

Group Pension Managed Funds Update to 30th June 2010

Summary

Irish pension funds lost further ground in June, as the average managed fund returned -1.8% for the month. Standard Life Investments and Eagle Star/Zurich Life shared top spot with a return of -1.5% for the month, while Setanta Asset Management propped up the league table with a -2.7% return. As a result of losses experienced during May and June, the average managed fund delivered a return of -3.7% over the second quarter of 2010. During the quarter, the best performing managed fund was that of Standard Life Investments, which lost 2.6%; while the worst performing managed fund over the three months to the end of June was that of Setanta Asset Management, which returned -4.9%.

In spite of this, the average managed fund has advanced 1.9% over the first half of the year; with returns ranging from a high of 3.7% (Standard Life Investments) to a low of 0.4% (Aviva Investors). Over the past twelve months all of the managed funds surveyed delivered double-digit growth, with the average fund returning 17.7%. Returns for the past year ranged from 20.3% (Standard Life Investments) to 15.0% (AIB Investment Managers).

The average managed fund return has been a very disappointing -9.1% per annum over the past three years. The five year returns to the end of June are mostly negative, with an average return of -0.2% per annum over this period. Irish group pension managed fund returns over the past ten years have been a disappointing 0.3% per annum on average, well below the Irish inflation rate of 2.5% per annum over the same time horizon. Indeed, none of the managed funds surveyed outperformed inflation over this period, while four of the ten funds failed to deliver positive returns over 10 years.

Performance Table

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
	%	%	%	%	% p.a.	% p.a.	% p.a.
AIB Investment Managers	-2.0	-3.8	1.8	15.0	-10.8	-0.6	-0.9
Aviva Investors	-1.7	-3.9	0.4	15.5	-11.6	-1.8	-0.5
Bank of Ireland Asset Management	-2.0	-4.5	1.4	16.7	-9.9	-2.0	0.9
Canada Life/Setanta	-2.7	-4.9	0.8	16.8	-6.1	0.4	0.4
Eagle Star/Zurich Life	-1.5	-3.3	1.8	18.3	-6.3	2.1	1.8
Friends First/F&C	-1.8	-3.5	2.5	17.7	-10.3	-0.9	-0.2
Irish Life Investment Managers	-1.6	-4.3	2.4	20.2	-9.6	-0.2	1.3
KBC Asset Management	-1.7	-3.4	2.4	17.2	-11.7	-1.9	-1.9
Merrion Investment Managers	-1.9	-2.9	2.1	18.8	-6.7	1.4	1.4
Standard Life Investments	-1.5	-2.6	3.7	20.3	-8.1	1.1	0.9
Average	-1.8	-3.7	1.9	17.7	-9.1	-0.2	0.3

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