

Long Bond Fund



Fund Description

The Long Bond Fund invests mainly in longer-dated bonds with over ten years to maturity primarily issued by eurozone governments. The fund is managed against a benchmark of the Merrill Lynch Eurozone Government over 10 years Bond Index. The minimum duration of the fund may not be less than 75% of the benchmark index duration. The managers may also invest in supranational bonds, other investment grade corporate and non-sovereign bonds and bond-based financial instruments. Corporate bonds are capped at a maximum of 10% of the fund. No more than 10% of the fund may be in non-eurozone bonds and then only on the basis that they are hedged back into the euro. The fund is managed by Zurich Life.

Investment Aim

The fund is managed against a benchmark of the Merrill Lynch Eurozone Government Over 10 Years Bond Index. Zurich Life will seek to add value to the fund and aim to out-perform the index by managing the duration of the portfolio and the mix of government and other investment grade securities.

Who should invest in the Fund?

The Long Bond Fund has been established to provide pension scheme trustees with an appropriate match for mature or deferred pensioner liabilities.

Where pension liabilities require purchase of annuities, it is desirable that the pension assets are invested in matching instruments. Since the cost of purchasing annuities rises when interest rates fall, and vice versa, the appropriate matching asset is one which rises in value when interest rates fall. Long-dated bond prices are highly sensitive to interest rate movements and provide the best match for annuity based liabilities.

The fund is also available as part of the Matrix range for both pension and investment clients. It can be used in conjunction with other funds to allow investors to build a diversified portfolio of investments.

Further Information

A fund factsheet which includes data updated quarterly on the

Long Bond Fund

is available on

www.zurichlife.ie



Bond Expertise

Zurich Life is an established leader in successful fixed interest investment. Our active management of fixed income investments has added significant value to investors in the range of Zurich Life bond funds.

Zurich Life has a disciplined top-down investment process, the key inputs to which are the assessment of the economic and asset cycle. We believe that the macroeconomic environment is the key driver for investment market themes.

In today's ever-changing investment climate, stability of an investment team is crucial to delivering consistent, superior performance. The leaders of the Zurich Life team have worked together for over 15 years. This closely-knit team, integrated across asset classes, ensures the implementation of investment strategy quickly and effectively.



Significant features of the Fund

- An actively managed fund, in line with Zurich Life's general philosophy.
- A minimum duration of 75% of the benchmark index duration.
- A maximum 10% in corporate bond exposure.
- A maximum 10% in non-eurozone bonds.
- The fund will not take any non-euro currency exposure.

Warning: The value of your investment may go down as well as up.

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

Intended for distribution within the Republic of Ireland.