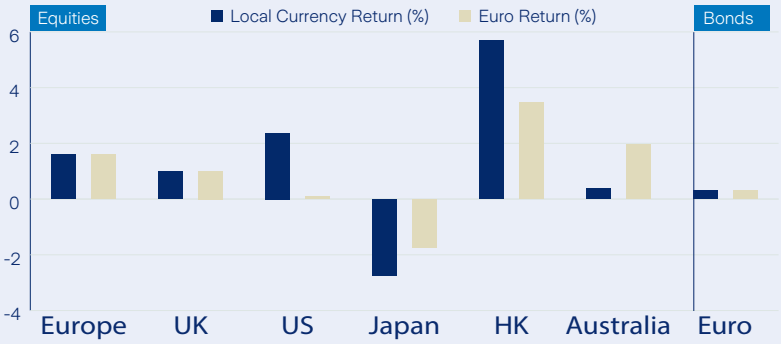
Monthly Investment Review

August was an eventful month for investors. Early on, the release of disappointing US economic data, coupled with an interest rate hike by the Bank of Japan, triggered a significant sell-off in global equity markets. However, by the end of the month, the markets had bounced back as investors began anticipating more aggressive policy easing from the Federal Reserve. Throughout August, US economic data presented a mixed picture. The unemployment rate unexpectedly climbed to 4.3%, its highest level in nearly three years, while the rate of job gains slowed. Nonetheless, real-time GDP estimates suggested another quarter of economic growth. Inflation continued its downward trend, with the headline rate slipping to 2.9% and the core rate to 3.2%. At the annual Jackson Hole summit, Powell remarked that "the time has come for policy to adjust," indicating that the Federal Reserve is likely to start its easing cycle in September. In the Eurozone, headline inflation dropped to 2.2% in August, marking its lowest level in three years.

Activity

Throughout August, we have maintained a balanced asset allocation. Within our equity portfolio, we have a slight overweight position towards Asian and European equities and have capitalised on opportunities in sectors such as Financials, Materials, and Information Technology, whilst benefiting from a recent rotation in stock market performance. At the end of the month, we decreased our overweight position in Gold and increased our exposure to Industrial Metals, specifically Copper, in our Active Asset Allocation (AAA) fund, which will be proportionately reflected in the Prisma funds. Regarding our fixed income allocation, we hold an overweight position in short-dated bonds within the AAA/ Prisma funds and are monitoring for renewed bond weakness to extend duration. We remain open to availing of buying opportunities in either Equities or fixed income as they arise. Additionally, our partial Euro/Dollar hedge remains in place.

Equity & Bond % Returns: August 2024



This graph shows the performance of the major equity markets over the month of August. The returns are shown in both local and euro currencies. The bond index is the ICE BofA 5+ Government Bond Index. Source: Bloomberg, September 2024

Current Positioning

Asset Class	Country	Positive	Neutral	Negative
Equities	North America			✓
	Europe	✓		
	Japan			✓
	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

The month started with a significant sell off in equities due to disappointing US employment data and an unexpected rate hike in Japan, which disrupted currency carry trades. However, in the final weeks, equities recovered most of the earlier losses as investors seized the opportunity to buy the dip following a nearly 10% decline. A series of positive US economic data points and a robust second-quarter earnings season provided further momentum for the rally. Growing optimism for rate cuts continued to support small-cap stocks throughout the month. Globally, the Real Estate and Health Care sectors performed the best, rising 3.78% and 3.37% in euro terms, respectively. Conversely, many sectors experienced a negative month, with Energy and Consumer Discretionary sectors seeing the poorest performance, down -2.92% and -1.34% in euro terms.

Bonds & Interest Rates

Bond markets delivered positive returns throughout the month, as yields declined amid growing expectations that inflation would reach central bank targets by year-end. The benchmark US 10-Year Treasury yield ended the month lower at 3.90%, down from 4.03% at the previous month's close. It appears the Federal Reserve may be nearing the final stages of its battle against rising prices, as economic data suggests reduced upside risks to inflation. Economic indicators, including GDP figures, pushed yields back up as optimism for a 'soft landing' prevailed. In his speech at the Fed's annual conference in Jackson Hole, Fed Chair Jerome Powell remarked that "the time has come for policy to adjust," indicating rate cuts in September.

Commodities & Currencies

Commodity markets experienced mixed performance in August. Oil prices were particularly volatile, ending the month down by 7.5%. This decline was driven by growth concerns in the US and China, coupled with the risk of supply disruptions due to the potential expansion of conflict in the Middle East. Gold performed relatively well, gaining 2.28% in USD terms, fuelled by rising expectations of interest rate cuts by the US Federal Reserve. In contrast, Copper, a base metal often considered a gauge of global economic health, experienced a decline, down 1.8% in euro terms. By the end of the month one euro bought 1.10 USD.

Zurich Life Annualised Performance to end August 2024

		Annualised						
	Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	Fund Size (€m)
Multi-Asset Funds								
Prisma Low	2.6%	5.2%	0.6%	Not Started	Not Started	Not Started	Not Started	26
Prisma 2	3.2%	5.5%	1.0%	1.6%	1.3%	Not Started	Not Started	529
Prisma 3	5.7%	8.9%	2.0%	3.7%	3.2%	Not Started	Not Started	2,459
Prisma 4	9.7%	14.1%	3.6%	7.3%	6.6%	Not Started	Not Started	4,452
Prisma 5	15.1%	20.3%	5.8%	11.0%	9.5%	Not Started	Not Started	3,473
Prisma Max	17.5%	23.4%	6.5%	12.3%	9.8%	Not Started	Not Started	358
Active Asset Allocation	9.3%	13.2%	3.9%	7.9%	6.9%	Not Started	Not Started	1,192
Managed Funds								
Cautiously Managed	7.0%	11.7%	2.7%	5.6%	5.3%	6.5%	Not Started	925
Sector Average	5.0%	8.0%	0.8%	2.2%	2.5%	3.5%	3.1%	
Balanced	12.0%	16.8%	3.9%	8.6%	8.2%	9.0%	7.7%	2,769
Sector Average	8.0%	11.9%	2.3%	4.8%	4.8%	6.2%	4.8%	
Performance	14.9%	20.1%	5.5%	11.1%	9.8%	10.2%	8.6%	2,148
Dynamic	16.7%	22.2%	6.4%	12.1%	10.6%	10.9%	9.2%	2,811
FinEx Sector Average	9.5%	12.9%	3.4%	6.2%	5.9%	7.0%	5.3%	
Protected Funds								
Protected 70	11.7%	14.7%	2.2%	6.2%	5.1%	Not Started	Not Started	20
Protected 80	8.5%	10.6%	1.3%	3.8%	2.9%	Not Started	Not Started	31
Cash								
Cash Fund	2.3%	3.5%	1.2%	0.4%	-0.2%	-0.2%	Not Started	2,532
FinEx Sector Average	2.0%	2.9%	1.1%	0.4%	0.1%	0.2%	0.7%	
Bond								
Medium Duration Corporate Bond	2.2%	7.7%	-2.6%	Not Started	Not Started	Not Started	Not Started	844
Short Duration Corporate Bond	2.5%	4.9%	0.4%	Not Started	Not Started	Not Started	Not Started	1,032
Global Corporate Bond (JP Morgan)	3.0%	7.9%	-3.8%	-1.2%	0.5%	Not Started	Not Started	5
Global Government Bond (JP Morgan)	0.9%	4.1%	-4.4%	-2.7%	-0.3%	Not Started	Not Started	1
Indexed Eurozone Government Bond (BlackRock)*	0.4%	5.4%	-5.1%	-3.4%	0.0%	Not Started	Not Started	20
Active Fixed Income	-1.1%	4.5%	-4.1%	-2.8%	0.3%	2.7%	3.3%	1,265
Inflation-Linked Bond	-1.0%	0.4%	-1.6%	-0.2%	0.8%	Not Started	Not Started	9
Long Bond	-1.8%	4.3%	-9.0%	-5.7%	0.1%	2.8%	3.5%	69
FinEx Sector Average	0.8%	5.9%	-4.5%	-2.4%	0.5%	2.1%	2.5%	
Absolute Return/Diversified Assets Funds								
Dynamic Diversified Growth (BlackRock)	5.7%	9.7%	-0.6%	2.3%	1.6%	Not Started	Not Started	11
Commodity Funds								
Gold	20.6%	25.8%	13.3%	9.6%	8.1%	7.7%	Not Started	567
Indexed Global Energy and Metals	5.0%	-3.3%	6.2%	6.6%	1.4%	2.0%	Not Started	19
Indexed Commodities	0.3%	-6.8%	Not Started	Not Started	Not Started	Not Started	Not Started	
Equity Funds (Global)								
5 Star 5	20.6%	26.6%	8.2%	14.9%	12.0%	11.6%	9.3%	512
International Equity	19.0%	25.0%	7.2%	13.2%	11.4%	12.0%	9.8%	6,752
Global Select (Threadneedle)	17.9%	25.0%	6.0%	11.3%	11.8%	12.3%	10.0%	14
Indexed Global Equity (BlackRock)*	13.9%	17.7%	8.0%	12.0%	10.9%	Not Started	Not Started	283
FinEx Sector Average	12.2%	16.4%	6.1%	9.5%	8.4%	9.5%	7.2%	
Equity Funds (European)								
5 Star 5 Europe	15.9%	22.3%	8.5%	12.3%	10.6%	11.0%	10.3%	192
European Select (Threadneedle)	10.8%	17.2%	2.8%	9.6%	9.2%	11.6%	9.6%	10
FinEx Sector Average	10.0%	14.1%	2.5%	7.8%	6.6%	7.8%	6.9%	
Equity Funds (Euro)								
Eurozone Equity	11.5%	16.9%	6.1%	10.6%	8.5%	9.1%	9.1%	116
Indexed Eurozone Equity (BlackRock)*	11.1%	14.9%	4.9%	8.5%	7.1%	Not Started	Not Started	8
FinEx Sector Average	10.1%	14.4%	4.4%	8.1%	6.5%	7.0%	5.8%	

		Annualised						
	Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	Fund Size (€m)
Equity Fund (American)								
5 Star 5 Americas	21.5%	27.5%	7.4%	16.1%	14.4%	14.3%	11.9%	186
American Select (Threadneedle)	15.0%	22.8%	5.2%	13.2%	12.9%	14.3%	10.9%	12
FinEx Sector Average	14.4%	20.2%	8.9%	13.7%	12.4%	14.0%	9.7%	
Equity Funds (Far East Asia)								
5 Star 5 Asia Pacific	11.1%	20.7%	7.0%	9.3%	8.1%	7.8%	8.2%	96
Asia Pacific Equity	9.1%	17.9%	5.2%	8.0%	7.1%	Not Started	Not Started	15
FinEx Sector Average	7.7%	8.5%	0.2%	5.0%	4.4%	6.5%	6.7%	
Equity Funds (High Yield)								
Dividend Growth	13.4%	17.4%	9.0%	9.6%	8.0%	10.3%	Not Started	314
FinEx Sector Average	12.2%	16.4%	6.1%	9.5%	8.4%	9.5%	7.2%	
Equity Funds (Emerging Market)								
Emerging Markets Opportunities (JP Morgan)	7.4%	9.7%	-5.0%	1.8%	3.8%	Not Started	Not Started	7
Indexed Emerging Market Equity Fund (BlackRock)	8.7%	11.3%	-1.5%	4.1%	Not Started	Not Started	Not Started	18
Sector Average	7.5%	7.9%	-3.0%	2.9%	2.8%	3.9%	7.0%	
Equity Funds (Specialist)								
Indexed Top Tech 100	15.7%	22.6%	10.1%	20.3%	19.2%	20.3%	14.9%	397
FinEx Sector Average	9.7%	12.2%	5.8%	9.7%	6.4%	6.2%	5.3%	
Property Funds								
Property Fund	-0.2%	1.4%	-3.0%	-3.3%	Not Started	Not Started	Not Started	18
Indexed European (Ex-UK) Property	4.9%	23.4%	-10.0%	-3.9%	2.3%	5.1%	Not Started	236
Indexed Australasia Property	1.5%	3.7%	-3.9%	-3.5%	2.1%	5.3%	Not Started	246
Sector Average	-0.5%	-0.5%	-2.9%	-1.8%	1.8%	2.5%	1.0%	
Dimensional Funds								
Global Short-term Investment Grade Fixed Income (Dimensional)	2.2%	4.1%	-1.5%	-1.0%	Not Started	Not Started	Not Started	
Euro Inflation Linked Int Duration Fixed Income (Dimensional)	-2.5%	-0.8%	-1.9%	-0.8%	Not Started	Not Started	Not Started	
World Equity (Dimensional)	12.2%	17.0%	6.8%	10.6%	Not Started	Not Started	Not Started	
Global Short Fixed Income (Dimensional)	2.2%	3.2%	-2.3%	-1.7%	Not Started	Not Started	Not Started	
World Allocation 20/80 (Dimensional)	4.2%	6.3%	0.4%	1.3%	Not Started	Not Started	Not Started	
World Allocation 40/60 (Dimensional)	6.2%	9.1%	1.9%	3.6%	Not Started	Not Started	Not Started	
World Allocation 60/40 (Dimensional)	8.0%	11.6%	3.3%	5.8%	Not Started	Not Started	Not Started	
World Allocation 80/20 (Dimensional)	10.0%	14.5%	4.9%	8.0%	Not Started	Not Started	Not Started	
Global Small Companies (Dimensional)	8.3%	13.4%	3.9%	Not Started	Not Started	Not Started	Not Started	
Global Value (Dimensional)	14.1%	18.4%	10.7%	Not Started	Not Started	Not Started	Not Started	
Global Sustainability Core Equity (Dimensional)	15.0%	21.1%	7.5%	Not Started	Not Started	Not Started	Not Started	
Funds Closed to New Business								
Indexed Eurozone Property	4.0%	18.1%	-9.6%	-4.1%	2.1%	4.4%	Not Started	
Diversified Assets	7.3%	10.4%	2.6%	4.8%	4.5%	6.0%	Not Started	

Source: FE fundinfo as at 01/09/2024

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.

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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.















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