



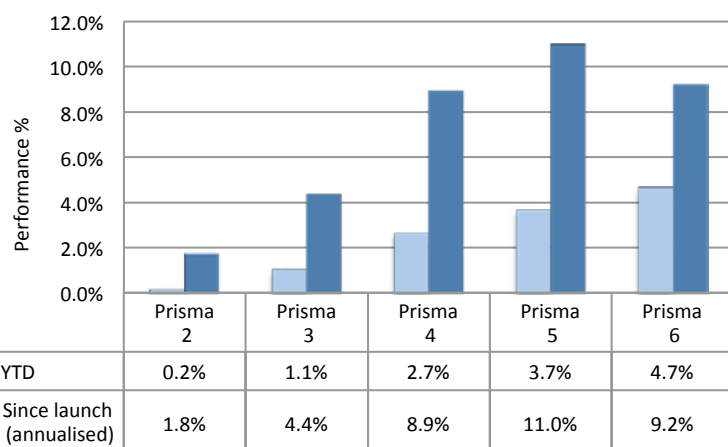
Prisma Multi-Asset Funds - Monthly Report

We increased our equity allocation by 6% in the Active Asset Allocation (AAA) fund towards the end of April. The AAA fund is potentially the best illustration of our house view, and this asset allocation change is implemented proportionately across all the Prisma multi-asset funds.

Some of the reasoning behind this move include; the positive market reaction to the results of the first round of the French election and positive data emanating from Europe, from both an economic and earnings perspective. Absolute valuations are not low, at circa 14 x 1-year forward P/E, but are attractive versus competing asset classes such as fixed income. Political risks in Europe and across the globe have dissipated somewhat, and tax reform in the US has come back onto the agenda.

Equity & Bond Markets

- Equities (in euro terms) were little changed in April as market participants continued to assess US policy action as well as the likely number of US rate rises during 2017. Given that markets were somewhat 'overbought', as well as the US administration's difficulties with healthcare reform, equities were unlikely to have made significant gains during the month.
- The Merrill Lynch Euro over Five Year Index rose by 0.1% in April, helped by strength in French government bonds, and is now down by 1.6% year-to-date. Bond prices globally have suffered somewhat in the last nine months. Eurozone bonds had been supported up to the middle of July of last year by economic growth concerns and increased quantitative easing. However, they are now facing an environment of higher US rates, a pick-up in inflation and the prospect of a reflationary US economic policy.
- Commodity prices overall were down by 2.2% during March and are down 5.6% so far this year. After an almost 50% rally in 2016 and a relatively quiet January and February, the oil price fell sharply in both March and April on the back of a build-up of inventories.



*Source: Zurich Life, 1st May 2017

Annual management charges (AMC) apply. The fund returns shown are net of the AMC deducted by Zurich Life in our unit prices. 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.

Activity

Equity positions were increased towards the end of April from moderately overweight to well overweight given the stronger economic outlook, good corporate earnings and the reduction in political risk in Europe. The fund managers had taken some risk off the table during the previous month in order to lock-in some profits. Country positions were maintained during the month with the main overweight positions being in Europe, the US and Ireland. Sector positions were also broadly maintained. The funds are overweight technology, industrials and consumer discretionary stocks and underweight consumer staples and utilities.

Asset Class		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			✓



Contributors to performance

- Corporate Bonds
- Water
- Sovereign Bonds



Detractors from performance

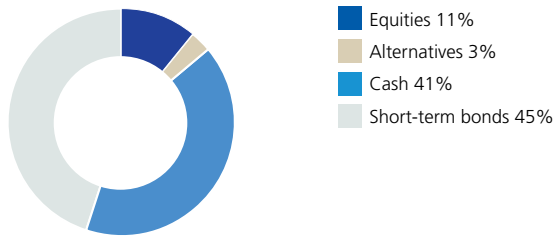
- Equities
- Industrial Metals (Copper)
- Precious Metals (Gold)
- Oil
- Soft Commodities

Prisma 2

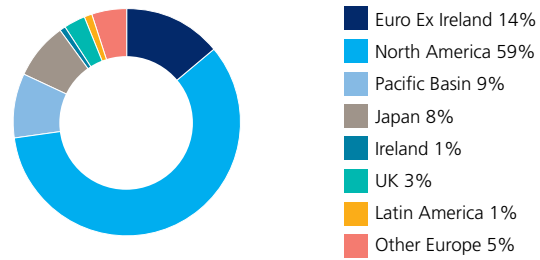
AUM†: €143m*

This fund is designed for the more risk averse, defensive investor that is looking for better returns than cash but who still require capital preservation. The fund has a volatility target of 0.5% - 2% over a rolling 5-year period.

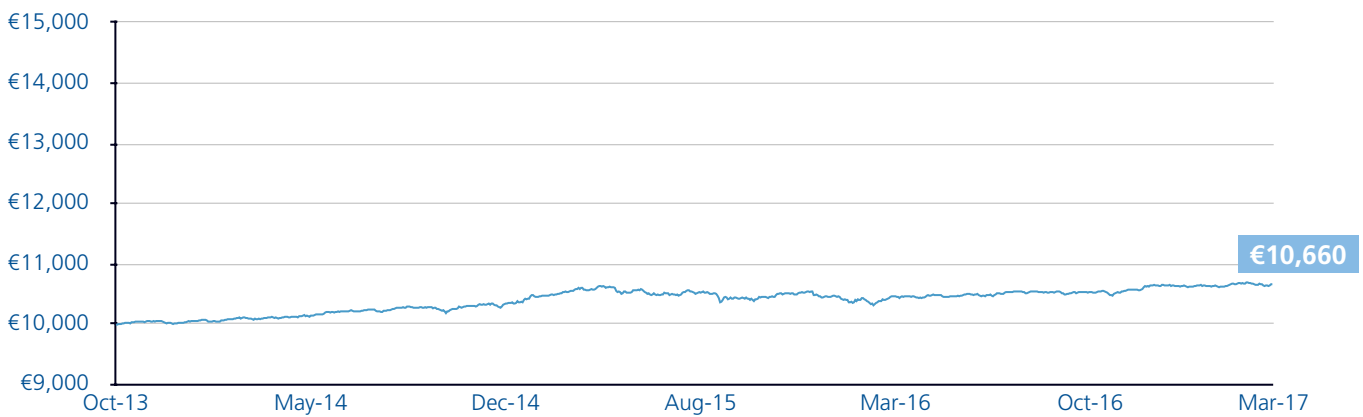
Asset Splits*



Equities*



The growth of the invested €10,000 since launch

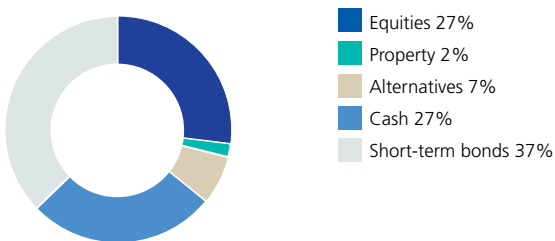


Prisma 3

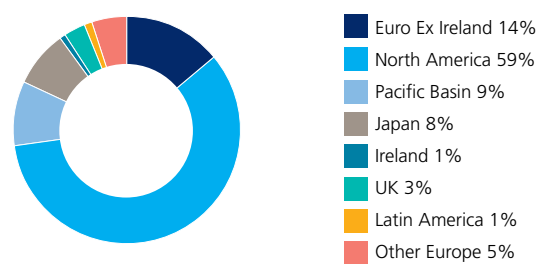
AUM: €525m*

This fund is designed for the cautious investor that is looking for a broadly balanced globally diversified portfolio that is designed to perform throughout differing market conditions. The fund has a volatility target of 2-5% over a rolling 5-year period.

Asset Splits*



Equities*



The growth of the invested €10,000 since launch

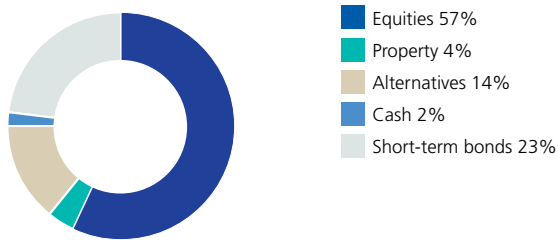


Prisma 4

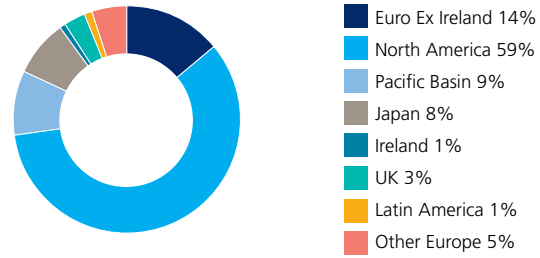
AUM: €543m*

This fund is designed for the growth investor that is looking for a globally diversified portfolio with an emphasis on long-term capital growth. The fund has a volatility target of 5% - 10% over a rolling 5-year period.

Asset Splits*



Equities*



The growth of the invested €10,000 since launch

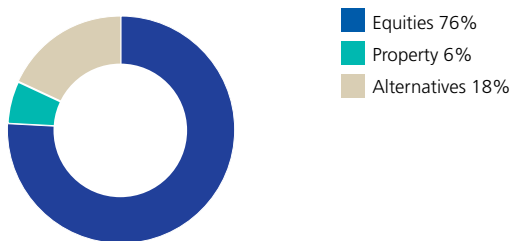


Prisma 5

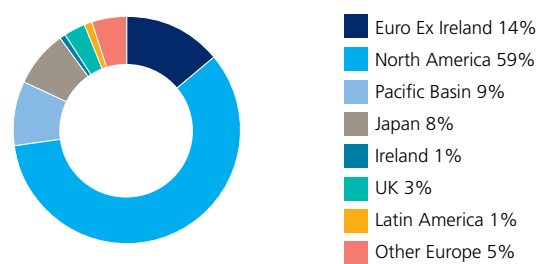
AUM: €221m*

This fund is designed for the investor that is comfortable with a higher level of risk for the potential of higher long-term investment returns. The fund has a volatility target of 10% - 15% over a rolling 5-year period.

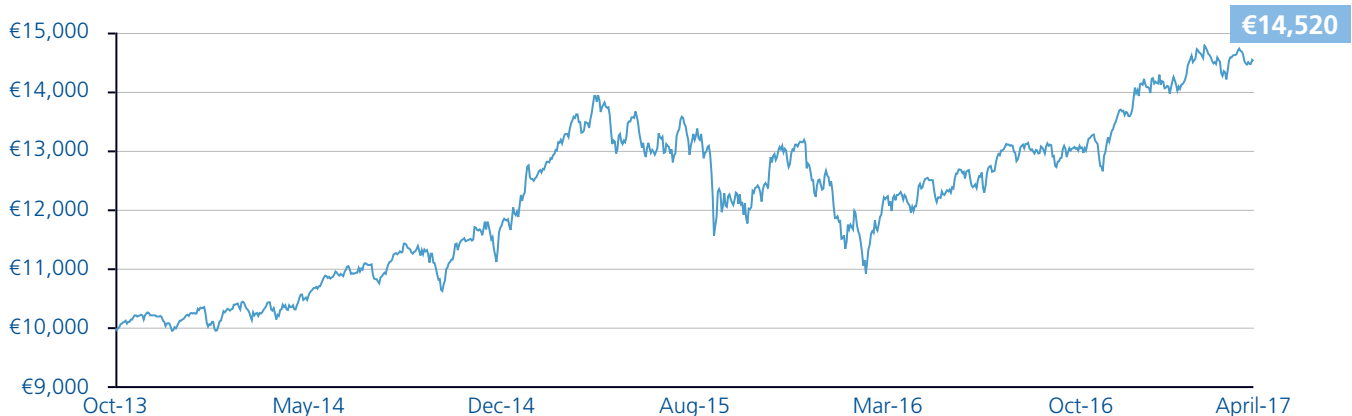
Asset Splits*



Equities*



The growth of the invested €10,000 since launch

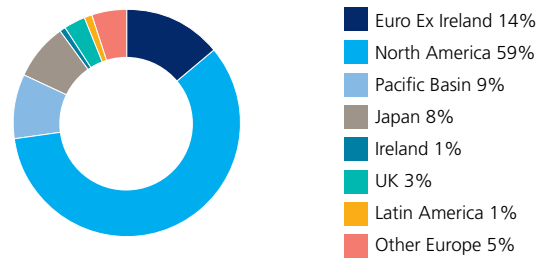


This fund is designed for the investor that is comfortable with considerable investment risk for the potential of very high long-term investment returns. The fund has a volatility target of 15% - 25% over a rolling 5-year period.

Asset Splits*



Equities*



The growth of the invested €10,000 since launch



Source: Zurich Life as at 01/05/2017

Warning: The value of your investment may go down as well as up.
Warning: Past performance is not a reliable guide to future performance.
Warning: If you invest in this product you may lose some or all of the money you invest.
Warning: This product may be affected by changes in currency exchange rates.

The information below applies to all graphs on the preceding pages:

Annual management charges (AMC) apply. The fund returns shown are net of the AMC deducted by Zurich Life in our unit prices. 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.

This Prisma Monthly Report 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.zurichlife.ie
 Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

Print Ref: 1290_ZURL ISA 176 0517

