

# Indexed Euro Corporate Bond Fund

Information is correct as at the 30th September 2010

Volatility/Risk



## How the Fund Works

The fund aims to track the performance of the Merrill Lynch EMU Large Caps Corporate Bond Index.

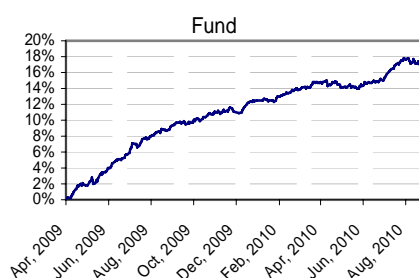
The fund aims to achieve average corporate bond returns on a consistent basis by providing access to a diversified range of corporate bond issuers, the fund aims to provide long term returns greater than can be achieved by investing in cash or government bonds. The fund is suitable for investors who require a reasonable return with less volatility than equity investments.

The return of this fund since launch (27th April 2009) is 11.90%p.a.

## Credit Ratings

## Performance

| Rating | Benchmark Weight | Portfolio Weight | Deviation |
|--------|------------------|------------------|-----------|
| AAA    | 5.92%            | 5.30%            | -0.62%    |
| AA+    | 2.74%            | 2.80%            | 0.06%     |
| AA     | 8.03%            | 9.40%            | 1.38%     |
| AA-    | 15.04%           | 15.58%           | 0.54%     |
| A+     | 15.96%           | 16.44%           | 0.48%     |
| A      | 13.85%           | 14.35%           | 0.51%     |
| A-     | 15.88%           | 15.14%           | -0.74%    |
| BBB+   | 11.59%           | 10.87%           | -0.72%    |
| BBB    | 6.82%            | 6.42%            | -0.40%    |
| BBB-   | 4.18%            | 3.70%            | -0.48%    |



| Year     | Corporate Bond Fund |
|----------|---------------------|
| 2010 YTD | 5.9%                |
| 1 Year   | 7.2%                |

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

## Market Commentary

Corporate bonds gave back some of the strong performance made since the start of the year and 0.7% lower in September. Yields on European investment grade corporate bonds increased in line with core European sovereign bond yields in at start of the month as economic data from US, Europe and China improved.

However, yields eased slightly towards the end of the month and curbed some of the losses for corporate bond investors after the Federal Reserve's meeting which outlined some of its plans for a second round of quantitative easing.

**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