

Monthly Investment Review

November was one of the best months ever for global equity markets. The main cause of the rally was positive news regarding COVID-19 vaccines and greater confidence amongst investors that economic activity will rebound in 2021. Other features during November were a rotation into value and cyclical stocks, which had significantly underperformed, and the outperformance of European markets. Central banks are likely to remain accommodative and should continue to provide substantial liquidity that, combined with an improving economic outlook, should allow equities to make further progress in the medium term. Short-term volatility, of course, cannot be ruled out. Although equities have become more expensive on a standalone P/E basis, they remain better value than most other asset classes in the ultra-low interest rate environment.

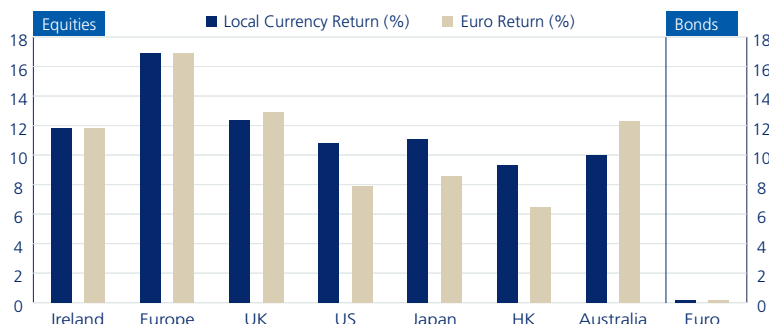


Richard Temperley
Head of Investment
Development

Activity

Equity positions in our multi-asset funds were increased in the first half of November and remain well above benchmark. With regards to geographic positions, the main bias is towards Asia, Japan and Europe. The U.S. is now a slightly underweight position following a particularly strong run. Sector-wise, the funds are positively biased towards technology and consumer discretionary stocks and negatively biased towards consumer staples, utilities and energy. Bond positions are below the middle of ranges whilst the duration of these bonds is below benchmark. Corporate bonds have been increased at the expense of sovereign bonds over the last number of months.

Equity & Bond % Returns: November



This graph shows the performance of the major equity markets over the month of November. The returns are shown in both local and euro currencies. The bond index is the Merrill Lynch Over Five Year Euro Government Bond Index.

Source: Bloomberg, December 2020.

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

Equity Markets

World equities (in euro terms) rose by 8.1% in November giving a total return of 4.3% for the first eleven months of 2020. Local currency returns in November for the major markets ranged from 16.9% in Europe to 9.3% in Hong Kong. The influential U.S. market rose by 10.8%. Regarding sectors in the U.S. during the month, the strongest returns came from areas which had been previous underperforming, namely energy (+26.6%) and financials (+16.8%). Despite the rotation into 'value' stocks, technology continued to perform well (+11.3%). Year-to-date, technology (+35%) and consumer discretionary stocks (+29%) have been the best performing sectors; energy the worst, down 39%.

Bonds & Interest Rates

The Over Five Year Euro Government Bond Index rose by 0.2% in November giving an impressive return of 7.2% for the first eleven months of the year. The German ten-year bond yield rose in November moving from minus 0.63% to minus 0.57%. This remains a most unusual situation and means that buying German bonds today guarantees a loss if held to maturity. Equivalent U.S. rates fell from 0.87% to 0.84%. They had begun the year at 1.92%. The Federal Reserve and other central banks have introduced a wave of liquidity since the outbreak of COVID-19 which has included various forms of asset purchases, to support economies and businesses.

Commodities & Currencies

October saw overall commodity prices rise by a strong 10.6% but they are still down 13.9% so far this year, the main culprit being oil. Oil prices rose in November by around 27% but are down by around 27% so far this year due to concerns over slowing economic growth and geopolitical tensions. The gold price fell by 5.5% during the month, to \$1,776 per troy ounce, but is still up by 16.6% in the first eleven months of the year. The copper price had a strong month, up over 12%. The euro currency strengthened in November against the U.S. dollar with the EUR/USD rate moving from 1.16 to 1.19. The rate began the year at 1.12. This is really a dollar weakness story caused by the degree of stimulus to the US economy by the Federal Reserve.

Zurich Life Annualised Performance
to December 2020

Zurich Life Annualised Performance to December 2020		Annualised						Fund Size (Euros)
		Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	
Prisma Multi-Asset Funds								
Prisma 2	1.4%	1.5%	1.1%	0.9%	Not Started	Not Started	Not Started	350,245,041
Prisma 3	2.6%	3.2%	2.8%	2.6%	Not Started	Not Started	Not Started	1,339,565,260
Prisma 4	5.3%	6.5%	6.1%	5.7%	Not Started	Not Started	Not Started	1,755,323,039
Prisma 5	8.6%	10.3%	9.3%	8.1%	Not Started	Not Started	Not Started	951,045,061
Prisma Max	11.3%	12.9%	10.8%	9.1%	Not Started	Not Started	Not Started	89,316,291
Managed Funds								
Cautiously Managed	6.1%	6.6%	5.0%	4.4%	7.1%	Not Started	Not Started	534,060,278
Sector Average	-0.4%	0.1%	1.4%	2.0%	3.4%	2.7%	2.9%	
Balanced	10.5%	11.3%	8.6%	7.0%	9.3%	6.8%	5.8%	1,971,703,851
Sector Average	0.0%	1.0%	3.1%	3.3%	6.2%	3.8%	3.2%	
Performance	11.8%	13.1%	10.1%	8.2%	10.2%	7.1%	6.1%	1,603,766,252
Dynamic	12.1%	13.6%	10.8%	8.7%	10.7%	7.5%	6.2%	1,851,948,974
FinEx Sector Average	-1.0%	0.2%	3.4%	3.9%	6.5%	4.1%	3.5%	
Protected Funds								
Protected 70	2.6%	3.7%	4.4%	3.1%	5.2%	Not Started	Not Started	18,748,306
Protected 80	0.4%	1.0%	1.7%	0.9%	2.8%	Not Started	Not Started	29,971,816
Cash								
Secure	0.0%	0.0%	0.0%	0.0%	0.1%	0.8%	1.3%	156,618,559
Cash Fund	-0.9%	-1.0%	-0.9%	-0.8%	-0.5%	Not Started	Not Started	1,110,484,806
FinEx Sector Average	-0.6%	-0.7%	-0.7%	-0.5%	-0.1%	0.7%	1.1%	
Bond								
Global Corporate Bond (JP Morgan)	6.3%	6.5%	3.4%	3.3%	Not Started	Not Started	Not Started	15,548,208
Global Government Bond (JP Morgan)	4.9%	4.0%	2.70%	1.90%	Not Started	Not Started	Not Started	2,956,382
Indexed Eurozone Government Bond (BlackRock)*	3.5%	3.3%	3.20%	2.50%	Not Started	Not Started	Not Started	11,715,269
Active Fixed Income	3.1%	2.4%	2.70%	2.10%	5.20%	4.70%	5.50%	252,564,265
Inflation-Linked Bond	1.7%	1.6%	1.50%	1.30%	1.80%	Not Started	Not Started	5,543,706
Long Bond	8.2%	6.3%	6.5%	4.5%	7.3%	5.9%	Not Started	96,956,258
FinEx Sector Average	4.3%	3.7%	3.7%	2.9%	4.3%	3.6%	4.3%	
Absolute Return/Diversified Assets Funds								
Global Targeted Returns Fund (Invesco)	-2.0%	-1.9%	-1.8%	-0.5%	Not Started	Not Started	Not Started	31,950,606
Dynamic Diversified Growth (BlackRock)	5.6%	7.6%	3.4%	2.4%	Not Started	Not Started	Not Started	11,526,988
Active Asset Allocation	5.8%	6.9%	6.5%	5.90%	6.7%	Not Started	Not Started	590,810,191
Commodity Funds								
Gold	9.7%	11.6%	10.9%	7.4%	2.7%	Not Started	Not Started	181,850,018
Indexed Global Energy and Metals	-10.8%	-7.7%	-0.3%	0.3%	-2.7%	Not Started	Not Started	11,169,394
Equity Funds (Global)								
5 Star 5	14.9%	17.8%	11.5%	9.2%	10.6%	6.8%	Not Started	264,473,666
International Equity	12.8%	14.5%	11.5%	9.6%	11.5%	7.9%	5.8%	3,173,079,511
Global Select (Threadneedle)	8.3%	10.6%	12.1%	10.2%	11.9%	8.4%	5.8%	12,307,571
Indexed Global Equity (BlackRock)*	3.4%	7.3%	9.1%	7.9%	Not Started	Not Started	Not Started	142,458,883
FinEx Sector Average	-0.4%	0.8%	5.3%	5.4%	8.3%	5.3%	3.3%	
Equity Funds (European)								
5 Star 5 Europe	-0.3%	3.0%	5.0%	6.1%	10.8%	7.1%	Not Started	107,171,964
European Select (Threadneedle)	7.2%	9.3%	8.5%	6.4%	11.0%	8.4%	6.0%	9,335,992
FinEx Sector Average	-0.3%	1.9%	3.1%	3.6%	7.4%	5.1%	3.4%	
Equity Funds (Euro)								
Eurozone Equity	2.6%	3.9%	4.1%	5.2%	8.6%	6.8%	Not Started	86,496,662
Indexed Eurozone Equity (BlackRock)*	-3.3%	0.8%	2.1%	4.0%	Not Started	Not Started	Not Started	6,557,037
Sector Average	-2.0%	-0.8%	1.3%	3.1%	6.6%	3.6%	2.6%	
Equity Funds (Irish)								
Irish Equity	2.0%	4.9%	5.1%	3.9%	13.6%	3.8%	Not Started	19,132,823
FinEx Sector Average	0.4%	3.2%	2.0%	1.4%	10.7%	1.6%	2.8%	

	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	21.1%	23.3%	18.1%	12.5%	14.5%	9.8%	Not Started	89,648,066
American Select (Threadneedle)	12.3%	14.0%	14.6%	11.9%	14.6%	9.7%	5.3%	12,248,650
FinEx Sector Average	6.8%	7.9%	11.1%	9.6%	13.1%	8.1%	4.6%	
Equity Funds (Far East Asia)								
5 Star 5 Asia Pacific	3.7%	6.5%	4.7%	8.5%	7.3%	5.9%	Not Started	77,113,699
Asia Pacific Equity	1.5%	3.6%	4.5%	7.9%	6.9%	Not Started	Not Started	10,405,288
FinEx Sector Average	2.5%	5.5%	4.3%	6.5%	5.2%	5.8%	5.7%	
Equity Funds (High Yield)								
Dividend Growth	-16.0%	-14.4%	-1.2%	1.9%	8.0%	4.9%	Not Started	177,354,851
FinEx Sector Average	-0.4%	0.8%	5.3%	5.4%	8.3%	5.3%	3.3%	
Equity Funds (Emerging Market)								
Emerging Markets Opportunities (JP Morgan)	2.6%	10.1%	6.4%	10.2%	Not Started	Not Started	Not Started	7,863,024
Indexed Emerging Market Equity Fund (BlackRock)	2.7%	8.2%	4.1%	7.3%	Not Started	Not Started	Not Started	3,367,407
Sector Average	0.9%	5.0%	2.5%	5.9%	2.2%	5.3%	Not Started	
Equity Funds (Specialist)								
Indexed Top Tech 100	30.8%	33.3%	24.2%	18.4%	20.5%	14.3%	Not Started	117,134,787
FinEx Sector Average	6.7%	8.9%	7.1%	5.5%	4.2%	3.1%	1.3%	
Property Funds								
Property Fund	-11.6%	-11.3%	Not Started	Not Started	Not Started	Not Started	Not Started	40,576,440
Indexed European (Ex-UK) Property	-12.3%	-10.9%	1.5%	3.6%	7.5%	Not Started	Not Started	124,242,569
Indexed Australasia Property	-17.7%	-18.9%	0.0%	2.2%	4.5%	Not Started	Not Started	100,824,095
Sector Average	-9.9%	-9.8%	-0.3%	1.2%	3.4%	-0.1%	2.4%	
Dimensional Funds								
Global Short-term Investment Grade Fixed Income (Dimensional)	0.2%	0.2%	Not Started	Not Started	Not Started	Not Started	Not Started	529,546
Euro Inflation Linked Int Duration Fixed Income (Dimensional)	0.5%	-0.1%	Not Started	Not Started	Not Started	Not Started	Not Started	6,926,799
World Equity (Dimensional)	-1.5%	0.2%	Not Started	Not Started	Not Started	Not Started	Not Started	11,720,242
Global Short Fixed Income (Dimensional)	-0.2%	-0.4%	Not Started	Not Started	Not Started	Not Started	Not Started	4,109,689
World Allocation 20/80 (Dimensional)	0.0%	0.2%	Not Started	Not Started	Not Started	Not Started	Not Started	12,623,317
World Allocation 40/60 (Dimensional)	0.0%	0.7%	Not Started	Not Started	Not Started	Not Started	Not Started	25,279,921
World Allocation 60/40 (Dimensional)	0.0%	0.9%	Not Started	Not Started	Not Started	Not Started	Not Started	25,518,395
World Allocation 80/20 (Dimensional)	-1.1%	0.3%	Not Started	Not Started	Not Started	Not Started	Not Started	8,451,327
Funds Closed to New Business								
Indexed Eurozone Property	-14.1%	-13.8%	0.0%	2.8%	6.9%	4.2%	Not Started	14,737,927
Indexed India Equity	-4.3%	-4.5%	0.5%	2.9%	2.0%	Not Started	Not Started	7,301,687
Income Opportunity (JP Morgan)	0.0%	0.0%	-0.7%	0.7%	Not Started	Not Started	Not Started	3,827,033
Diversified Assets	-3.3%	-2.0%	3.3%	3.5%	4.9%	Not Started	Not Started	9,934,277
Earth Resources	10.7%	16.7%	11.6%	6.1%	-0.8%	Not Started	Not Started	4,550,448
Green Resources	106.9%	122.0%	44.0%	26.3%	10.2%	Not Started	Not Started	9,680,252

Source: Financial Express as at 01/12/2020

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 December 2020. 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 December 2020. 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, 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: 5641 Print Ref: ZL ISA 76 1220

