

Group Pension Managed Funds Update to 30th June 2009

Summary

Irish pension funds delivered a marginally positive performance during June, of 0.1% on average, the fourth month in a row that returns have been positive. However, returns over the month were mixed, with several managers delivering negative returns. The best performing managed fund in June was that of Standard Life Investments, which returned 0.7%. Irish Life Investment Managers propped up the league table with a disappointing -0.6% return for the month. Over the second quarter of 2009, the average fund delivered a positive return of 11.3%. Merrion Investment Managers was the best performing manager over the quarter, with a return of 14.8%. AIB Investment Managers delivered the worst performance, of 8.6%, over the three months. Over the first half of 2009, returns are also positive with the average fund having gained 5.5% over this period. In the six months to the end of June, returns ranged from 11.3% (Merrion Investment Managers) to 0.7% (AIB Investment Managers), representing a difference of 10.6% between the best and worst performing managers so far this year. Over the past twelve months the average fund delivered -19.3%, with returns ranging from -13.9% (Canada Life/Setanta) to -23.9% (AIB Investment Managers). The average managed fund return has been an extremely disappointing -9.2% per annum over the past three years. The five year returns to the end of June are also negative, with the average managed fund delivering a return of -0.7% per annum over this period. Irish group pension managed fund returns over the past ten years have been a disappointing 0.1% per annum on average, well below the Irish inflation rate of 3.2% per annum over the same time horizon. Indeed, none of the managers surveyed outperformed inflation over this period, with just over half of the fund managers delivering positive returns.

Tables

1. Group Pension Managed Fund Returns to 30th June 2009

	1 Month %	Quarter 2 %	6 Months %	1 Year %	3 Years % p.a.	5 Years % p.a.	10 Years % p.a.
AIB Investment Managers	-0.1	8.6	0.7	-23.9	-9.5	-0.5	-1.2
Aviva Investors	0.2	10.7	4.4	-23.8	-11.3	-2.1	-0.6
Bank of Ireland Asset Management	0.1	10.7	5.1	-18.2	-10.3	-2.5	0.4
Canada Life/Setanta	0.5	12.0	6.1	-13.9	-7.3	0.2	0.6
Eagle Star	0.1	10.4	5.0	-15.4	-6.2	2.0	1.2
Friends First/F&C	-0.1	11.7	5.5	-19.9	-10.4	-1.5	-0.7
Irish Life Investment Managers	-0.6	13.7	7.0	-20.7	-9.9	-0.8	0.4
KBC Asset Management	0.3	9.4	2.9	-23.1	-11.7	-2.4	-2.0
Merrion Investment Managers	0.3	14.8	11.3	-16.3	-7.1	0.5	2.9
Standard Life Investments	0.7	11.0	7.1	-17.9	-8.2	0.2	0.1
Average	0.1	11.3	5.5	-19.3	-9.2	-0.7	0.1

2. Equity Market Index Returns to 30th June 2009

Region	1 Month %		3 Months %		6 Months %	
	Local Ccy	Euro	Local Ccy	Euro	Local Ccy	Euro
Ireland	-0.6	-0.6	23.7	23.7	17.5	17.5
UK	-3.3	-0.4	10.1	19.7	-1.3	12.1
North America	0.2	0.7	16.3	10.8	4.7	4.2
Eurozone	-1.7	-1.7	20.3	20.3	3.8	3.8
Rest of Europe	0.8	-0.2	17.4	17.1	8.8	7.4
Japan	3.0	2.8	20.1	16.4	9.5	1.9
Pacific Basin	0.5	1.3	21.0	23.5	24.1	28.8

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