Sector Average	-16.4%	-16.4%	1.7%	2.9%	6.8%	3.7%	6.6%	
Equity Funds (Euro)								
Eurozone Equity	-13.1%	-13.1%	4.1%	4.5%	8.2%	4.9%	Not Started	103,833,405
Indexed Eurozone Equity (BlackRock)*	-9.9%	-9.9%	3.3%	4.0%	7.1%	Not Started	Not Started	6,044,150
FinEx Sector Average	-11.7%	-11.7%	1.9%	2.5%	6.4%	2.5%	5.6%	
Equity Funds (Irish)								
Irish Equity	-16.0%	-16.0%	1.0%	2.6%	10.2%	3.0%	Not Started	16,779,157
FinEx Sector Average	-13.9%	-13.9%	0.8%	1.4%	8.1%	1.5%	4.2%	

	Year to Date	Annualised						Fund Size (Euros)
		1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	
Equity Fund (American)								
5 Star 5 Americas	-24.9%	-24.9%	7.9%	11.2%	13.5%	9.3%	Not Started	102,871,763
American Select (Threadneedle)	-18.5%	-18.5%	7.0%	10.5%	13.1%	9.9%	9.5%	10,452,217
FinEx Sector Average	-13.0%	-13.0%	8.3%	10.0%	12.9%	9.4%	8.5%	
Equity Funds (Far East Asia)								
5 Star 5 Asia Pacific	-2.7%	-2.7%	5.1%	4.8%	7.4%	3.7%	Not Started	83,025,906
Asia Pacific Equity	-1.5%	-1.5%	4.7%	4.8%	6.9%	Not Started	Not Started	13,346,133
FinEx Sector Average	-6.5%	-6.5%	2.7%	3.3%	5.0%	3.9%	7.5%	
Equity Funds (High Yield)								
Dividend Growth	-4.6%	-4.6%	2.6%	4.4%	8.5%	6.2%	Not Started	240,713,219
FinEx Sector Average	-11.0%	-11.0%	4.5%	5.7%	8.4%	5.4%	6.6%	
Equity Funds (Emerging Market)								
Emerging Markets Opportunities (JP Morgan)	-21.3%	-21.3%	-4.8%	-0.1%	Not Started	Not Started	Not Started	7,269,779
Indexed Emerging Market Equity Fund (BlackRock)	-14.0%	-14.0%	-1.1%	0.5%	Not Started	Not Started	Not Started	12,328,388
Sector Average	-16.8%	-16.8%	-2.0%	-0.3%	2.6%	1.2%	6.3%	
Equity Funds (Specialist)								
Indexed Top Tech 100	-30.5%	-30.5%	9.3%	13.8%	17.8%	14.2%	12.7%	162,805,297
FinEx Sector Average	-6.0%	-6.0%	7.6%	7.2%	6.1%	2.9%	5.2%	
Property Funds								
Property Fund	-8.8%	-8.8%	-5.8%	Not Started	Not Started	Not Started	Not Started	33,338,819
Indexed European (Ex-UK) Property	-37.6%	-37.6%	-15.0%	-6.6%	2.1%	2.3%	Not Started	154,068,027
Indexed Australasia Property	-7.9%	-7.9%	-4.5%	0.9%	3.4%	2.4%	Not Started	193,481,505
Sector Average	-7.3%	-7.3%	-2.6%	0.0%	3.5%	-0.9%	2.2%	
Dimensional Funds								
Global Short-term Investment Grade Fixed Income (Dimensional)	-7.9%	-7.9%	-3.2%	-2.0%	Not Started	Not Started	Not Started	2,832,639
Euro Inflation Linked Int Duration Fixed Income (Dimensional)	-9.3%	-9.3%	-1.1%	0.0%	Not Started	Not Started	Not Started	6,930,729
World Equity (Dimensional)	-9.4%	-9.4%	5.7%	6.0%	Not Started	Not Started	Not Started	14,857,368
Global Short Fixed Income (Dimensional)	-9.1%	-9.1%	-4.0%	-2.5%	Not Started	Not Started	Not Started	15,052,653
World Allocation 20/80 (Dimensional)	-7.5%	-7.5%	-1.2%	-0.3%	Not Started	Not Started	Not Started	7,935,583
World Allocation 40/60 (Dimensional)	-8.3%	-8.3%	0.5%	1.4%	Not Started	Not Started	Not Started	25,471,010
World Allocation 60/40 (Dimensional)	-9.5%	-9.5%	2.1%	2.9%	Not Started	Not Started	Not Started	27,032,884
World Allocation 80/20 (Dimensional)	-10.0%	-10.0%	3.6%	4.1%	Not Started	Not Started	Not Started	14,005,342
Global Small Companies (Dimensional)	-11.7%	-11.7%	4.7%	Not Started	Not Started	Not Started	Not Started	7,674,908
Global Value (Dimensional)	0.0%	0.0%	5.1%	Not Started	Not Started	Not Started	Not Started	24,769,329
Global Sustainability Core Equity (Dimensional)	-13.6%	-13.6%	6.3%	Not Started	Not Started	Not Started	Not Started	1,807,590
Funds Closed to New Business								
Indexed Eurozone Property	-33.0%	-33.0%	-14.2%	-6.5%	2.1%	1.2%	Not Started	8,731,827
Indexed India Equity	-4.8%	-4.8%	9.6%	6.1%	7.5%	2.4%	Not Started	7,621,952
Income Opportunity (JP Morgan)	-1.8%	-1.8%	-0.8%	-0.9%	0.0%	Not Started	Not Started	1,528,786
Diversified Assets	-7.2%	-7.2%	2.5%	3.9%	4.7%	3.8%	Not Started	9,151,062
Earth Resources	0.4%	0.4%	11.5%	11.4%	3.7%	-0.2%	Not Started	5,314,558
Green Resources	-33.9%	-33.9%	9.4%	13.4%	11.4%	Not Started	Not Started	5,192,130

Source: Financial Express as at 01/01/2023.

Annual management charges (AMC) apply. The fund returns shown are net of the AMC deducted by each provider in their unit prices. This will vary for each provider, and any difference will impact the relative performance of the funds shown. The fund returns are based on an investment in the funds and do not represent the returns achieved by individual policies linked to the funds. These fund returns may be before the full AMC is applied to a policy. The actual returns on policies linked to the specified fund will be lower because of the effects of charges and in some cases a higher management charge.

* Performance using most recent data available.

Figures highlighted in beige indicate where the Zurich Life fund has outperformed the sector average.

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





Barclays Bank Plc is authorised by the Prudential Regulation Authority and is regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

BlackRock Investment Management (UK) Limited is authorised and regulated by the Financial Conduct Authority.

J.P. Morgan Asset Management Marketing Limited is authorised and regulated by the Financial Conduct Authority.

Columbia Threadneedle Investment Services Limited. Columbia Threadneedle Asset Management Limited. Authorised and Regulated in the UK by the Financial Conduct Authority.

Invesco Management S.A. is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

Dimensional Fund Advisors Ltd., registered address 20 Triton Street, Regent's Place, London, NW1 3BF, Company Number 02569601, which is authorised and regulated by the Financial Conduct Authority - Firm Reference No.150100.

The information below applies to all graphs and the preceding pages:

Source: MSCI January 2023. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

Source: ICE Data Indices January 2023. ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES NOR THEIR RESPECTIVE THIRD PARTY PROVIDERS SHALL BE SUBJECT TO ANY DAMAGES OR LIABILITY WITH RESPECT TO THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND YOUR USE IS AT YOUR OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DO NOT SPONSOR, ENDORSE, OR RECOMMEND ZURICH LIFE ASSURANCE PLC, OR ANY OF ITS PRODUCTS OR SERVICES.

This Monthly Investment Review does not constitute an offer and should not be taken as a recommendation from Zurich Life.

Advice should always be sought from an appropriately qualified professional.

Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, A94 X9Y3, Ireland.

Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie

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

Intended for distribution within the Republic of Ireland.

GR: 7601 Print Ref: ZL ISA 76 0123

