

Indexed Japan Fund

Information is correct as at the 30th September 2010

Volatility/Risk

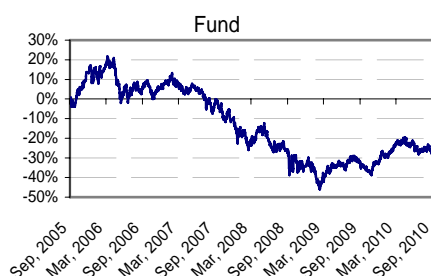


How the Fund Works

The aim of indexed funds is to consistently perform in line with the agreed benchmark index, in this case the **FTSE Japan index**. We achieve this by either investing in the same assets as those of the index or holding assets that will perform in line with the index. This will remove the risk of poor share choice. It is suitable for investors who will accept the ups and downs that come with investing completely in shares in order to improve potential return.

The return of this fund since launch (18th May 2001) is **-5.57%p.a.**

Performance



Year	Indexed Japan Fund	FT Japan
2010 YTD	6.9%	8.2%
1 Year	5.1%	6.8%
3 Year %p.a.	-9.9%	-8.6%
5 Year %p.a.	-6.5%	-5.1%

The figures quoted are before tax and after management charges. Source: Irish Life.

Stock List

Largest Stocks	Weight %	Country
TOYOTA MOTOR	4.28	Japan
Mitsubishi	3.04	Japan
CANON	2.86	Japan
HONDA MOTOR	2.25	Japan
SUMITOMO MITSUI	1.90	Japan
Total Stocks Listed	14.33	

Market Commentary

The Bank of Japan intervened in currency markets for the first time since March 2004. It was the largest ever move for a single day when the Bank sold 2 trillion yen. As a result the Yen trading lower against the dollar, although much of this adjustment had reversed by the end of the month, particularly after the Federal Reserve's meeting where the possibility of quantitative easing was announced.

The strength of the yen is hampering the outlook for exports and companies earnings and recent trade data confirmed that exports just rose 8.8% in August, down from the 25.9% YoY rise seen in July. Industrial production also fell for the third consecutive month. Second quarter GDP growth was revised up to 0.4% QoQ from 0.1% QoQ on the back of an upward revision to private investment and private capital expenditure. The employment data continued to improve moderately, while consumption remained firm on policy supports relating to the autos and consumer appliances.

In Stock News

Canon gained 13.72% during September, as company said it would buy back as much as 1.2% of its outstanding shares. Canon will pay as much as 50 billion yen (\$598 million) for the shares, according to a statement from the company. Market reacted positively to the announcement.

Warning: The value of your investment may go down as well as up. This fund may be affected by changes in currency exchange rates. Past performance is not a reliable guide to future performance.



Irish Life
Investment Managers