

# Weekly Investment Bulletin

Growing fears about the outlook for the US economy sent nervous investors scrambling for the perceived safety of government bonds and the yen for most of last week as equities and commodities racked up hefty losses. However on Friday there was a shift in sentiment after comments from Ben Bernanke chairman of the Federal Reserve - plus a better than expected revision to US growth numbers appeared to soothe frayed nerves. Bernanke provided both a dose of confidence and reassurance by confirming that although the US recovery had softened more than expected, the central bank was ready to take further steps if needed to boost the faltering economy.

On Friday the US second quarter GDP growth was revised to 1.6% from the original 2.4% while the outlook continues to be one of modest growth rather than double dip.

Ireland was downgraded by S&P to AA- on Tuesday on concerns for the banking system and increases in estimates of cost of support. This resulted in Ireland's spread over Germany increasing to new highs of 345bps. Despite this the Irish T- bill auction went better than expected with demand 6.1 times the amount issued. This was after the issuance amount was reduced in half to 600m. Additional good news was that the yield was better than the last auction on August 12<sup>th</sup>.

The yen surged to a 15 year high against the dollar as fading confidence in the global economy drove haven demand for the Japanese currency. The yen rose 0.9% to Y84.90 against the dollar. Despite softer US data, the dollar found haven support against the euro gaining 0.2% to \$1.26 and 0.6% to \$1.51 against the pound.

In commodities, cotton prices surged to a near 15 year high as traders fretted with tightening supplies after Pakistan's floods coincided with surging global demand. Cotton prices rose 3.5% to 90.10 cent per pound. Oil briefly sank below \$72 a barrel to its lowest level since early July before rallying up 0.9% to \$74.17.

## INDEX RETURNS to Close of Business 29/08/2010

INDEX	REGION	22/08/2010 to 29/08/2010		YEAR TO DATE		1 YEAR		3 YEARS	
		LOCAL	EUR	31/12/2009 to 29/08/2010	EUR	29/08/2009 to 29/08/2010	EUR	29/08/2007 to 29/08/2010	EUR
ISEQ	Ireland	-3.14%	-3.14%	-9.24%	-9.24%	-12.80%	-12.80%	-65.19%	-65.19%
FT All Share	UK	0.13%	-0.35%	-0.36%	7.70%	10.06%	17.99%	-5.07%	-21.75%
FT 100	UK	0.13%	-0.36%	-1.40%	6.57%	9.65%	17.55%	-4.57%	-21.34%
S&P 500	US	-0.66%	-0.92%	-4.53%	7.69%	3.47%	16.92%	-27.27%	-21.96%
FT Eur x UK	Europe ex UK	-0.41%	-0.31%	-3.69%	-1.01%	1.85%	5.06%	-27.09%	-24.25%
FT Germany	Germany	-0.94%	-0.94%	-0.06%	-0.06%	7.15%	7.15%	-21.96%	-21.96%
FT France	France	-0.38%	-0.38%	-5.31%	-5.31%	1.01%	1.01%	-26.56%	-26.56%
FT Japan	Japan	-1.31%	-0.69%	-9.42%	11.93%	-14.01%	6.89%	-45.40%	-20.66%
FT Hong Kong	Hong Kong	-1.16%	-1.45%	2.89%	15.71%	15.65%	30.25%	7.12%	15.29%
FT Pacific x Japan	Asia ex Japan	-1.39%	-1.64%	-2.18%	9.67%	8.20%	26.93%	-4.77%	1.37%
FT Pacific	Asia	-1.35%	-1.19%	-5.88%	10.72%	-3.30%	16.84%	-28.62%	-10.05%
FT World	World	-0.61%	-0.78%	-3.72%	7.11%	3.38%	16.14%	-21.43%	-15.17%
FT North America	US	-0.46%	-0.80%	-3.04%	9.27%	5.48%	19.40%	-20.30%	-14.46%
FT Eur x UK & Eurobloc	Europe ex UK and Eurobloc countries	0.09%	0.09%	12.22%	12.22%	20.16%	20.16%	-6.97%	-6.97%
DJ Eurostoxx 50	Europe	-0.52%	-0.52%	-9.01%	-9.01%	-3.25%	-3.25%	-30.72%	-30.72%

(TOTAL RETURN INDICES USED)



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**Performance Report**
**Offer to Offer - Local Currency**
**Close of Business - 27th August 2010**
**MoneyMate<sup>®</sup>**

Fund Name	1 Week	1 Month	Year to Date	1 Year	3 Years	Annualised Performance	5 Years	Annualised Performance
<b>Irish Domestic Funds (Gross)</b>								
European Equity								
Irish Life Europascope 2 G Guaranteed	-2.54%	-4.95%	-10.21%	-4.24%	-33.42%	-12.68%	-9.58%	-1.99%
Irish Life Securescope 2 G	-0.44%	-0.44%	0.70%	2.33%	-3.01%	-1.01%	4.57%	0.90%
International Equity								
Irish Life Globalscope 2 G	-1.59%	-2.80%	-0.18%	7.54%	-27.51%	-10.17%	-17.38%	-3.75%
Irish Life Fidelity Man Inter 1 G	-1.91%	-0.65%	9.75%	18.64%	-12.92%	-4.51%	6.46%	1.26%
Irish Equity								
Irish Life Celtscope 2 G	-6.49%	-12.20%	-16.69%	-18.18%	-71.92%	-34.52%	-64.63%	-18.77%
Managed Balanced								
Irish Life Wisdomscope 2 G	-1.26%	-1.85%	2.70%	7.52%	-23.88%	-8.70%	-6.80%	-1.40%
Property								
Irish Life UK Property 1 G	-0.11%	0.91%	14.54%	20.11%	-38.41%	-14.92%	-26.75%	-6.04%
Irish Life Property 1 G	0.00%	-0.22%	0.57%	-4.20%	-59.85%	-26.23%	-45.96%	-11.58%
Specialist Funds								
Irish Life BancScope 2 G	-2.38%	-4.95%	0.49%	-2.69%	-47.66%	-19.41%	-37.56%	-8.99%
Technology								
Irish Life Telescope 2 G	-0.91%	1.05%	3.82%	11.40%	-11.13%	-3.86%	8.75%	1.69%
Irish Life Techscope 2 G	-1.91%	-4.95%	6.96%	20.68%	-4.16%	-1.41%	6.96%	1.35%
<b>Irish Individual Pensions</b>								
Cash (Ind)								
Irish Life (Ind) Exempt Cash 3	0.04%	0.19%	1.39%	2.02%	9.36%	3.03%	14.72%	2.78%
Fixed Interest (Ind)								
Irish Life (Ind) Exempt Fixed Interest 3	0.99%	4.13%	9.69%	10.19%	26.25%	8.08%	23.49%	4.31%
General Equity (Ind)								
Irish Life (Ind) Exempt Equity 3P Guaranteed (Ind)	-2.06%	-3.24%	1.64%	9.11%	-28.29%	-10.49%	-9.25%	-1.92%
Irish Life (Ind) Exempt Guaranteed 3	0.00%	0.02%	0.27%	0.27%	1.53%	0.51%	7.38%	1.43%
International Equity (Ind)								
Irish Life (Ind) Fidelity Managed Intl 4	-1.97%	-0.82%	10.03%	19.18%	-11.89%	-4.13%	8.61%	1.67%
Managed Balanced (Ind)								
Irish Life (Ind) Exempt Consensus	-1.25%	-1.76%	3.26%	8.46%	-21.90%	-7.91%	-2.74%	-0.55%
<b>Irish Group Pensions</b>								
Managed Balanced (Grp)								
Irish Life (Grp) Exempt Active Managed 2P With Profit (Grp)	-1.49%	-2.25%	2.41%	7.50%	-22.59%	-8.18%	-4.41%	-0.90%
Irish Life (Grp) Exempt Secure Perf	0.00%	0.00%	0.00%	0.00%	7.53%	2.45%	20.90%	3.87%
<b>Irish Unit Linked Funds (Net)</b>								
American Equity								
Irish Life Nth American 4 N	-1.40%	-3.09%	4.33%	11.37%	-12.29%	-4.28%	-3.03%	-0.61%
Cash								
Irish Life Cash 4 N	0.04%	0.11%	0.90%	1.28%	7.28%	2.37%	10.99%	2.11%
European Equity								
Irish Life European 4 N	-2.14%	-3.33%	-5.36%	0.44%	-24.44%	-8.92%	1.24%	0.25%
Irish Life Europascope N	-2.28%	-4.45%	-9.05%	-5.10%	-29.99%	-11.20%	-9.27%	-1.93%
Fixed Interest								
Irish Life Hi-Income 4 N	0.79%	3.29%	7.45%	7.74%	21.43%	6.69%	17.67%	3.31%
Guaranteed								
Irish Life Securescope N	-0.36%	0.00%	1.02%	2.36%	-3.14%	-1.06%	1.76%	0.35%
International Equity								
Irish Life Globalscope N	-1.55%	-2.90%	-0.35%	7.14%	-29.54%	-11.02%	-21.70%	-4.78%
Irish Equity								
Irish Life Irish Equity 4 N	-4.84%	-9.77%	-10.21%	-11.43%	-63.67%	-28.64%	-55.59%	-14.99%
Japanese Equity								
Irish Life Far East 4 N	-2.13%	-0.49%	8.70%	12.03%	-18.88%	-6.74%	-0.62%	-0.12%
Managed Aggressive								
Irish Life Venture Man 4 N	-1.77%	-2.61%	1.01%	6.04%	-25.81%	-9.47%	-10.38%	-2.17%
Managed Balanced								
Irish Life Active Man 4 N	-1.27%	-1.58%	1.92%	5.68%	-22.52%	-8.15%	-7.99%	-1.65%
Irish Life Inter'l Man 4 N	-1.04%	-0.98%	2.92%	7.47%	-14.98%	-5.27%	0.97%	0.19%
Irish Life Wisdomscope N	-1.11%	-1.58%	1.88%	5.59%	-22.66%	-8.21%	-9.05%	-1.88%
Property								
Irish Life Property Mod 1 N	0.00%	-0.37%	0.20%	-4.46%	-56.29%	-24.11%	-41.87%	-10.28%
Irish Life UK Property Inv N	-0.07%	0.91%	13.58%	16.96%	-36.86%	-14.21%	-26.68%	-6.02%
Specialist Funds								
Irish Life Telescope N	-0.76%	0.87%	3.08%	9.83%	-11.04%	-3.83%	5.80%	1.13%
Irish Life Techscope N	-1.49%	-3.87%	4.38%	17.09%	-4.33%	-1.47%	3.47%	0.69%
UK Equity								
Irish Life UK Equity 4 N	-1.00%	-0.88%	6.11%	14.43%	-23.11%	-8.39%	-6.84%	-1.41%

Income Reinvested on Ex-Dividend Date

**DISCLOSURE:-**

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