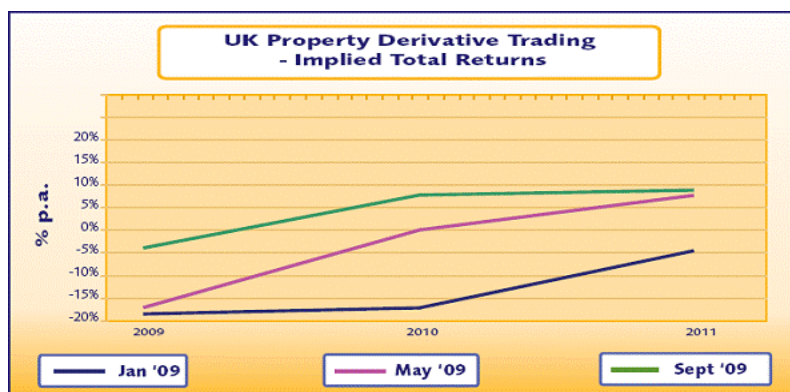


**Mybiz – everything you need to manage your business****For Internal Use Only****Your Investment Market Update – October 18, 2009**

- Wall Street passed an important milestone last week as the Dow Jones Industrial Average climbed above the 10,000 level for the first time in a year.
- As appetite for riskier assets such as equities, commodities and high yielding currencies improved, government bonds and the dollar fell. In turn the weakness of the US currency offered a compelling reason for investors to drive up the price of gold to a fresh record high.
- In commodities, gold hit a record level of \$1,070 on Wednesday up 21.9% this year amid increasing uncertainty about the outlook for the dollar and the Federal Reserve's monetary policy. Oil prices climbed above \$78 a barrel, breaking out of its recent range and up more than 7% over the week, amid renewed optimism about demand.

Market Insight

Property derivatives allow investors synthetic access to commercial or retail property markets, by buying or selling a property index at a date in the future. They are actively traded on UK, French, German and US indices. Property derivatives are a good barometer for the level of future returns anticipated by market participants. The following chart shows how sentiment has greatly improved towards future UK property returns since the beginning of the year. The blue line shows what the market was predicting in January i.e. a -17% total return in 2010. However the green line shows that in September the market expected a +8% total return in 2010.

**Stephen Cass – Investment Analyst****How Global Markets are Performing – 1 year returns to October 2009**

Global Equities	- 4%	Asian Equities	7%
US Equities	-10%	Japanese Equities	-4%
European Equities	-1%	Bonds	12%
Irish Equities	-3%	Commodities	-47%
UK Equities	-5%	Irish Property	-41%

Key Irish Life Fund returns to 19 October 2009

	3 month	1 yr	3 yr p.a.	5yr p.a.	10 yr p.a.	Annual growth since launch
Consensus	11.69%	14.42%	-7.64%	2.20%	2.18%	6.77%
Active Managed	14.22%	20.27%	-7.25%	2.57%	2.87%	11.92%
Diversified Assets	5.64%	-3.76%	-7.06%	N/A	N/A	-6.42%
Global Opportunities	19.58%	31.23%	-9.47%	2.00%	1.05%	5.59%
Irish Property	-6.40%	-46.96%	-23.31%	-8.55%	N/A	-6.35%
Property Portfolio	-17.05%	-51.23%	-22.46%	N/A	N/A	-19.02%

For the full range of Irish Life fund returns click [here](#)

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

Irish Life Assurance Plc is regulated by the Financial Regulator

Contents:
Page 1 –
Investment
news

Page 2

- Focus on
Retention

- Getting
closer to
the
customer

Customers
are looking
for options
and
seeking
solutions
for their
finances

Talking to
our
customers
is critical in
these
times -
letting
them know
we are
here to
help

Our funds
are down
but some
individual
stock
markets
are faring
worse



Retention – The Pensions Perspective

For Internal Use

Supporting our Financial Advisers on the Business Retention front



1. Be extra vigilant on alerts, watch out for early warnings:

My Alerts

Missed Payments

2. Trawl your losses:

My Losses

3. ...for pension paid-ups

D	F
PRODUCT_TYPE	PERSISTENCY MOVEMENT
Pension AP	Paid up
Pension AP	Paid up

4. Make the difference ☎☎☎☎

Our role is to know our customers and know the options available to them

Based on the research we should be:

- **Getting intouch** – making them feel valued
- **Outlining options** - making a difference
- **Reminding our customers** – why pensions

Our customers need us to be pro-active

Success in Pensions Retention

Good news and well done to:

Malachy - saved a large pension plan by outlining options with customer who decided to apply a premium holiday

Pamela – prompted by the early warning missed payment alert contacted a pension customer on the brink who decided to restart payments

Paddy – followed after a missed payment alert and secured a skip for a PRSA customer

Vincent – reviewed his losses, identified a paid up from last March, contacted the customer who decided to restart a Complete Solutions Company plan with a “reduced” premium of €20,000

Sean – noticed a top loss, contacted his customer who was thinking now was a bad time to be paying into his pension. After an informed discussion our customer decided to pay renewal premium of €18,900

Brian – met with a PRSA customer who had made the plan paid-up having lost his job. Our customer decided to re-start his payments albeit at the reduced level he could now afford.

Our customer service centre - reminding all our customers of the valuable benefits at stake, having conversations about reductions, skips, funds options and tax relief while offering laser payment facilities to customers wishing to pay their pension contribution

Jimmy – reminding everyone how compelling the pension's proposition is for the self-employed!

Lynsey – for placing plenty of useful pension's material onto the BR guide on MyBiz.

Funds – well done to our funds, many of which seem to have found light at the end of the tunnel in recent months

Increased Customer loyalty will be our long-term reward

Closer to the Customer

Our Voice to the Customer

What we are currently communicating

- This week in the CSC there was a Customer Service Improvement (CSI) workshop. The staff completed a refresher on the taxation deadline for customers who want to pay a lump sum into their pension.
- There was also a refresher completed on ARF's.
- Over the next two weeks, pensions will still be on our radar when we do a refresher on pension products.

Sales News

What our Advisers are focusing on:



- Pension Season where they are targeting Personal Pensions and the Self Employed.
- We are in-branch with a tax back campaign where they will be targeting Pension Life Cover, Income Protection & Pensions