

Monthly Investment Review

- Global stock markets continued to gain momentum with investor sentiment switching gears from overly bearish to neutral. Constructive news around U.S.-China trade talks and U.S. Quarter 3 earnings beating pessimistic expectations were viewed positively by the markets. The U.S. S&P500 Index hit a fresh all-time high towards the end of October. Bond yields rose slightly for the second month in-a-row from their recent cycle lows. Global economic conditions continue to be fragile although recent monetary policy action may help. On a positive note, global manufacturing purchasing managers' indices (PMIs) show tentative signs of stabilisation. Worryingly, however, weakness in manufacturing appears to be spilling over into the services sector.
- With many bond markets remaining in flat or negative yield territory and offering little or no long-term value, equities remain the asset class of choice. They are also reasonably valued on a stand-alone basis.
- Given the current market environment, Zurich believes it makes sense to take a positive stance on equities.

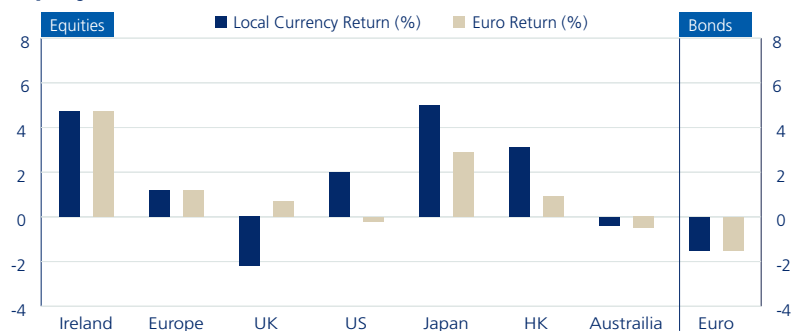


Richard Temperley
Head of Investment
Development

Activity

Equity positions were maintained at the upper end of ranges across all of our multi-asset portfolios. With regards to geographic positions, the main bias is towards Europe and Asia-Pacific at the expense of the U.S. The funds are positively biased towards financials and technology stocks and negatively biased towards bond proxies such as utilities and real estate. Bond positions are below the middle of ranges whilst the duration of these bonds has been reduced.

Equity & Bond % Returns: October 2019



This graph shows the performance of the major equity markets over the month of October. 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, November 2019.

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

MARKET PERFORMANCE

Equities

World equities (in euro terms) rose by 0.4% in October, following a strong September, and have given an impressive total return of 23.4% in the first ten months of 2019. Local currency returns in October for the major markets ranged from plus 5.0% in Japan to minus 2.2% in the U.K. The influential U.S. market was up 2.0% and remains the strongest so far this year (+21.2%). Euro currency strength in October reduced gains for Eurozone investors in a number of overseas markets. Regarding sectors in the U.S. during October, the main winners were healthcare (+5.0%) and technology (+3.8%), the latter on the back of good earnings' results. Energy stocks underperformed. Year-to-date, the best performing sector has been technology (+34.8%).






Bonds & Interest Rates

The Over Five Year Euro Government Bond Index fell by 1.5% in October but is up by a strong 13.4% so far in 2019. European bond prices have reacted positively in 2019 to weaker Eurozone economic data, benign inflation and an increasingly dovish ECB. The German ten-year bond yield rose in October moving from minus 0.57% to minus 0.41%. This remains a most unusual situation and means that buying German bonds today guarantees a loss if held to maturity. Equivalent U.S. yields also rose from plus 1.66% to plus 1.69%. The markets now expect one more rate cut (of 0.25%) in the U.S. during the cycle following a third rate cut at the end of October. Rates had already been cut in July (the first in a decade) and September. ECB rates were unchanged at minus 0.50%.

Commodities & Currencies

October saw overall commodity prices rise by 1.7% and they are now up 4.2% year-to-date. The West Texas oil price was flat during October but is up close to 20% so far this year. The gold price rose by 3.3% finishing at \$1,515 per troy ounce. The copper price rose by 2%. The euro currency strengthened against the U.S. dollar during October, partly reversing the trend for much of 2019, with the EUR/USD rate moving from 1.09 to 1.11. The rate began the year at 1.15. The British pound was particularly strong during the month.

Zurich Life Annualised Performance
to November 2019

Zurich Life Annualised Performance to November 2019		Annualised						Fund Size (Euros)
		Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	
Prisma Multi-Asset Funds								
Prisma 	2.7%	1.9%	0.9%	1.0%	Not Started	Not Started	Not Started	245,815,788
Prisma 	6.5%	4.3%	2.8%	2.9%	Not Started	Not Started	Not Started	1,096,405,495
Prisma 	13.9%	8.6%	6.5%	6.1%	Not Started	Not Started	Not Started	1,389,134,071
Prisma 	20.7%	13.1%	9.1%	8.3%	Not Started	Not Started	Not Started	648,983,714
Prisma 	21.9%	13.6%	10.2%	8.3%	Not Started	Not Started	Not Started	58,536,106
Managed Funds								
Cautiously Managed	9.4%	6.1%	4.6%	5.1%	7.1%	Not Started	Not Started	471,973,859
Sector Average	7.6%	5.3%	2.9%	3.1%	4.1%	3.5%	3.4%	
Balanced	16.0%	10.4%	7.8%	7.7%	9.3%	7.4%	5.8%	1,795,426,311
Sector Average	12.6%	8.4%	5.1%	5.6%	7.2%	4.9%	3.8%	
Performance	18.9%	11.7%	9.4%	8.7%	10.1%	7.8%	5.8%	1,424,855,079
Dynamic	20.9%	12.8%	10.3%	9.3%	10.7%	8.2%	5.8%	1,605,547,019
FinEx Sector Average	14.3%	9.1%	6.2%	6.5%	7.7%	5.2%	4.1%	
Protected Funds								
Protected 70	13.3%	7.2%	5.1%	4.3%	Not Started	Not Started	Not Started	22,161,487
Protected 80	7.6%	3.6%	2.3%	2.0%	Not Started	Not Started	Not Started	32,387,728
Cash								
Secure	0.0%	0.0%	0.0%	0.0%	0.1%	0.9%	1.6%	184,589,939
Cash Fund	-0.6%	-0.7%	-0.8%	-0.7%	-0.5%	Not Started	Not Started	691,033,350
FinEx Sector Average	-0.6%	-0.7%	-0.5%	-0.3%	0.1%	0.8%	1.3%	
Bond								
Global Corporate Bond (JP Morgan)	9.2%	8.8%	1.8%	2.1%	Not Started	Not Started	Not Started	8,177,122
Global Government Bond (JP Morgan)	5.60%	7.60%	1.00%	1.80%	Not Started	Not Started	Not Started	1,266,915
Indexed Eurozone Government Bond (BlackRock)*	7.80%	9.50%	2.30%	2.90%	Not Started	Not Started	Not Started	8,869,465
Active Fixed Income	6.90%	8.00%	1.70%	3.10%	5.30%	5.20%	6.00%	209,073,277
Inflation-Linked Bond	7.10%	6.90%	2.00%	1.60%	Not Started	Not Started	Not Started	6,779,199
Long Bond	15.1%	17.2%	3.9%	5.6%	7.1%	6.4%	Not Started	66,009,931
FinEx Sector Average	9.7%	10.1%	2.7%	3.3%	4.2%	4.1%	4.6%	
Absolute Return/Diversified Assets Funds								
Global Targeted Returns Fund (Invesco)	1.8%	1.5%	-1.0%	Not Started	Not Started	Not Started	Not Started	49,991,860
Dynamic Diversified Growth (BlackRock)	6.4%	4.4%	2.6%	1.0%	Not Started	Not Started	Not Started	11,689,853
Active Asset Allocation	14.9%	9.1%	6.8%	6.2%	Not Started	Not Started	Not Started	485,492,489
Commodity Funds								
Gold	20.3%	25.5%	4.6%	7.1%	6.0%	Not Started	Not Started	124,107,481
Indexed Global Energy and Metals	9.7%	2.5%	2.5%	-2.9%	-0.6%	Not Started	Not Started	12,987,973
Equity Funds (Global)								
5 Star 5	20.5%	10.9%	11.3%	9.1%	10.2%	7.7%	Not Started	203,700,237
International Equity	22.4%	13.6%	10.6%	9.8%	11.7%	9.0%	6.2%	2,464,724,165
Global Select (Threadneedle)	30.2%	19.9%	13.3%	11.9%	12.9%	9.7%	Not Started	9,108,641
Indexed Global Equity (BlackRock)*	26.5%	15.1%	12.4%	10.3%	Not Started	Not Started	Not Started	118,644,378
FinEx Sector Average	19.2%	11.1%	8.4%	8.0%	9.8%	6.6%	3.9%	
Equity Funds (European)								
5 Star 5 Europe	22.5%	13.8%	9.9%	9.9%	11.2%	9.6%	Not Started	107,003,445
European Select (Threadneedle)	26.7%	18.8%	10.5%	9.1%	12.6%	9.5%	Not Started	9,649,140
FinEx Sector Average	20.8%	11.4%	7.1%	7.2%	8.2%	6.7%	4.9%	
Equity Funds (Euro)								
Eurozone Equity	21.0%	13.2%	8.9%	7.9%	8.9%	8.5%	Not Started	82,986,628
Indexed Eurozone Equity (BlackRock)*	25.2%	14.3%	10.2%	7.8%	Not Started	Not Started	Not Started	8,240,071
Sector Average	19.3%	11.7%	7.0%	6.7%	6.8%	5.1%	3.7%	
Equity Funds (Irish)								
Irish Equity	23.8%	10.6%	6.4%	10.4%	12.0%	Not Started	Not Started	15,134,925
FinEx Sector Average	21.8%	8.1%	3.5%	7.3%	9.1%	2.4%	3.1%	

		Annualised						Fund Size (Euros)
		Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	
Equity Fund (American)								
5 Star 5 Americas	25.0%	15.2%	13.3%	12.0%	13.7%	10.7%	Not Started	71,543,454
American Select (Threadneedle)	28.0%	18.9%	14.7%	12.8%	15.4%	10.4%	Not Started	12,254,893
FinEx Sector Average	24.9%	14.6%	11.8%	11.2%	14.5%	8.8%	5.0%	
Equity Funds (Far East Asia)								
5 Star 5 Asia Pacific	16.1%	13.0%	9.2%	7.9%	7.4%	7.9%	Not Started	76,701,122
Asia Pacific Equity	15.6%	13.5%	9.4%	7.1%	Not Started	Not Started	Not Started	11,089,227
FinEx Sector Average	14.4%	13.5%	7.2%	5.0%	7.2%	7.6%	5.6%	
Equity Funds (High Yield)								
Dividend Growth	21.2%	13.1%	6.5%	7.7%	11.7%	Not Started	Not Started	222,336,303
FinEx Sector Average	19.2%	11.1%	8.4%	8.0%	9.8%	6.6%	3.9%	
Equity Funds (Emerging Market)								
Emerging Markets Opportunities (JP Morgan)	16.7%	16.8%	11.1%	7.1%	Not Started	Not Started	Not Started	6,882,965
Indexed Emerging Market Equity Fund (BlackRock)	13.7%	13.4%	6.2%	Not Started	Not Started	Not Started	Not Started	1,879,283
Sector Average	11.9%	13.5%	5.3%	4.1%	4.4%	8.8%	Not Started	
Equity Funds (Specialist)								
Indexed Top Tech 100	31.5%	18.2%	18.4%	17.4%	20.8%	13.1%	Not Started	72,234,485
FinEx Sector Average	14.6%	10.0%	5.4%	4.1%	4.6%	3.9%	2.6%	
Property Funds								
Property Fund	7.5%	6.7%	Not Started	Not Started	Not Started	Not Started	Not Started	45,012,612
European (Ex-UK) Property	19.7%	14.5%	9.2%	10.5%	9.9%	Not Started	Not Started	113,023,423
Australasia Property	19.1%	24.4%	7.6%	8.0%	9.9%	Not Started	Not Started	95,552,250
Sector Average	6.6%	5.8%	5.2%	5.6%	4.9%	1.9%	4.0%	
Dimensional Funds								
Global Short-term Investment Grade Fixed Income (Dimensional)	1.5%	1.5%	Not Started	Not Started	Not Started	Not Started	Not Started	229,306
Euro Inflation Linked Int Duration Fixed Income (Dimensional)	5.3%	3.5%	Not Started	Not Started	Not Started	Not Started	Not Started	6,097,905
World Equity (Dimensional)	19.6%	10.2%	Not Started	Not Started	Not Started	Not Started	Not Started	8,521,491
Global Short Fixed Income (Dimensional)	1.1%	1.5%	Not Started	Not Started	Not Started	Not Started	Not Started	1,251,457
World Allocation 20/80 (Dimensional)	4.3%	2.8%	Not Started	Not Started	Not Started	Not Started	Not Started	9,935,247
World Allocation 40/60 (Dimensional)	8.3%	4.9%	Not Started	Not Started	Not Started	Not Started	Not Started	21,135,516
World Allocation 60/40 (Dimensional)	12.1%	6.8%	Not Started	Not Started	Not Started	Not Started	Not Started	22,103,804
World Allocation 80/20 (Dimensional)	15.5%	8.1%	Not Started	Not Started	Not Started	Not Started	Not Started	6,730,014
Funds Closed to New Business								
Indexed Eurozone Property	19.2%	12.8%	9.4%	10.7%	8.8%	Not Started	Not Started	18,810,861
Indexed India Equity	7.4%	17.0%	5.2%	4.0%	6.1%	Not Started	Not Started	9,126,711
Income Opportunity (JP Morgan)	0.9%	-1.1%	-0.2%	0.1%	Not Started	Not Started	Not Started	4,965,962
Diversified Assets	13.6%	9.7%	5.6%	4.5%	6.5%	Not Started	Not Started	11,526,331
Earth Resources	20.5%	9.0%	5.1%	-1.9%	-0.1%	Not Started	Not Started	4,216,671
Green Resources	38.0%	27.5%	15.2%	5.0%	2.6%	Not Started	Not Started	4,253,751
Small Cap Europe (Pictet)	20.6%	10.4%	7.2%	8.9%	Not Started	Not Started	Not Started	1,772,799

Source: Financial Express as at 01/11/2019

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.



Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland.

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. 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, 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: 4481 Print Ref: ZL ISA 76 1119

