

Monthly Investment Review

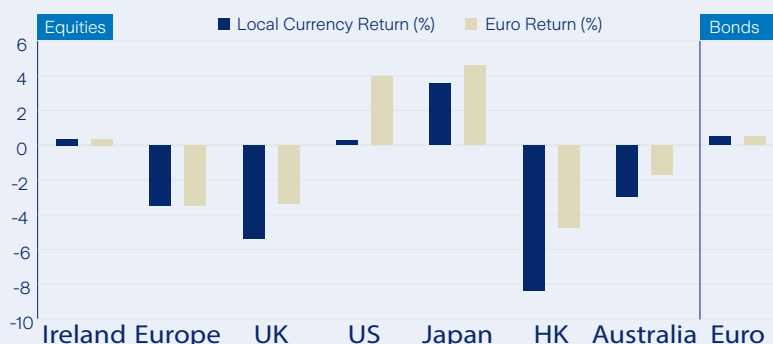
May was dominated by discourse surrounding the US debt ceiling as Republicans and Democrats in the US struggled to reach an agreement. The US treasury had warned of potentially disastrous economic outcomes if an agreement wasn't made by early June. However, despite the narrative, global equities moved higher once again. Inflation concerns also made their way back to the fore in May as US Core PCE inflation (the Fed's preferred measure) ticked up to an annualised rate of 4.7% from 4.6%. Yields rose steadily with the Benchmark US 10 Year Treasury yield ending the month at 3.64%. Central bank policy is likely to diverge further from this point. News of Q1 GDP results also influenced sentiment as the US figure for the first quarter of 2023 displayed a slowing economy. GDP came in at 1.1%; down from the previous figure of 2.6%. In Europe, fears of an economic slowdown also persisted. Germany, Europe's largest economy, saw GDP revised downwards for Q1 displaying a contraction in economy activity. Towards the end of May the final figure was revised from 0.0% to -0.3% seeing the country enter a technical recession.



Activity

At Zurich, we remain positive on equities. We have added to our equity allocation several times this year and global stocks are now trading close to their year-to-date highs, which has been beneficial to our performance. A number of economic indicators such as earnings and jobs growth have surprised to the upside in recent weeks along with lower inflation figures despite weak sentiment surveys. Equities have begun to reflect this through higher returns. Our positioning and purchases during times of lower valuations has proven to be advantageous. We are neutral in our absolute allocations to both sovereign and corporate bonds but have added to the duration within those exposures. We maintain our EUR/USD hedge which has contributed to performance in 2023.

Equity & Bond % Returns: May 2023



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

Current Positioning

Asset Class	Country	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		✓	

Market Performance

Equity Markets

May's best performing major market in Euro terms was Japan, returning 4.6%. Japan has seen capital inflows in the last number of weeks as sentiment improves due to changing monetary policy and increased levels of shareholder activism. Hong Kong equities on the other hand lost -4.7% in Euro terms last month as China fails to meet growth expectations following its post covid reopening. On a global sector basis, information technology stocks performed best, returning 12.2% in Euro terms in May. Declining interest rate expectations and positive sentiment to AI developments, has made growth stocks more attractive. US sectors largely mirrored global performance with Energy performing worst as prices continue to lower.






Bonds & Interest Rates

Eurozone bonds were up slightly in May, whilst the US ten year treasury fell on a price basis. US yields rose steadily throughout the month, particularly due to fears of a government default when negotiations on raising the debt ceiling became tentative. This largely reversed towards the end of the month when news of a likely agreement in Washington mollified investors. The benchmark European 5+ Year bond index returned 0.48% in May. The Federal Reserve and ECB raised interest rates by 25 basis points each in May which was as expected. Peak inflation and lower interest rate expectations has meant there is a cautious optimism emerging in this area.

Commodities & Currencies

May was another volatile month for commodities with many components entering negative territory. Energy-related commodities suffered the most as prices have declined, and demand begins to taper off somewhat. Industrial metals also felt the burden of decreased demand following indications that the global economic outlook has slowed. Copper, often viewed as a barometer for global economic health, returned -3.9% in Euro terms. Meanwhile Gold made positive returns, gaining 8.4% in May. Gold which has historically had a negative correlation with interest rates, has benefitted from softer policy expectations surrounding the Federal Reserve. At the end of May one Euro purchased 1.069 US Dollars.

Zurich Life Annualised Performance to June 2023

Zurich Life Annualised Performance to June 2023		Annualised						Fund Size (Euros)
		Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	
Multi-Asset Funds								
Prisma Low	1.8%	-0.8%	Not Started	Not Started	Not Started	Not Started	Not Started	23,354,838
Prisma 	1.9%	-0.5%	0.5%	0.4%	Not Started	Not Started	Not Started	491,223,401
Prisma 	3.1%	-0.8%	2.5%	1.9%	Not Started	Not Started	Not Started	2,126,979,383
Prisma 	5.1%	-1.3%	6.0%	4.6%	Not Started	Not Started	Not Started	3,111,458,597
Prisma 	7.4%	-0.4%	8.8%	7.2%	Not Started	Not Started	Not Started	2,085,072,813
Prisma 	9.0%	1.7%	9.0%	8.1%	Not Started	Not Started	Not Started	212,641,848
Active Asset Allocation	4.9%	-1.7%	7.0%	5.3%	6.3%	Not Started	Not Started	927,315,408
Managed Funds								
Cautiously Managed	5.1%	0.4%	3.7%	3.5%	5.4%	5.7%	Not Started	752,123,693
Sector Average	2.2%	-2.2%	1.6%	0.8%	2.3%	2.4%	3.1%	
Balanced	7.4%	1.2%	6.1%	5.9%	7.6%	6.5%	7.4%	2,162,112,108
Sector Average	3.0%	-2.2%	4.5%	2.8%	4.7%	3.8%	4.9%	
Performance	8.7%	2.4%	8.2%	7.6%	9.0%	7.2%	8.2%	1,717,830,114
Dynamic	9.2%	2.9%	8.9%	8.2%	9.6%	7.6%	8.7%	2,096,880,765
FinEx Sector Average	4.6%	-0.7%	6.6%	3.7%	5.6%	4.5%	5.3%	
Protected Funds								
Protected 70	4.1%	-1.0%	4.2%	3.2%	4.5%	Not Started	Not Started	17,019,250
Protected 80	2.6%	-1.2%	2.3%	1.3%	2.4%	Not Started	Not Started	25,806,071
Cash								
Cash Fund	0.9%	0.5%	-0.5%	-0.7%	-0.6%	Not Started	Not Started	1,559,201,055
FinEx Sector Average	0.5%	0.4%	-0.3%	-0.5%	-0.3%	0.2%	0.7%	
Bond								
Medium Duration Corporate Bond	2.7%	-4.1%	Not Started	Not Started	Not Started	Not Started	Not Started	684,848,543
Short Duration Corporate Bond	1.2%	-1.1%	Not Started	Not Started	Not Started	Not Started	Not Started	1,010,288,017
Global Corporate Bond (JP Morgan)	1.7%	-4.7%	-4.2%	-1.1%	0.4%	Not Started	Not Started	14,877,163
Global Government Bond (JP Morgan)	1.4%	-5.5%	-5.5%	-1.8%	-0.1%	Not Started	Not Started	1,458,197
Indexed Eurozone Government Bond (BlackRock)*	0.3%	-5.5%	-5.8%	-2.1%	0.5%	Not Started	Not Started	17,949,008
Active Fixed Income	1.8%	-5.3%	-5.0%	-1.9%	1.4%	3.4%	3.3%	1,092,259,007
Inflation-Linked Bond	3.9%	-3.5%	1.8%	1.0%	1.0%	Not Started	Not Started	10,205,792
Long Bond	3.2%	-10.5%	-9.3%	-3.1%	1.6%	3.6%	3.5%	42,684,132
FinEx Sector Average	1.7%	-6.7%	-4.9%	-1.5%	0.8%	2.3%	2.5%	
Absolute Return/Diversified Assets Funds								
Global Targeted Returns Fund (Invesco)	2.7%	8.6%	-0.7%	-0.8%	Not Started	Not Started	Not Started	14,080,343
Dynamic Diversified Growth (BlackRock)	1.6%	-1.8%	0.7%	0.9%	1.5%	Not Started	Not Started	12,537,334
Commodity Funds								
Gold	8.6%	7.2%	5.3%	10.0%	4.9%	Not Started	Not Started	370,643,727
Indexed Global Energy and Metals	-10.6%	-21.9%	16.2%	5.8%	1.1%	-3.2%	Not Started	21,937,670
Indexed Commodities	-11.1%	-24.1%	Not Started	Not Started	Not Started	Not Started	Not Started	208,099,438
Equity Funds (Global)								
5 Star 5	10.7%	1.4%	12.3%	9.8%	10.1%	7.3%	8.7%	358,118,169
International Equity	10.1%	3.3%	9.5%	8.7%	10.2%	8.4%	9.1%	5,457,789,298
Global Select (Threadneedle)	11.7%	2.1%	7.5%	8.3%	10.6%	8.7%	9.6%	11,504,011
Indexed Global Equity (BlackRock)*	9.0%	3.7%	12.0%	9.6%	10.9%	Not Started	Not Started	196,637,231
FinEx Sector Average	6.1%	1.0%	10.8%	6.5%	7.8%	6.4%	7.1%	
Equity Funds (European)								
5 Star 5 Europe	11.0%	7.0%	13.8%	8.0%	9.9%	7.3%	Not Started	144,766,623
European Select (Threadneedle)	16.4%	13.7%	10.0%	8.0%	8.7%	8.8%	9.8%	9,678,351
FinEx Sector Average	9.0%	3.5%	9.0%	4.3%	6.4%	5.0%	7.1%	
Equity Funds (Euro)								
Eurozone Equity	11.9%	8.8%	13.3%	6.7%	8.4%	6.4%	9.3%	100,694,679
Indexed Eurozone Equity (BlackRock)*	8.8%	10.8%	10.7%	5.5%	7.5%	Not Started	Not Started	7,419,858
FinEx Sector Average	9.3%	6.4%	10.8%	4.4%	6.3%	3.9%	6.0%	
Equity Funds (Irish)								
Irish Equity	19.9%	15.2%	13.9%	5.6%	10.2%	5.1%	Not Started	20,615,424
FinEx Sector Average	17.7%	14.0%	13.1%	4.4%	7.9%	3.4%	4.7%	

		Annualised						Fund Size (Euros)
		Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	
Equity Fund (American)								
5 Star 5 Americas	11.9%	1.9%	10.5%	12.4%	13.2%	10.7%	Not Started	120,767,694
American Select (Threadneedle)	6.4%	-2.9%	9.3%	10.5%	12.7%	11.5%	10.0%	10,805,244
FinEx Sector Average	8.5%	1.3%	13.3%	11.0%	12.1%	10.8%	9.1%	
Equity Funds (Far East Asia)								
5 Star 5 Asia Pacific	-1.0%	-4.1%	10.4%	3.7%	6.9%	4.7%	Not Started	82,338,640
Asia Pacific Equity	-2.4%	-5.4%	10.1%	3.4%	6.3%	Not Started	Not Started	13,310,790
FinEx Sector Average	-1.8%	-5.2%	7.8%	2.4%	4.6%	4.5%	7.6%	
Equity Funds (High Yield)								
Dividend Growth	4.1%	1.1%	14.1%	5.1%	7.7%	7.1%	Not Started	255,627,859
FinEx Sector Average	6.1%	1.0%	10.8%	6.5%	7.8%	6.4%	7.1%	
Equity Funds (Emerging Market)								
Emerging Markets Opportunities (JP Morgan)	-0.3%	-10.1%	1.8%	0.0%	Not Started	Not Started	Not Started	7,221,232
Indexed Emerging Market Equity Fund (BlackRock)	-0.9%	-8.7%	4.6%	0.4%	Not Started	Not Started	Not Started	13,641,753
Sector Average	0.7%	-7.5%	4.5%	0.0%	2.8%	2.1%	7.2%	
Equity Funds (Specialist)								
Indexed Top Tech 100	31.9%	14.1%	15.9%	17.6%	19.5%	17.0%	13.8%	232,628,780
FinEx Sector Average	4.5%	-1.2%	10.9%	7.6%	6.2%	3.7%	5.2%	
Property Funds								
Property Fund	-0.9%	-9.1%	-3.4%	-2.0%	Not Started	Not Started	Not Started	30,671,892
Indexed European (Ex-UK) Property	-10.5%	-33.6%	-11.7%	-8.9%	0.4%	1.5%	Not Started	144,060,126
Indexed Australasia Property	-4.7%	-10.7%	2.0%	-0.8%	2.9%	3.5%	Not Started	193,433,391
Sector Average	-2.5%	-9.8%	0.2%	-0.7%	3.1%	-0.6%	1.9%	
Dimensional Funds								
Global Short-term Investment Grade Fixed Income (Dimensional)	0.9%	-2.3%	-2.4%	-1.6%	Not Started	Not Started	Not Started	3,362,332
Euro Inflation Linked Int Duration Fixed Income (Dimensional)	3.5%	-4.1%	1.3%	0.4%	Not Started	Not Started	Not Started	6,994,016
World Equity (Dimensional)	3.0%	-2.7%	12.3%	6.2%	Not Started	Not Started	Not Started	18,595,188
Global Short Fixed Income (Dimensional)	0.9%	-2.6%	-3.6%	-2.1%	Not Started	Not Started	Not Started	17,126,784
World Allocation 20/80 (Dimensional)	1.3%	-2.0%	0.2%	0.0%	Not Started	Not Started	Not Started	7,403,064
World Allocation 40/60 (Dimensional)	1.9%	-2.1%	3.1%	1.7%	Not Started	Not Started	Not Started	26,225,840
World Allocation 60/40 (Dimensional)	2.1%	-2.8%	5.9%	3.1%	Not Started	Not Started	Not Started	28,989,421
World Allocation 80/20 (Dimensional)	2.8%	-2.6%	9.2%	4.4%	Not Started	Not Started	Not Started	15,937,239
Global Small Companies (Dimensional)	0.7%	-5.0%	11.8%	Not Started	Not Started	Not Started	Not Started	9,195,569
Global Value (Dimensional)	0.6%	-4.3%	14.1%	Not Started	Not Started	Not Started	Not Started	29,036,956
Global Sustainability Core Equity (Dimensional)	5.9%	0.3%	11.8%	Not Started	Not Started	Not Started	Not Started	2,964,038
Funds Closed to New Business								
Indexed Eurozone Property	-9.1%	-33.2%	-9.5%	-8.7%	0.7%	0.5%	Not Started	7,579,021
Diversified Assets	-1.5%	-10.7%	5.6%	3.0%	4.2%	3.6%	Not Started	8,758,518

Source: Financial Express as at 01/06/2023.

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 May 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 May 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.