

IIPM February Webinar

13 February 2025

‘Current Investment Outlook for the Investment Markets’
LENNY McLOUGHLIN, ILIM

‘Staying invested: the 7 investment lessons’ &
‘Diversification: why it matters in a multi-asset portfolio’
PETER SMITH, AVIVA INVESTORS

Chair & Speaker



Davin Spollen
President
IIPM

Davin is Chief Executive Officer of Glennon Employee Benefits. Davin has many years' experience working in senior positions including; Director, Head of Function, Senior Consultant and Operations within regulated financial, medical and professional consultancy services firms. He has also served as Board Advisor to a Global Employee Benefits Network.

Davin is an Associate of the IIPM, Qualified Pension Trustee and Certified Financial Planner.

Webinar Housekeeping



A Q&A WILL BE
RUN AFTER THE
PRESENTATIONS



QUESTIONS
FOR THE
SPEAKERS?



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THEM INTO THE
QUESTION/CHAT
AREA ON YOUR
RIGHT



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THIS AT ANY
TIME DURING
THE
PRESENTATION

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Speaker



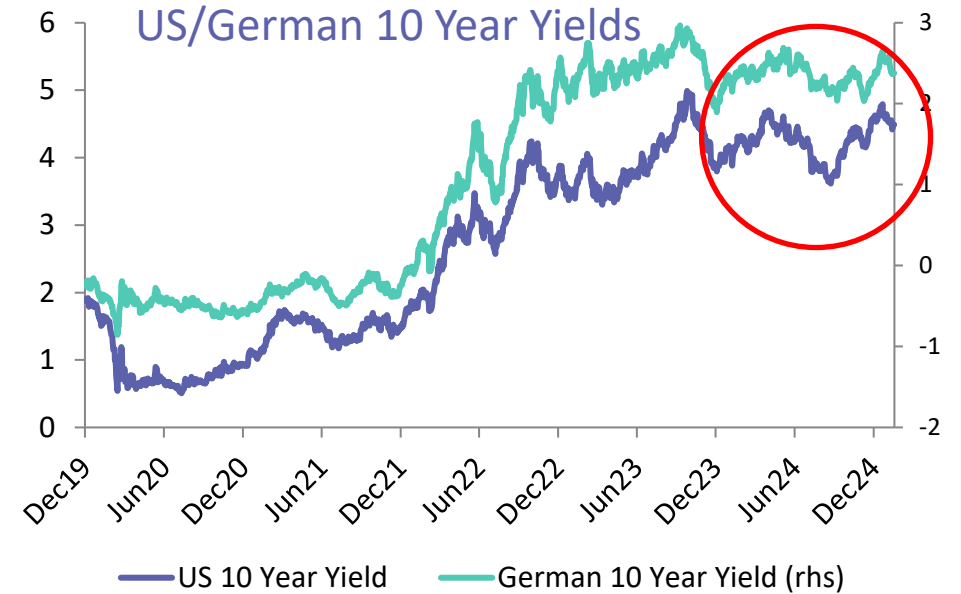
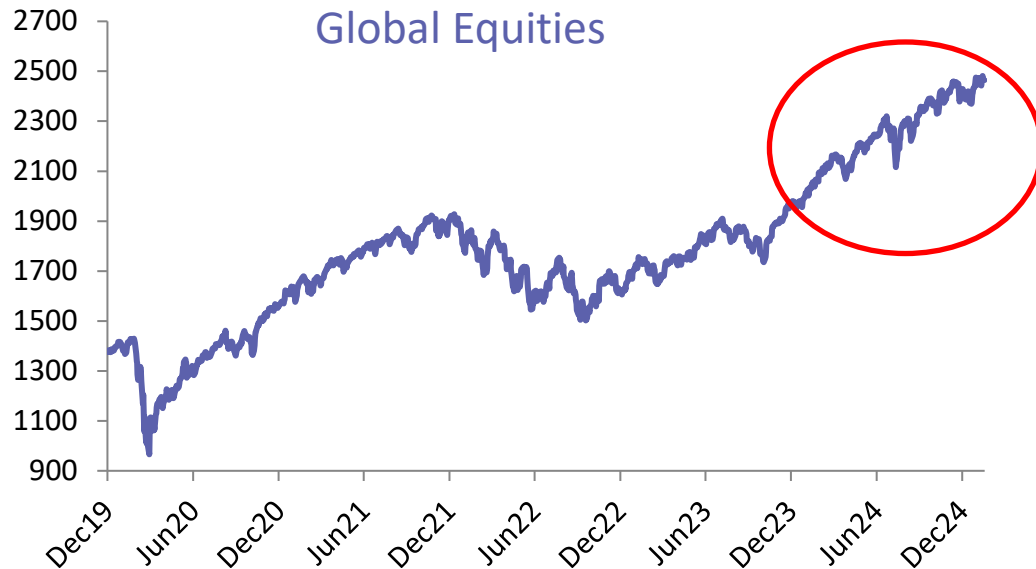
Lenny McLoughlin

Chief Economist & Investment Strategist
Irish Life Investment Managers

Lenny joined Irish Life Investment Managers in 2005. In his role as Investment Strategist, he is responsible for formulating ILIM's views on multi asset classes and chairs the Tactical Asset Allocation committee which determines asset calls for funds which require an asset allocation overlay function. Previously he was responsible for managing the financial and retail sectors in our active global equity funds. Lenny has over 30 years' experience in the financial industry having previously worked for Zurich, AIB and Aviva Investors in equity research and investment management roles. Lenny graduated with a B.A. Mod in Economics from Trinity College Dublin and is also a member of the Chartered Financial Analysts Society of Ireland.

ILIM Market Performance

Market Performance

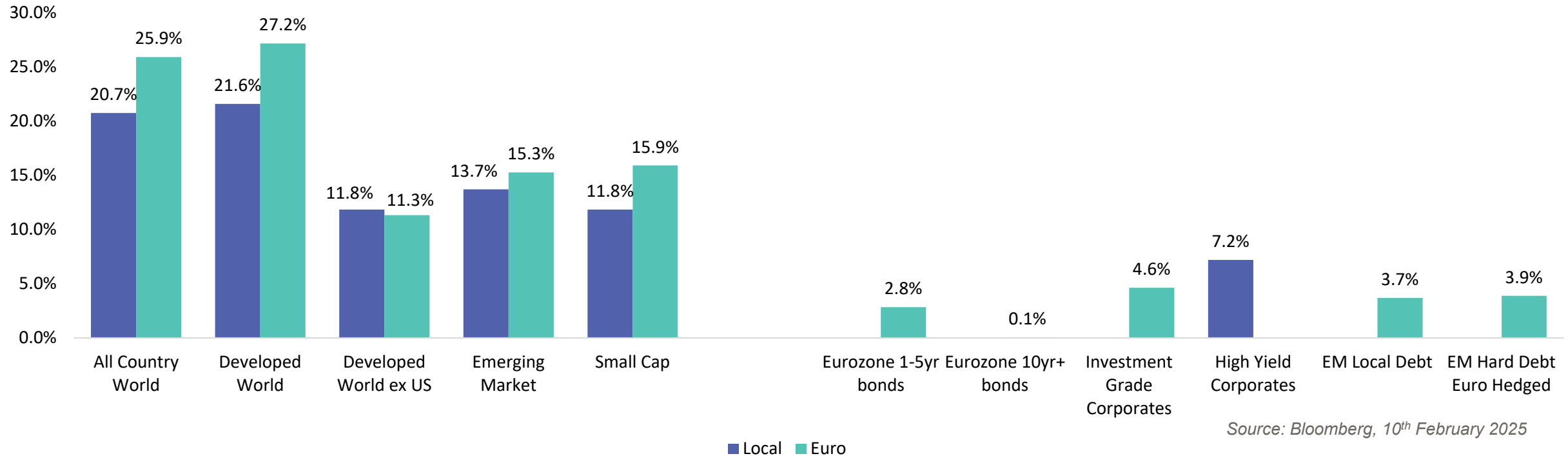


Source: Bloomberg, 10th February

- > Better than expected growth backdrop, improving earnings in 2024, AI theme, expectations of and eventual start of rate cuts have all contributed to the rally
- > Rally post US election on pro growth policy agenda
- > Volatility evident ytd associated with DeepSeek and tariff announcements
- > Bond yields mixed as timing and scale of rate cut expectations initially pushed out before rate cuts finally began
- > US yields rose post election on fears of renewed US inflation pressures due to tariffs, fiscal stimulus and wider deficits
- > Despite market discounting lower ECB policy rates on softer European growth and inflation, German yields pulled higher by US yields

Market Returns

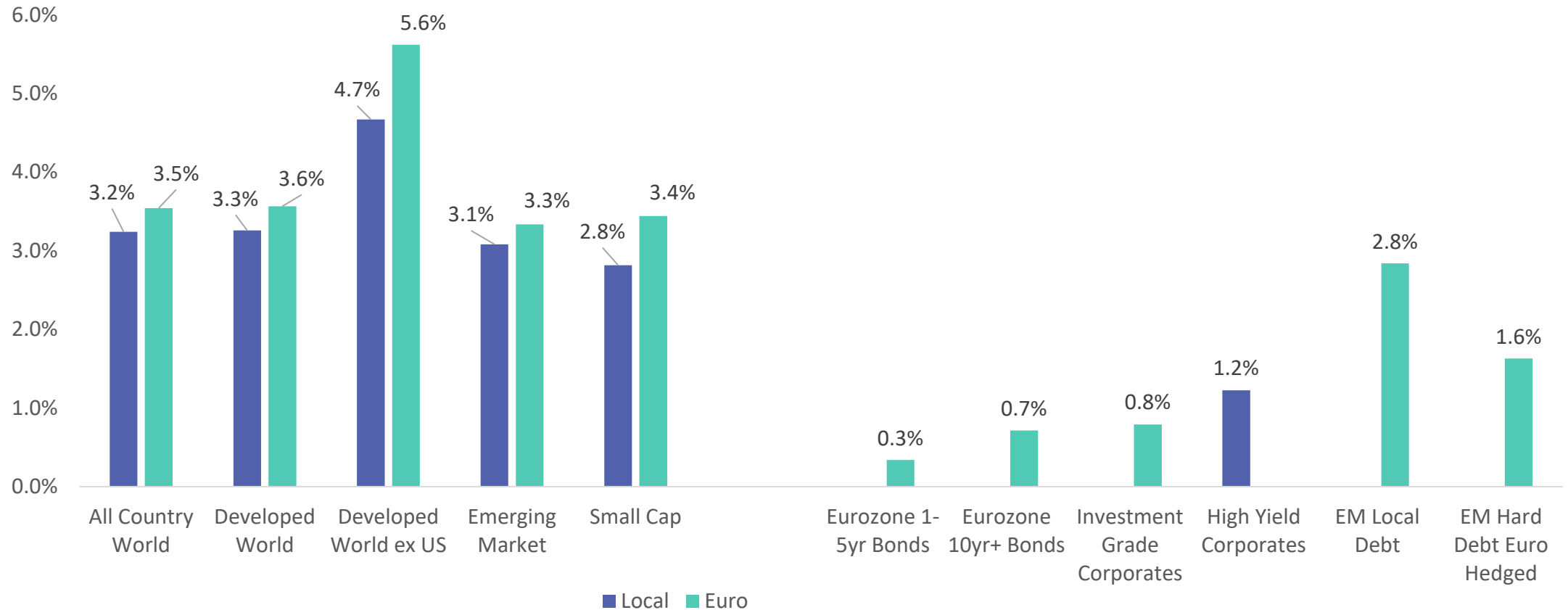
Market performance 2024



- > Equities up on the better-than-expected growth backdrop, improving earnings, artificial intelligence (AI) theme, start of rate cutting cycle
- > Optimism in the US due to the re-election of Trump and a Republican clean sweep raised expectations around growth-friendly policies
- > Fixed income mixed as yields have been volatile although carry helped offset in some areas where yields rose in 2024

Market Returns

Market performance year-to-date to 7th February 2025



- > Equities recovered post year end dip to new highs as Trump's policies overall seen as more moderate despite uncertainties and volatility around tariffs
- > US macro data better; earnings surprising to the upside
- > AI related profit taking linked to DeepSeek concentrated in individual stocks
- > US yields lower on better CPI data, stable issuance and administration focus on lower bond yields

Trump 2.0

Initial Market Reaction (5th Nov to 7th Feb)

US Equity	+5.0%	US 10 year	4.27% → 4.49%
European Equity	+6.5%	Bund 10 year	2.43% → 2.37%
Chinese Equity	-0.3%	Gold	+4.3%
US Tech	+1.7%	Bitcoin	+39.3%
US Small Cap	1.1%	EURUSD	-5.5%

Initial market reaction to US election:

- **US outperformed** other equity market regions
- **China hit the worst given potential for 60% tariff**
- US yields have risen on potential reflationary impact of Trump policies and wider fiscal deficit
- US small caps initially outperformed but delayed rate cut expectations have contributed to a correction
- Dollar has strengthened as fewer Fed rate cuts expected

Where to from here?

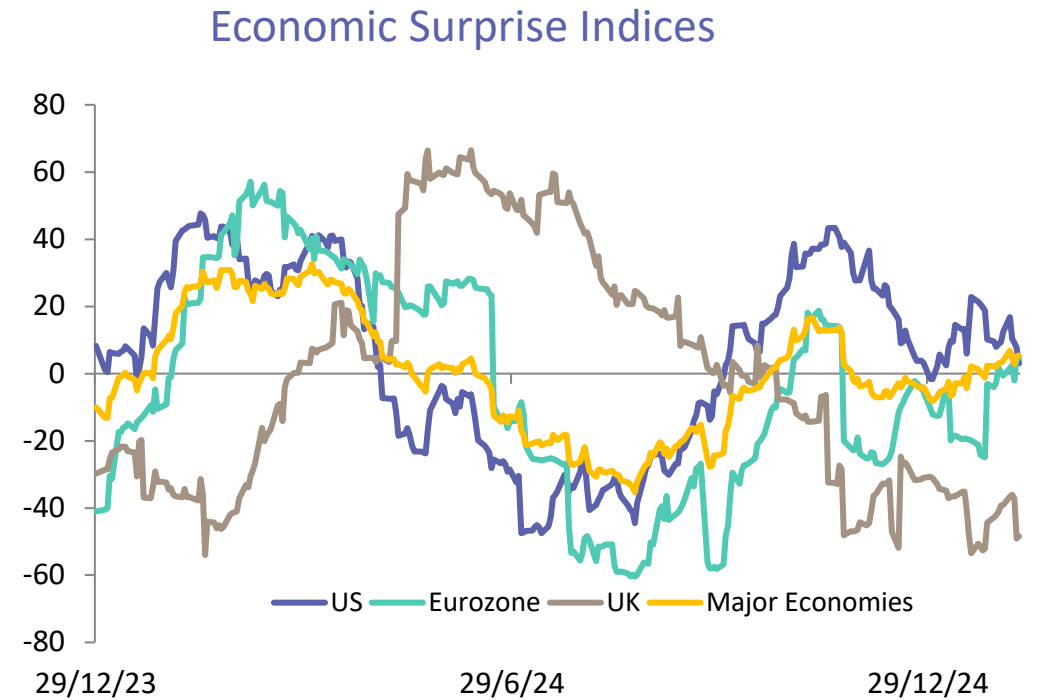
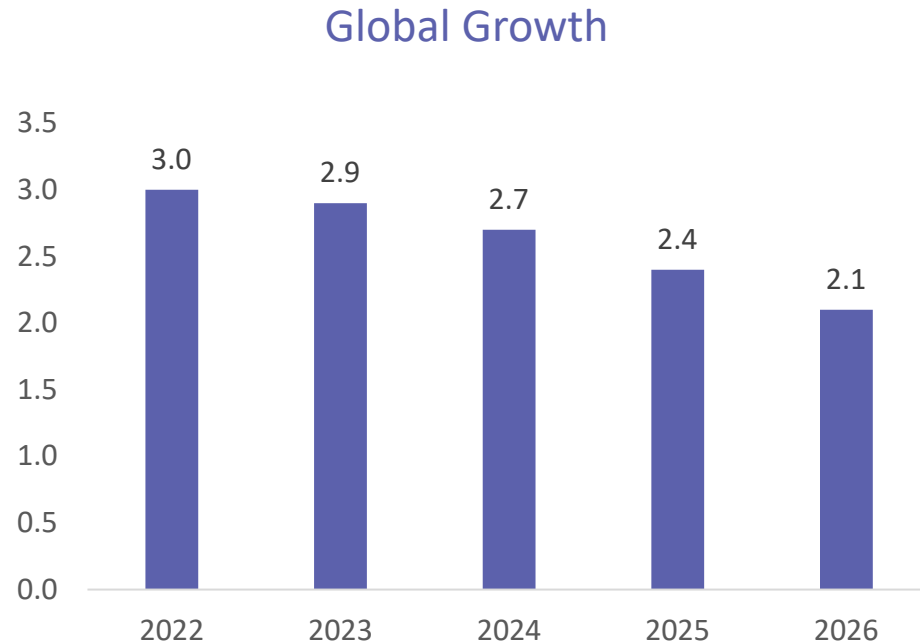
Area	Policy Proposed	Considerations
Trade	60% tariff on Chinese imports 10% tariff on all other imported goods	Yet to be seen if these quoted tariffs will be imposed or used as a negotiating tactic. Likely to see additional tariffs in retaliation
Tax	Extension of Trump 1.0 tax cuts that are due to expire at end of 2025 Cut corporate tax to 15%	Corporate tax cut likely given clean sweep but possibly only to 18/19% although still seen as positive for US equities
Fed	Trump has noted he would like to replace Powell	Powell cannot be removed by Trump unless there is "just cause" to do so. Powell will be replaced when his term is up Q226
Immigration	Seeking mass deportations and reductions in net immigration	Potential impact on US growth of c.-0.5%, likely to have an inflationary impact. Expected to be more modest
Deregulation	No specific policy shared but Trump likely to be more "pro-business"	Deregulation should benefit financials, industrials, tech and energy

From a market perspective:

- **Tariffs likely to be a drag on international equity**, particularly Europe and China (estimated to take c.0.3-0.5% off Europe GDP and c.2% off Chinese GDP). 25% tariffs on Canada/Mexico takes 2.5/2.8% off Canadian GDP and pushes Mexico into recession
- **Tariffs likely to be inflationary** in the US → implications for Fed policy and potential for higher rates for longer
- **Tax cuts** positive for the US and perceived to **outweigh any negative impact of tariffs on the US**
- **China likely to announce larger stimulus** given Trump win, which could offset some of negative tariff impact

Global Economy

Global Growth

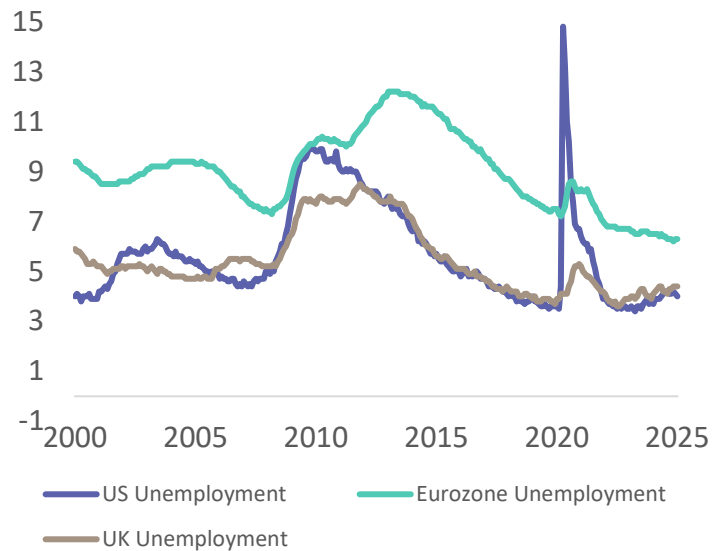


- > Global growth surprised positively again in 2024
- > Driven mainly by the US economy although Europe and UK also better than expected
- > Growth fears in August quickly faded as several indicators suggested concerns overdone
- > Growth is slowing but looks likely to remain firm
- > US election likely to lead to divergence in growth across regions but global growth to remain close to trend

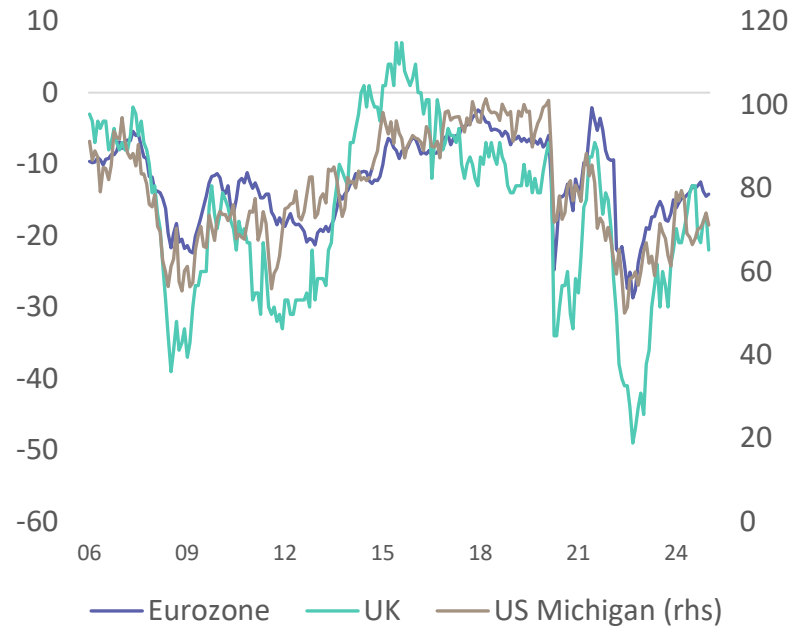
Source: Bloomberg, 10th February 2025

Growth Indicators

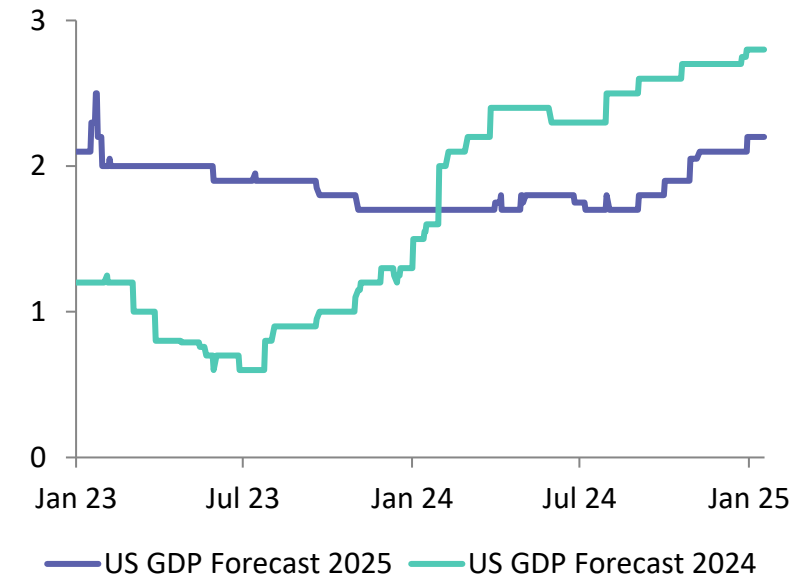
Labour Markets



Consumer Confidence



Consensus US GDP Forecasts



- > Global labour markets have been strong
- > Consumer confidence has rebounded
- > US growth forecasts revised higher since the election
- > European growth has improved although sentiment surveys have stalled

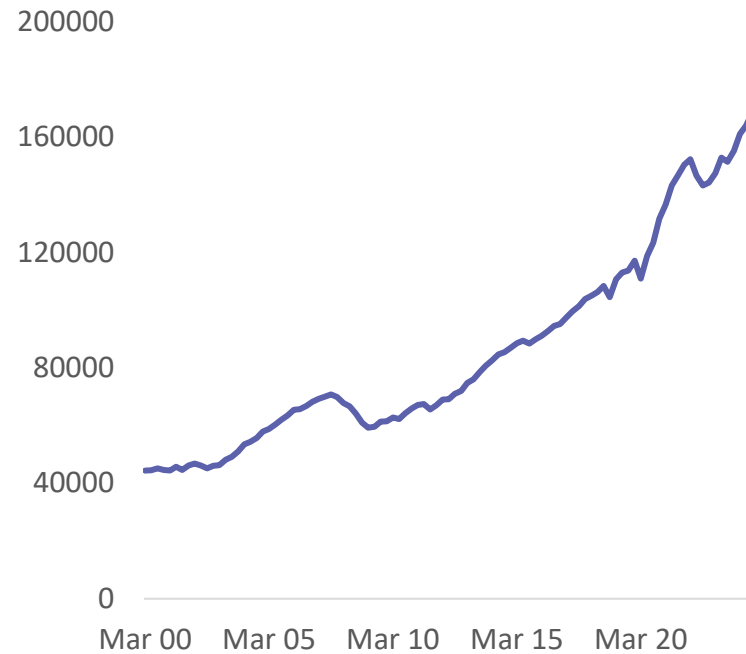
Source: Bloomberg, 10th February 2025

US Growth Indicators

US Household Debt Service Ratio



US Household Net Worth \$bn



Small Cap Business Confidence

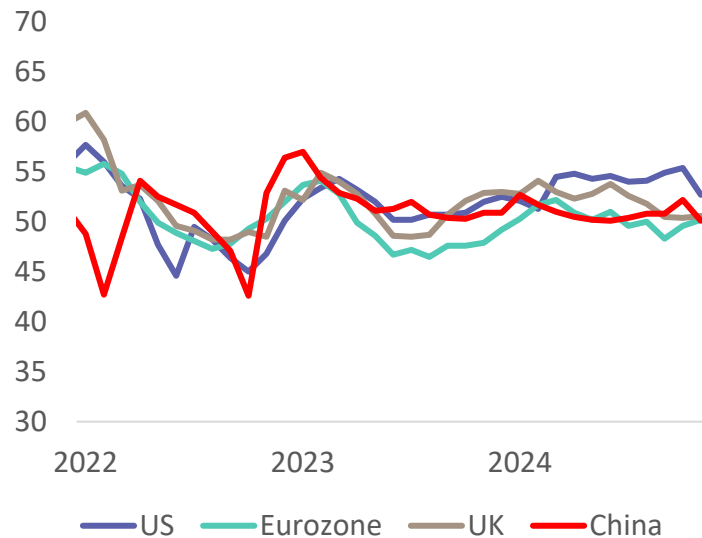


Source: Bloomberg, 10th February 2025

- > Higher rates have increased debt servicing costs for consumers but only back towards pre Covid levels
- > Majority of consumer mortgages on 30 year fixed rate
- > Consumer balance sheet strong given strength in equity market and housing
- > Small cap business confidence has improved in recent months
- > November saw the largest monthly increase in the readings 50 year history

Growth Indicators

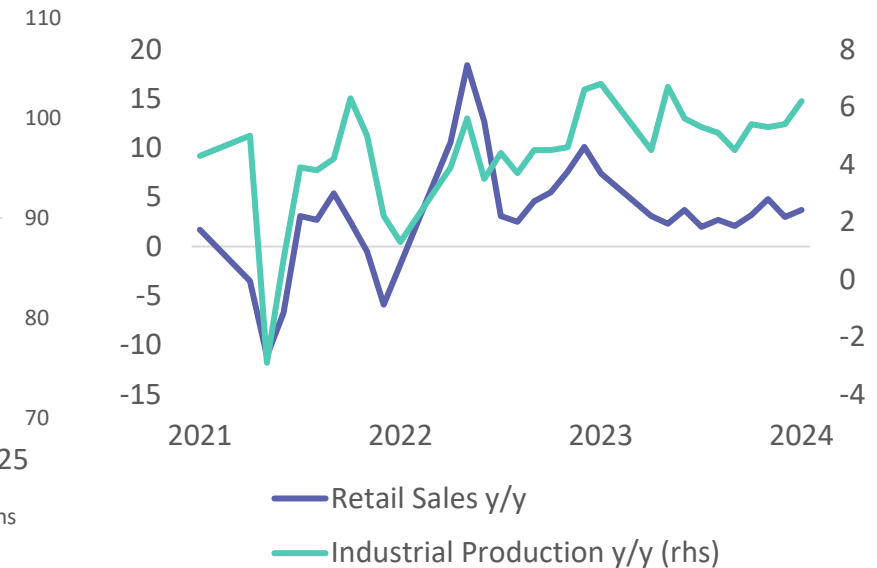
Global PMI's



European Sentiment Data



China Data



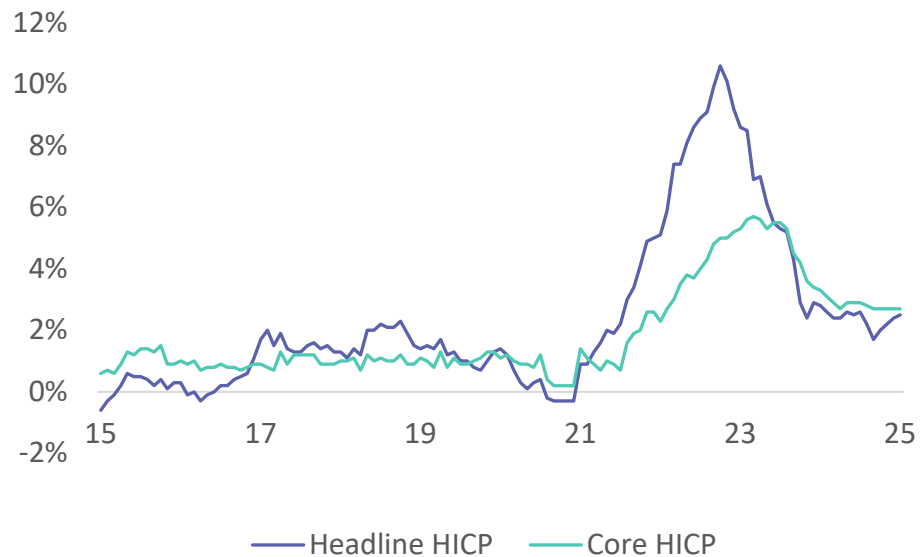
Source: Bloomberg, 10th February 2025

- > Global PMI's drifted through 2023 but have recovered
- > Some recent softness in manufacturing
- > Services sector however remains strong and composite PMI's consistent with global growth of approx. 2.6%
- > European activity and sentiment improved in H1 2024 but remain somewhat mixed
- > Chinese growth softened through mid year
- > Authorities in China are committed to achieving growth of around 5% and have announced stimulus measures to boost economy and have been reflected in better activity data

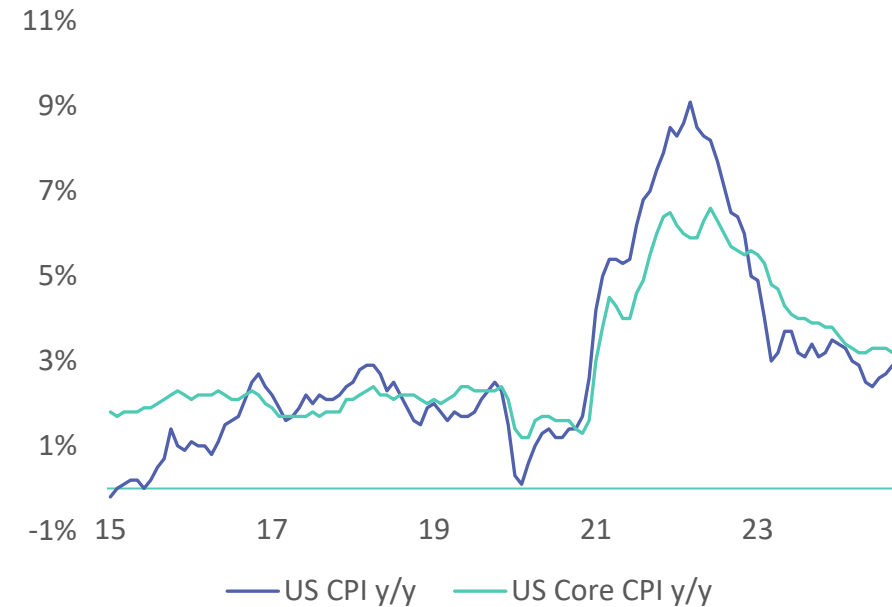
Inflation and Central Banks

Inflation

Eurozone Inflation



US Inflation

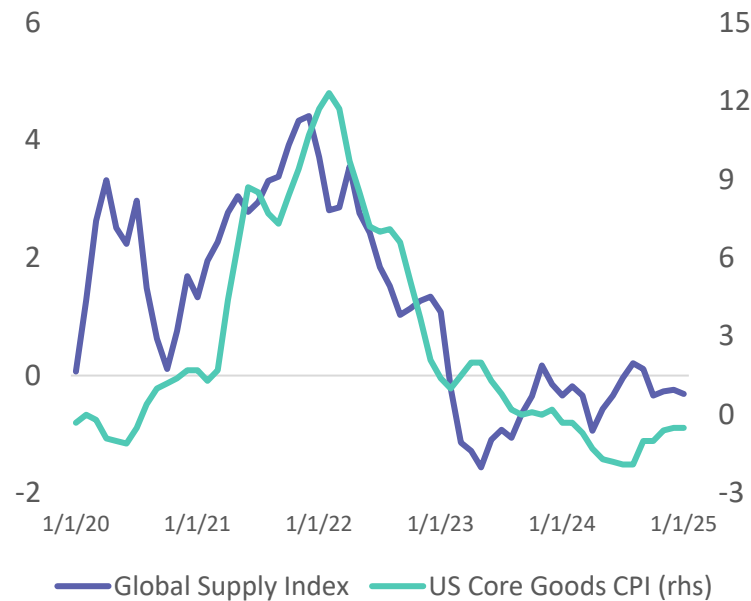


- > Inflation peaked in 2022
- > Inflation had been sticky again in early 2024
- > Disinflation has again been evident in H2
- > Further falls in inflation expected through 2025
- > Tariffs could put upward pressure on US inflation and elsewhere if retaliatory measures announced

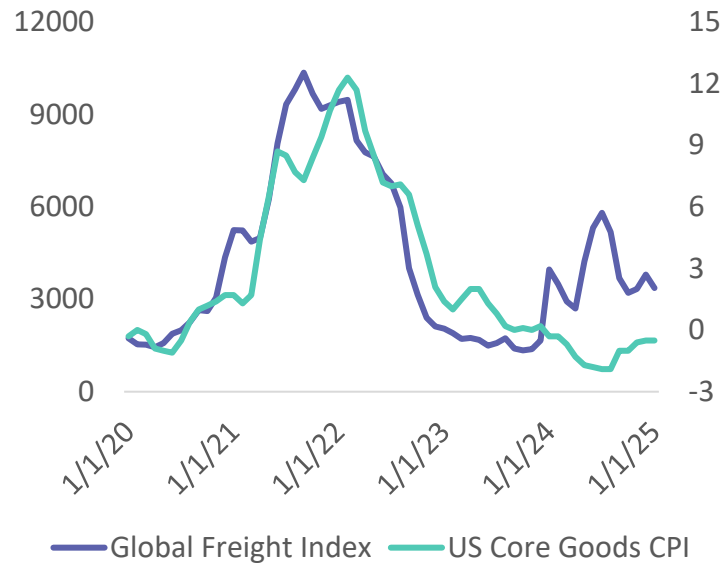
Source: Bloomberg, 10th February 2025

Easing Inflation Pressures

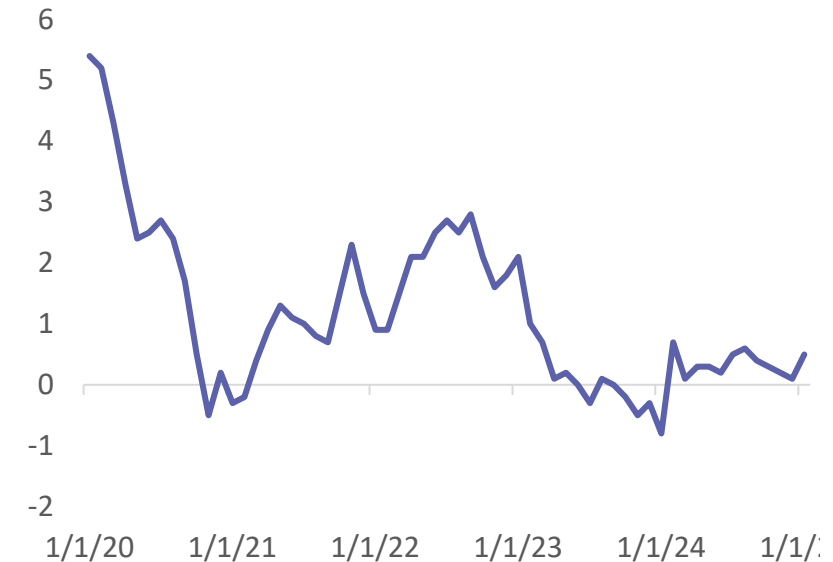
Global Supply Chain v's US Core Goods



Freight Rates V's US Core Goods



China CPI y/y

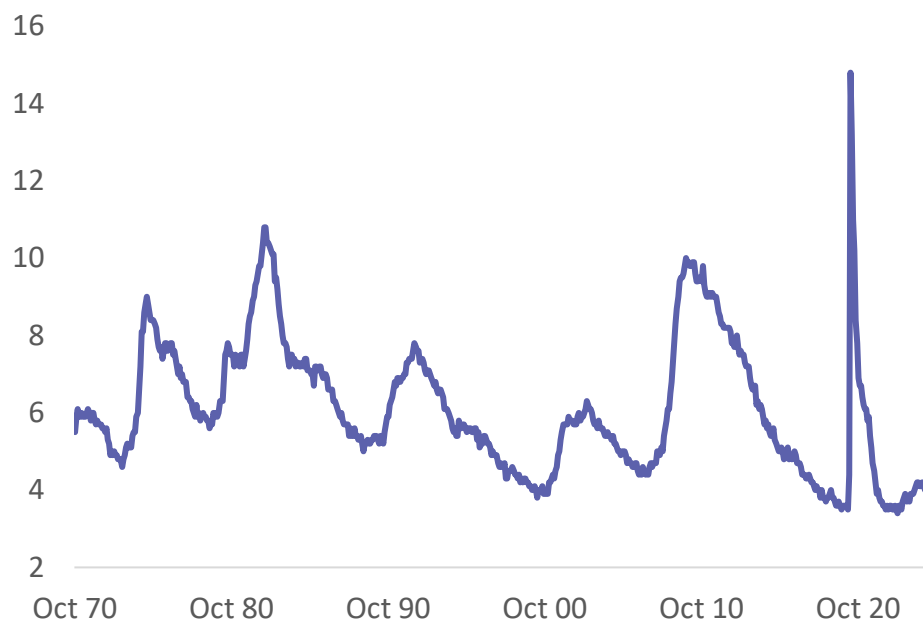


- > Supply chain bottlenecks have eased compared to Covid levels
- > Some pressures on shipping freight rates and supply chains post issues in the Red Sea but are easing
- > Energy prices have fallen
- > China is exporting disinflation
- > Depending on timing and magnitude of US policies, could see some upward pressure on US inflation in 2025

Source: Bloomberg, 10th February 2025

Inflation

US Unemployment Rate



US Wages

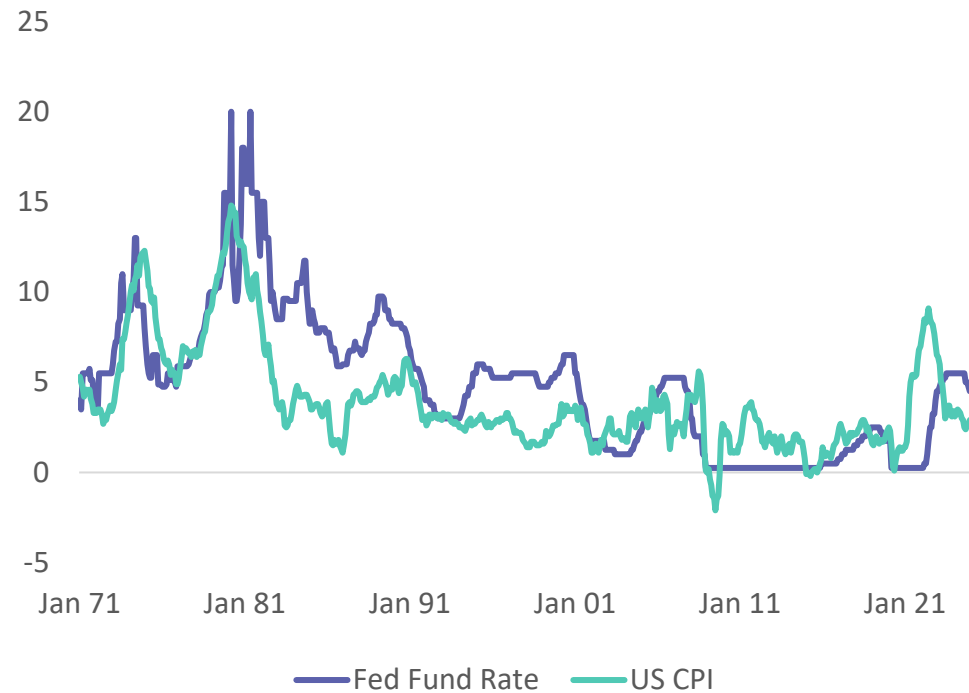


- > Labour markets are tight but showing some signs of easing
- > US unemployment remains relatively low but rose 0.9% to a high of 4.3%. Back to 4.0%
- > Wage pressure remains higher than levels consistent with 2% inflation target but beginning to ease

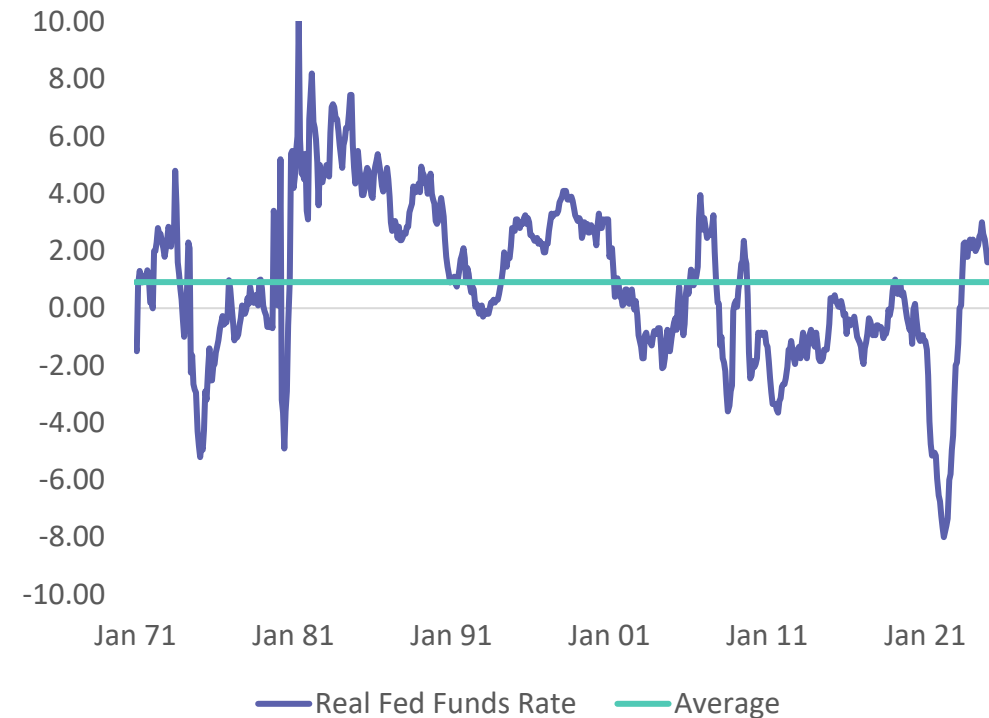
Source: Bloomberg, 10th February 2025

Fed Funds Rate and US CPI

Fed Funds Rate v's CPI



Real Fed Funds Rate



- > Inflation rose to the highest in 40 years
- > Fed and other central banks needed to address and bring down inflation
- > Fed funds now at 4.25/4.50% although real rate is still relatively high
- > Fed has suggested policy is restrictive and further cuts to come

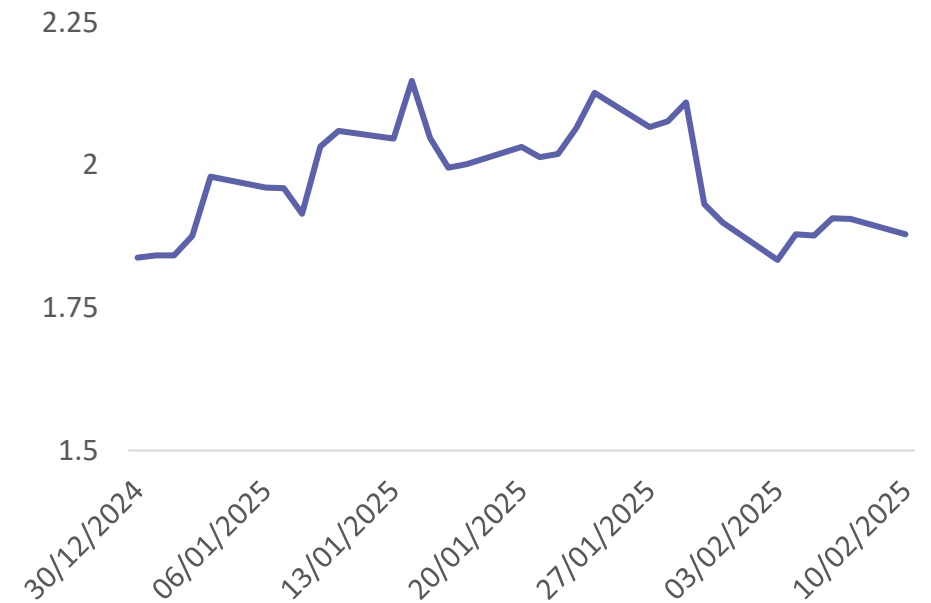
Source: Bloomberg 10th February 2025

Central Banks

US Fed Funds Expectations End 25/26



Expected ECB Deposit Rate End 2025



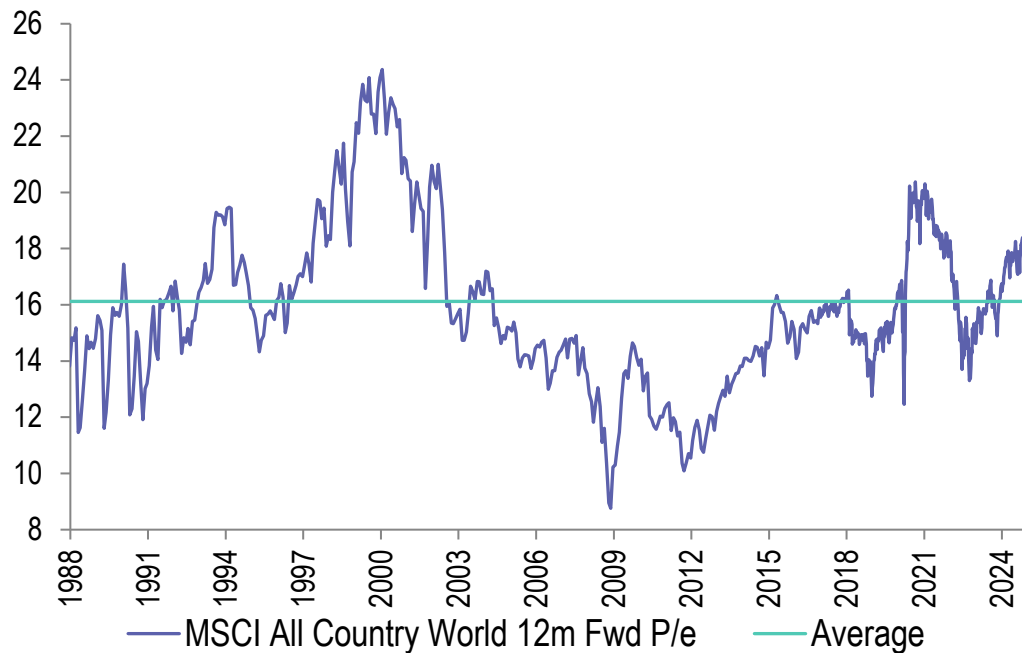
- > Fed has cut by 100bps
- > Investors expecting a further 25/50bps cuts in 2025; additional 25bps cut in 26
- > Number of expected rate cuts has fallen given better macro backdrop and election outcome
- > ECB has cut by 125bps
- > Another 75/100bps ECB cut expected in 2025 for a total of 200/225bps by year end

Source: Bloomberg, 10th February 2025

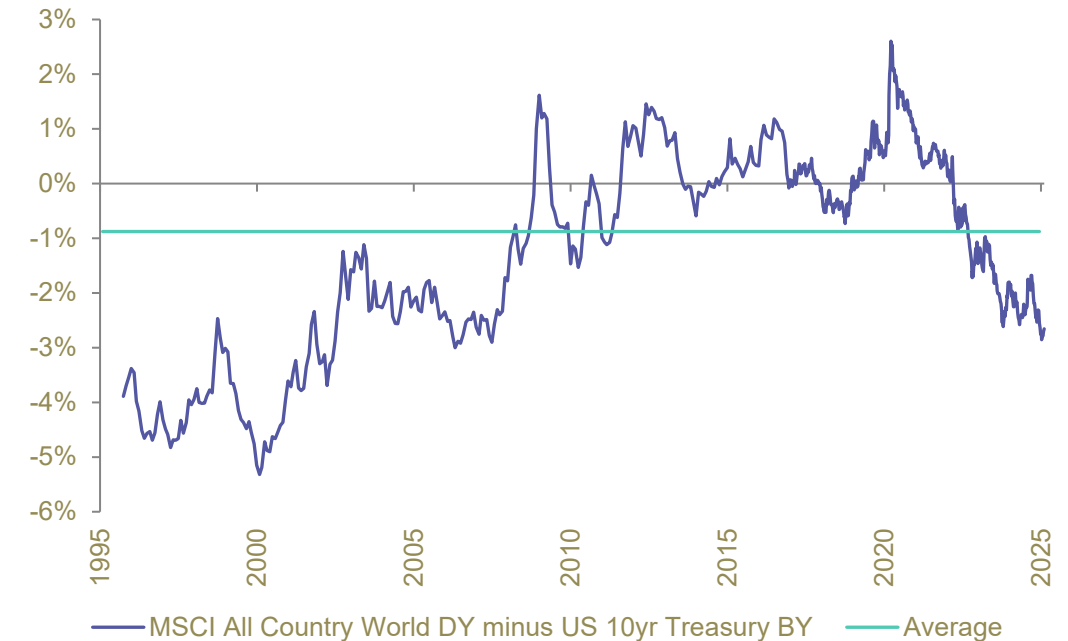
Equity Markets

Equity Market Valuations

MSCI All Country World 12 month Forward P/E



MSCI All Country World Yield Gap vs. US 10 Year Yield

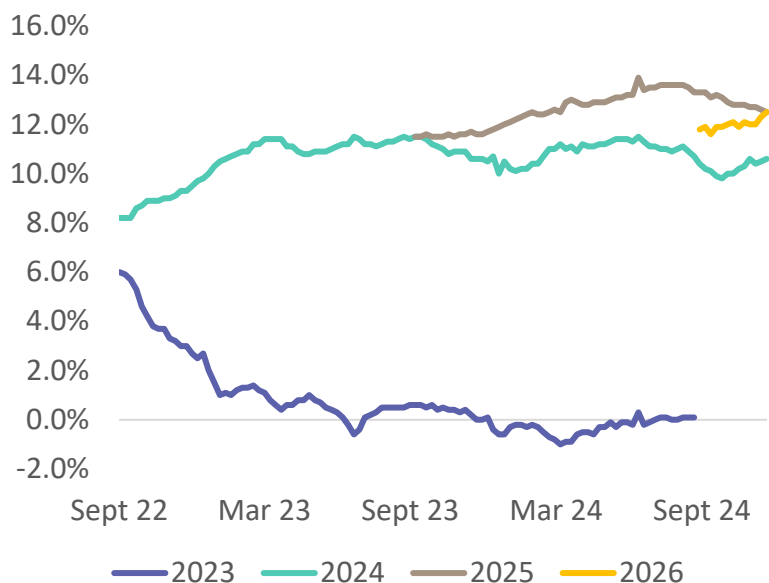


- > Equity P/E multiple at 18.6x is above the long term average of 16.1x
- > Post the rise in bond yields over the last few years, equities are no longer cheap against bonds
- > Equities can be supported by a soft landing and the avoidance of a recession
- > Positive economic and earnings growth can contribute to further gains in equities
- > Institutional investor equity positioning lightened into year end

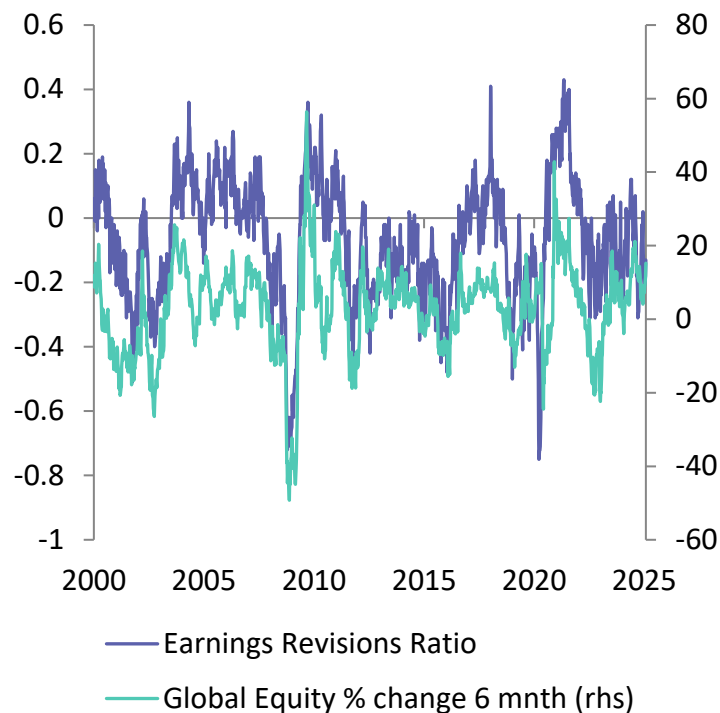
Source: Bloomberg 10th February 2025

Equities

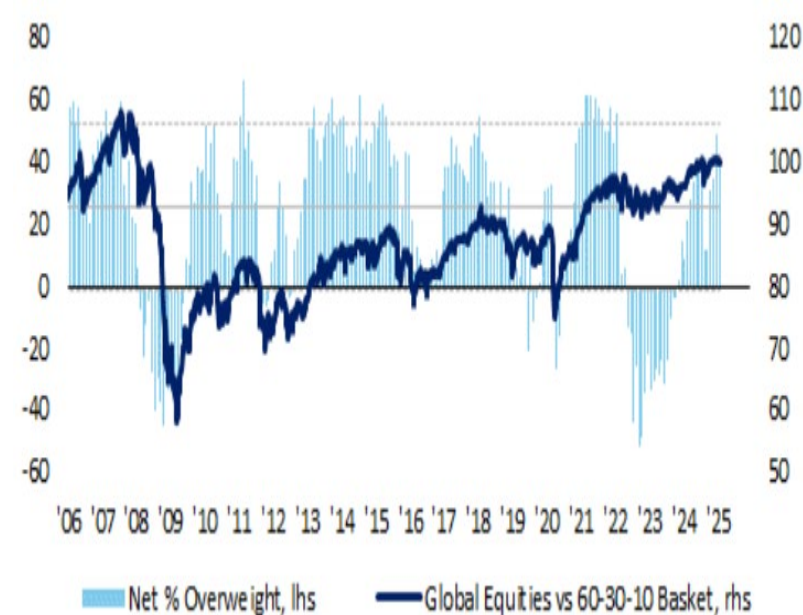
Global Earnings Forecasts 2023 to 26



Global Earnings Revisions Ratio



Investor Equity Weights

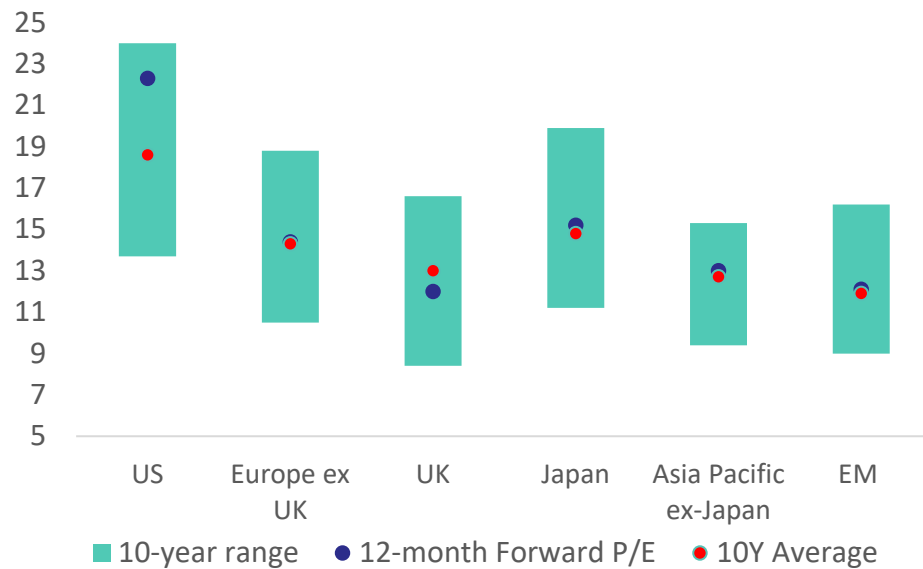


Source: Bloomberg/BofA ML, 10th February 2025

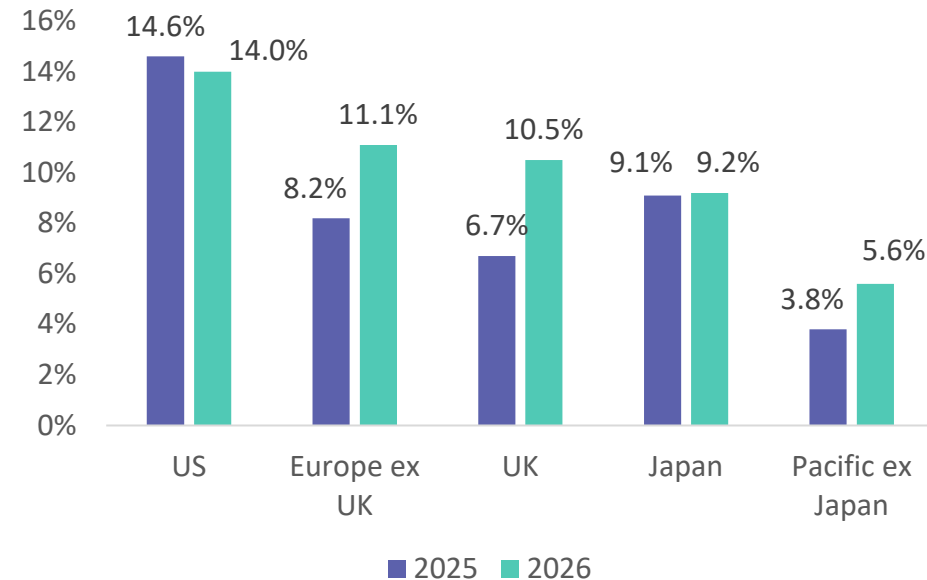
- > Global earnings are set to remain strong in 2025 and 2026
- > Earnings revisions ratio has improved but dipped into results season as usually occurs
- > Investors have increased equity weights but recent surveys suggest lightened into year end

Regional Equity Market Earnings/Valuations

P/e Multiples and 10 Year Ranges



Consensus Earnings Growth Forecasts



- > US is relatively expensive in absolute terms and versus its own history
- > Continuation of US exceptionalism theme can allow US to keep performing
- > Better growth backdrop, profitability, earnings growth, sector mix supportive of US
- > US earnings growth expected to outperform coming years

Source: Bloomberg 10th February 2025

S&P Post Start of Rate Cutting Cycle

Rate Cuts Without Recession

First Rate Cut	3 months after	6 months after	12 months after
Oct-84	2.3	12.9	17.5
Jun-89	10.4	10.4	17.8
Jul-95	5.8	12.6	21.4
Sept-98	17.8	25.7	23.9
Average	9.1	15.4	20.2

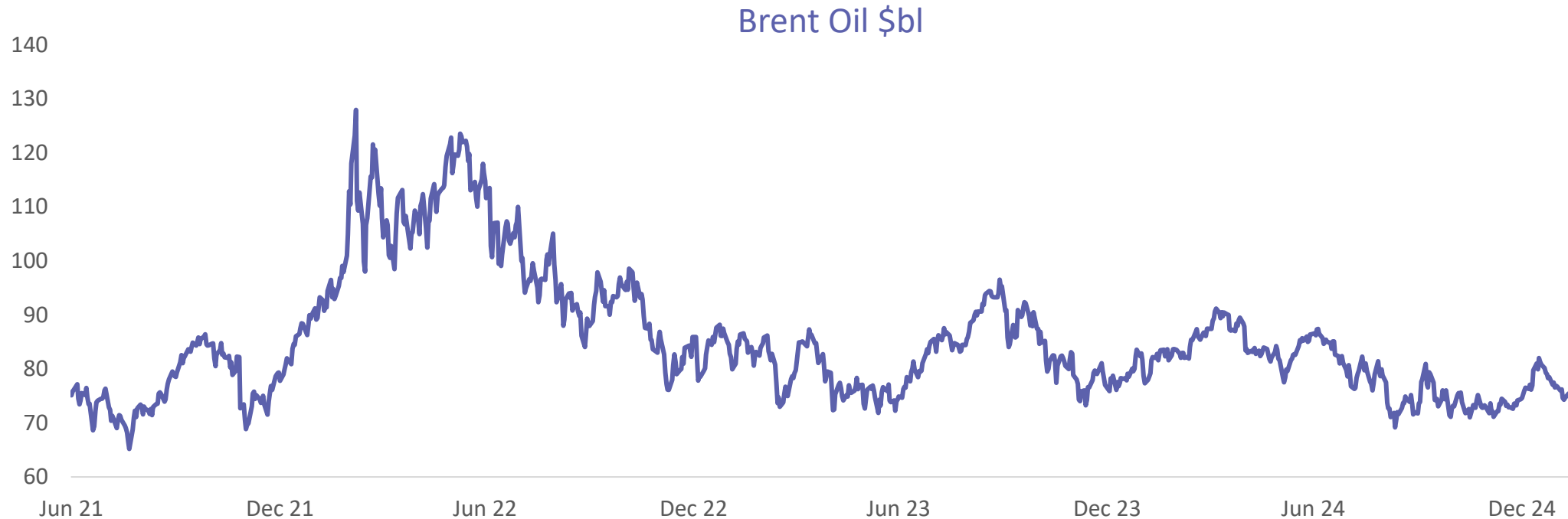
Rate Cuts With Recession

First Rate Cut	3 months after	6 months after	12 months after
Feb-70	-20.7	-7.4	12.6
Jul-74	-25.4	-18.2	15.7
Jun 81	-8.9	-4.8	-12.8
Jan-01	-13.7	-8.6	-12.4
Sep-07	-3.7	-11.4	-18.8
Jul-19	2.4	9.3	11.9
Average	-11.7	-6.9	-0.6

- > Economic backdrop is key to the equity market performance post the start of a rate cutting cycle
- > If a recession is avoided, the equity market typically performs well when rates are cut
- > Positive growth, falling inflation and lower rates should support equity markets over next 12 months

Source: Bloomberg 10th February 2025

Middle East Tensions and Oil



- > Oil price has been falling despite tensions in the Middle East
- > Market is discounting that conflict will not escalate further
- > Costs for all those involved in a worst case scenario of regional war
- > Oil price at \$120/130bl would have inflation and growth implications
- > Underlying supply/demand backdrop suggests lower oil prices in the absence of further escalation

Source: Bloomberg 10th February 2025

Tech Leading But Broadening Evident

US Sector Performance Since End 2023

Sector	Performance YTD
S&P	26.3%
Communications	48.1%
Financials	37.5%
Technology	32.8%
Consumer Discretionary	30.0%
Utilities	23.3%
Industrials	20.4%
Consumer Staples	15.9%
Health Care	7.2%
Energy	5.4%
Real Estate	4.8%
Materials	3.0%

- > Tech sector and large cap still outperforming and key contributor to market rise
- > Performance has broadened out across sectors

US Equal Weighted v's S&P

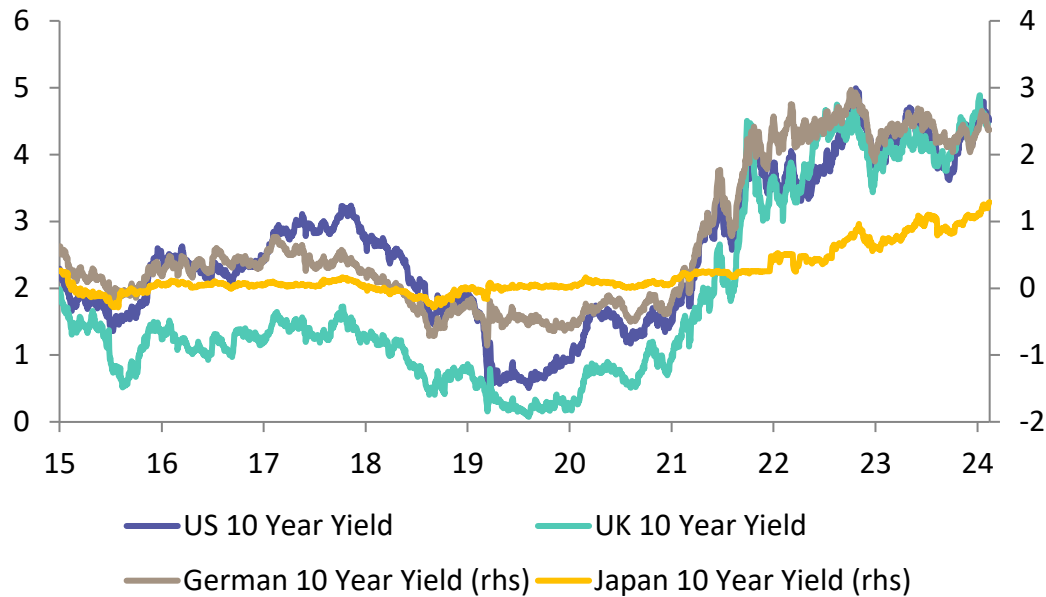


Source: Bloomberg, 10th February 2025

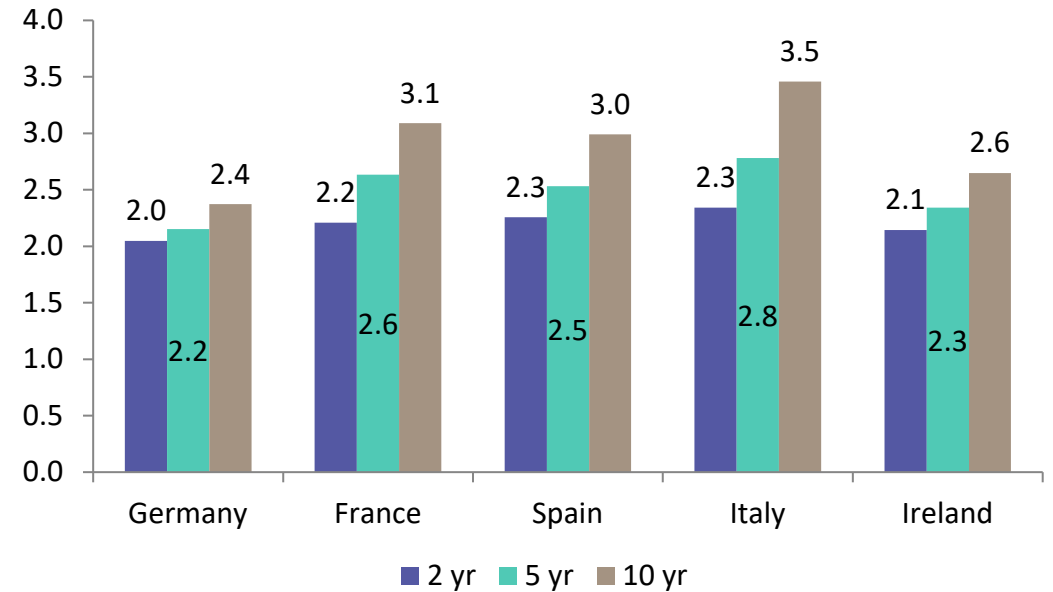
Fixed Income Markets

Global Bond Yields

Global 10 Year Yields



Eurozone Bond Yields



- > Yields have risen over the last 3 years on inflation concerns, central bank tightening
- > Inflation and policy rates have peaked
- > Continued disinflation and the start of rate cutting cycles have contributed to falls in yields from their highs
- > Further falls in yields expected as policy rates are still cut and disinflation continues

Source: Bloomberg, 10th February 2025

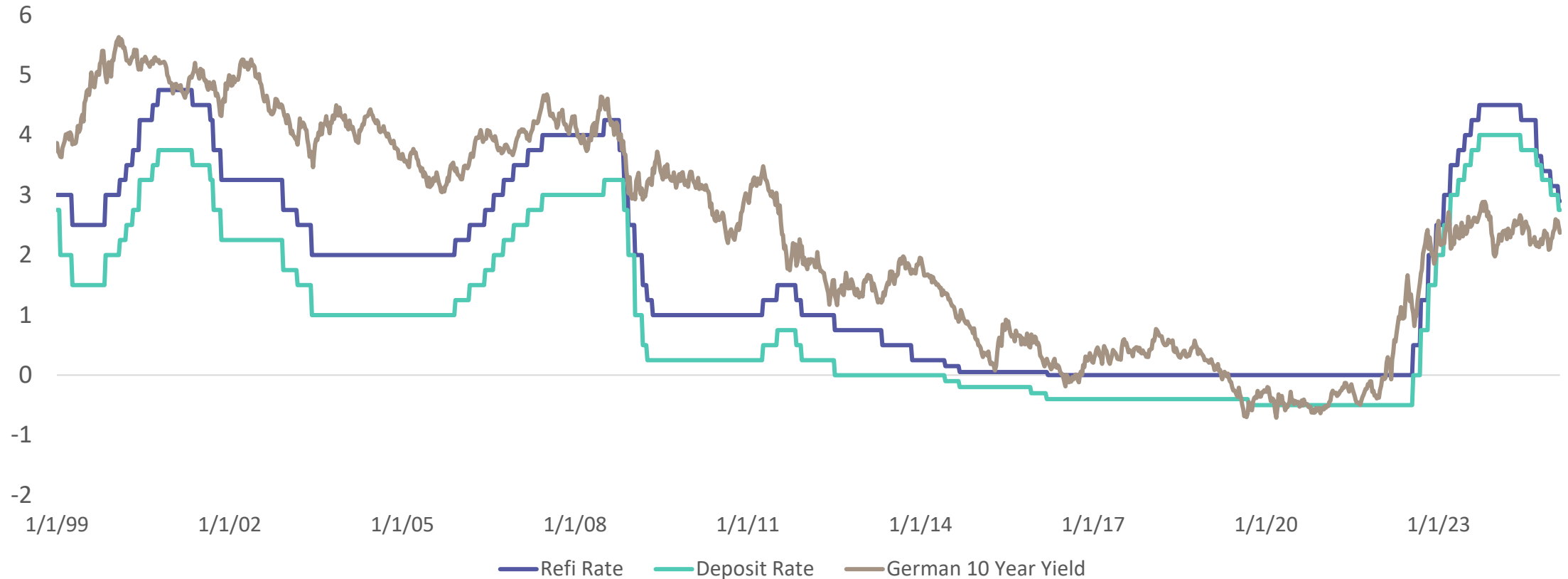
US 10 Year Yield v's Fed Funds



Source: Bloomberg 10th February 2025

- > US 10 year yield has historically peaked around the same time as the peak for the Fed funds rate
- > Fed has started cutting rates
- > Expect yields to be lower in 12 months time

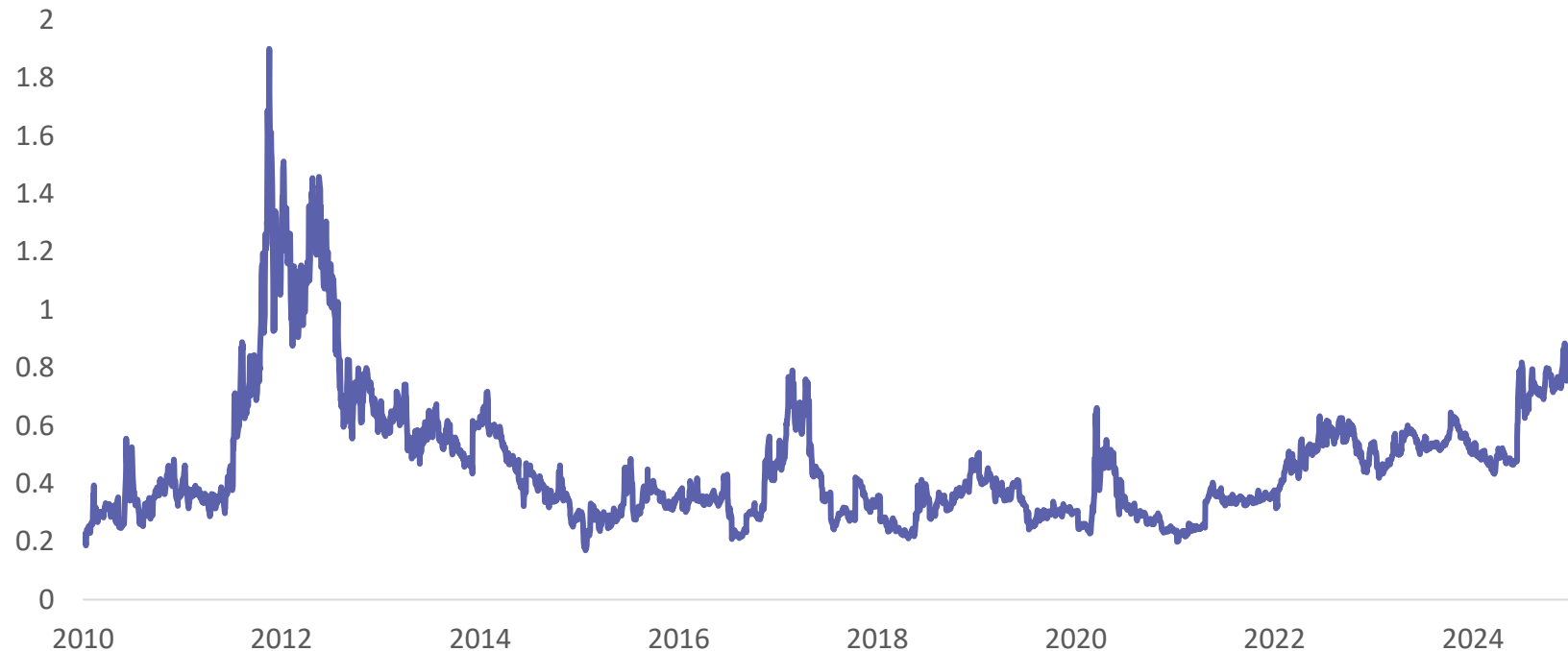
German 10 Year Yield and ECB Rates



- > German 10 year yield sensitive to ECB rates
- > Rise in rate expectations and actual hikes were reflected in higher German yields
- > ECB has started to cut rates
- > German 10 year yield expected to be lower in 12 months time

Source: Bloomberg 10th February 2025

French Spreads v's Germany

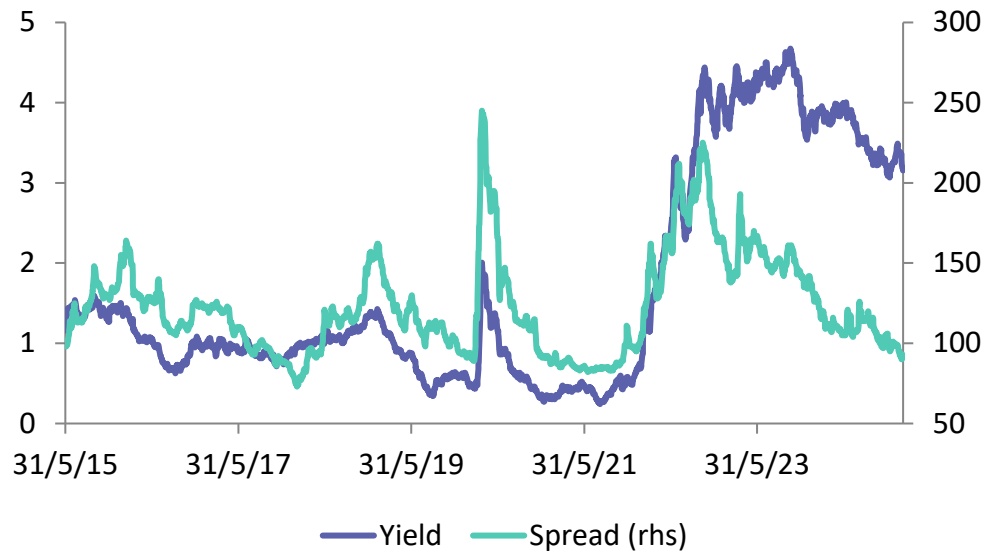


- > President Macron called a general election post the defeat in the European elections
- > French spreads widened significantly on fears of a far right National Rally victory
- > 2nd round resulted in far left New Popular Front being largest party but hung parliament with no clear majority
- > Worst case of significant fiscal slippage unlikely
- > New PM Francois Bayrou appears to have successfully passed a budget bringing deficit down to 5.4% of GDP
- > Government expected to survive for the moment with spreads likely to stabilise with lower risk of widening deficit

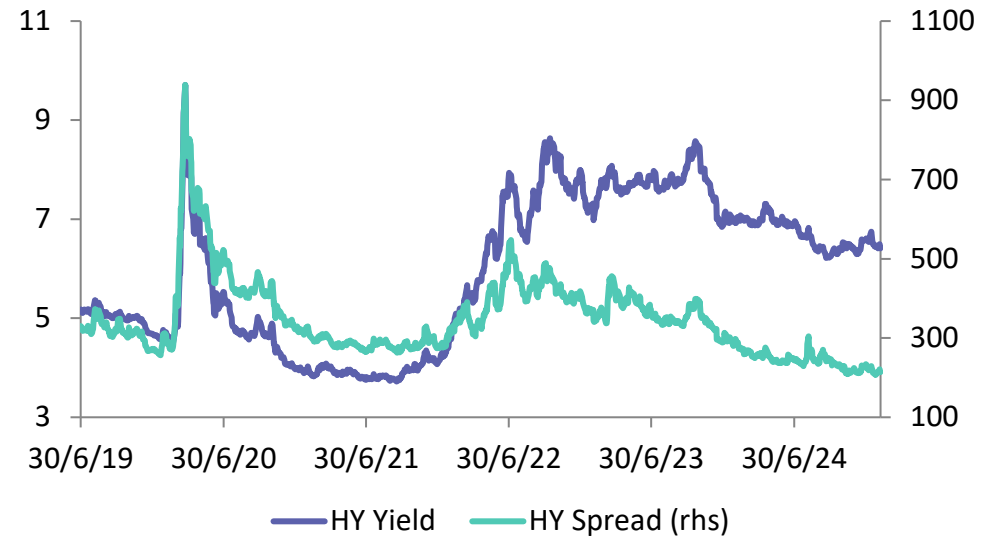
Source: Bloomberg 6th February 2025

Fixed Income Markets

Eurozone IG Corporate Bonds



Global High Yield Bonds



- > IG bonds represent value on a yield basis at 3.2% although spreads have narrowed to 91bps
- > High yield bonds offer attractive yield of 6.4% but spreads are narrow at 212bps

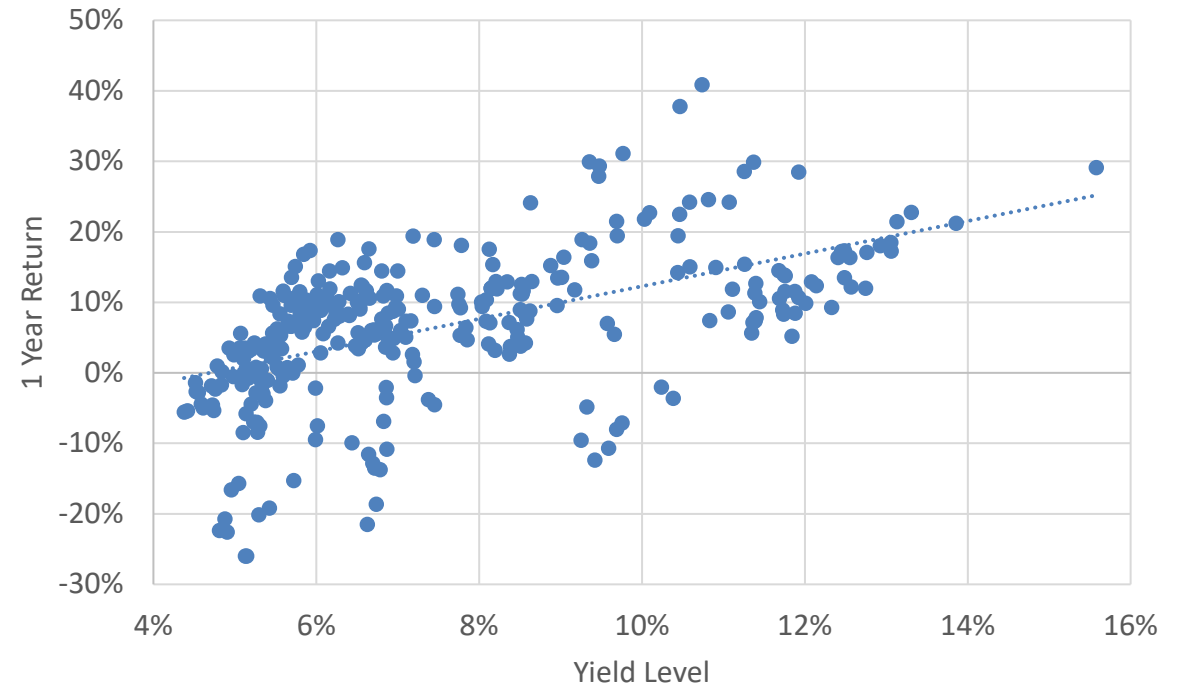
Source: Bloomberg, 10th February 2025

Fixed Income Markets

Emerging Market Hard Currency Debt



Emerging Market Hard Yield v's 1 Yr Return



- > EM hard debt offers an attractive yield pick up at 6.8%
- > At current yield levels, 12 month return has historically been strong
- > Spread however has narrowed to relatively low level

Source: Bloomberg, 10th February 2025

Global Bond Yields Last 10 Years



- > Global bond yields generally in the upper half of 10 year ranges
- > While off their cycle highs, yields are still attractive and generally above 10 year average levels
- > Bonds provide reasonable carry with the potential for capital gains

Source: Bloomberg 10th February 2025

Property

Property

Dublin Grade A Office Supply



Irish Property Yields



Source: JLL/Savills, 10th February 2025

- > Potential bottoming following challenging few years for property sector
- > Have seen significant valuation adjustment
- > Interest rate cuts supportive
- > Investor activity and interest levels improving
- > Demand/supply balance improving in some sub sectors such as residential and industrial
- > Bifurcation evident in office sector
- > Europe offers attractive yield and rental growth linked to inflation

Summary

Equities have rallied on hopes for a soft landing. If growth remains positive, inflation continues to fall and interest rates are cut, then equities can move higher. Trump policies boost US growth



Inflation slowing and moving towards central bank targets. Falling inflation and rate cuts expected to result in lower bond yields despite tariffs



Central banks believe inflation will continue to fall and further rate cuts are anticipated



While equities appear fully valued, a positive economic and earnings growth backdrop in 2025/26 provides room for upside. AI theme can support higher than normal valuation multiples. US election could lead to divergences in growth and earnings outlook across regions

Risks

- Growth/inflation
- Restrictive policies
- Geopolitics
- Grow into valuations



Thank You

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Beresford Place

Speaker



Peter Smith

Senior Investment Director
Aviva Investors

Peter Smith is a Senior Investment Director focusing on Aviva Investor's multi-asset capabilities in Ireland and the UK. He works closely with portfolio managers to articulate investment process, portfolio positioning and investment performance to clients and advisors.

Peter began his career with Goodbody Stockbrokers in 2000 before moving to State Street Global Advisors in 2007 where he spent over 12 years working in various roles within portfolio management and relationship management. Peter has worked with some of Ireland's largest institutional and retail clients providing them with investment solutions across all major asset classes.

7 lessons for Investors during market turmoil

January 2025

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It is not to be distributed to or relied on by retail clients.

Two key questions I get asked when meeting clients

42

1

Does patience really pay when investing?

2

Are global equities diversified?

**“The stock market is a device
for transferring money from
the impatient to the patient”**

Warren Buffett

Lesson

1

Investing creates
wealth over the
long term



Long term equity market returns

At a 7.5% p.a. rate of return, your money doubles in value every 10 years!

8.4%

MSCI World Index
annualised return
over **20 Years**

8.3%

MSCI World Index
annualised return
over **30 Years**

9.9%

MSCI World Index
annualised return
over **50 Years**

Source: Aviva Investors & Bloomberg as at 31 December 2024, MSCI World Index (NR, Local)

Warning: Past performance is not a reliable guide to future performance.

Lesson

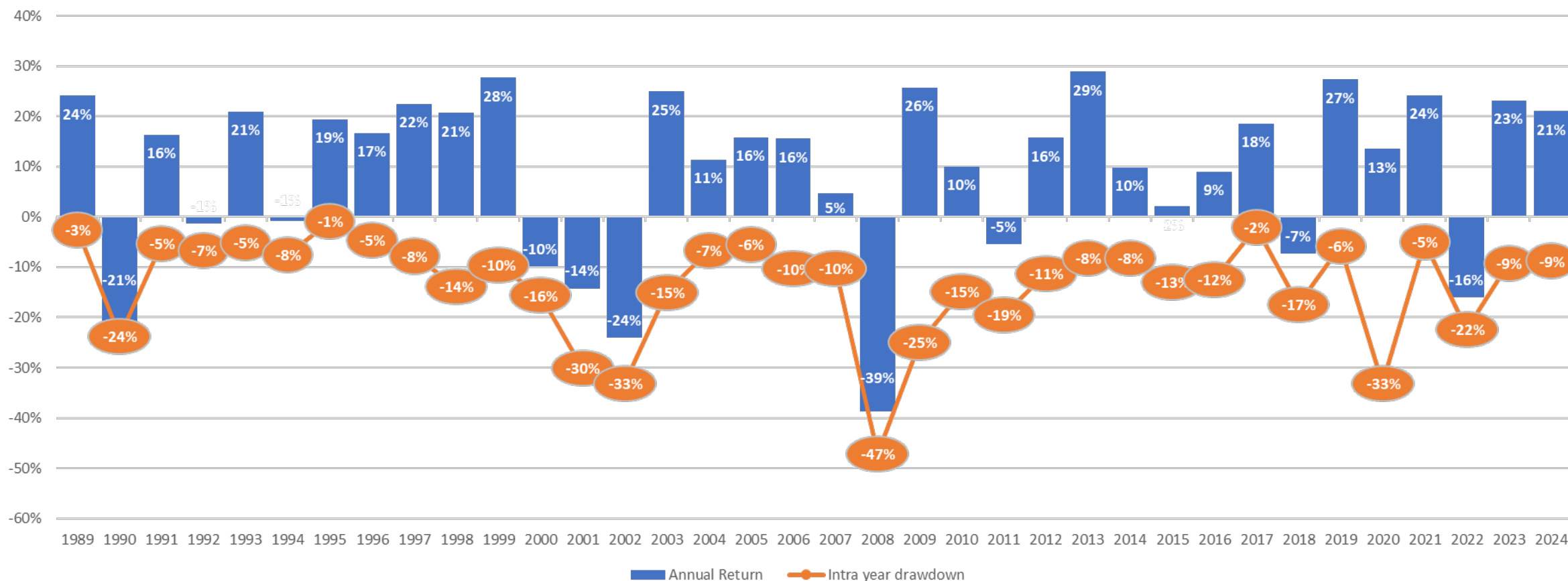
2

Market falls are
a normal part
of investing



Markets go up more than they go down

At some point in every calendar year the market falls, but markets go up more than they go down



Past performance is not a guide to future performance

Source: Aviva Investors & Bloomberg as at 31 December 2024. Data used MSCI World (TR local)

**UK pension funds lost
£425bn in year of bond
market crisis**

**Market 'Mega-Bubble' Set To Pop, Says Top
Economist Who Called 2008 Crash**

**The last two
scenarios when U.S.
stocks went up this
quickly? During
the dot-com bubble
and after recessions**

**Coronavirus: FTSE
100, Dow, S&P 500 in
worst day since 1987**

**US bank stocks sink to all-time
low against S&P 500**

**S&P 500 Hits Record High
Buoyed by Economic Hopes
Markets Wrap**

**S&P 500 counts on
final 'Mag 7' push
for best year this
century**

**French stock market on track for
worst showing since Eurozone crisis**

**Stocks fall to end Wall
Street's worst year since
2008, S&P 500 finishes
2022 down nearly 20%**

**Bitcoin hits new record high of more
than \$106,000**

Source: UK pension funds lost £425bn in year of bond market crisis (Feb 2024), The last two scenarios when U.S. stocks went up this quickly? During the dot-com bubble and after recessions. (March 2024), Market 'Mega-Bubble' Set To Pop, Says Top Economist Who Called 2008 Crash (Nov 2024), Coronavirus: FTSE 100, Dow, S&P 500 in worst day since 1987 - BBC News (March 2020), US bank stocks sink to all-time low against S&P 500 (Nov 2023), French stock market on track for worst showing since Eurozone crisis (Dec 2024), S&P 500 Hits Record High Buoyed by Economic Hopes: Markets Wrap (Sept 2024), S&P 500 counts on final 'Mag 7' push for best year this century: McGeever By Reuters (Oct 2024), Stock Market News: S&P 500 Finishes 2022 Down 20%, Worst Year Since 2008 - Markets Insider (Dec 2022), Bitcoin jumps to new record high of more than \$106,000 - BBC News (Dec 2024)

The short term can be noisy

It's important not to focus too much on the monthly ups and downs



Past performance is not a guide to future performance

Source: Aviva Investors & Bloomberg, as at 31 December 2024. Data used MSCI World NR EUR

Lesson

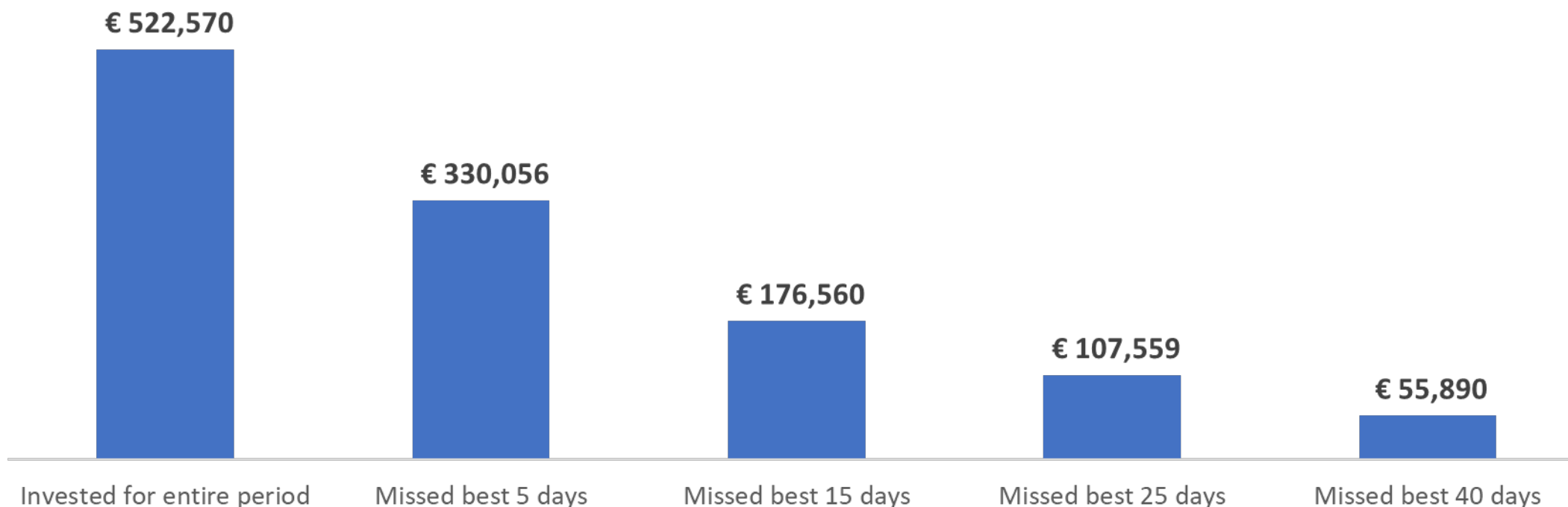
3

Trying to time the market can be very costly



The danger of being out of the market: 1988 to 2024

S&P 500 - Growth of €10,000 since 1988 & effect of missing the best days



Past performance is not a guide to future performance

Source: Aviva Investor & Bloomberg, as at 31 December 2024. Data used S&P 500 TR USD

Lesson

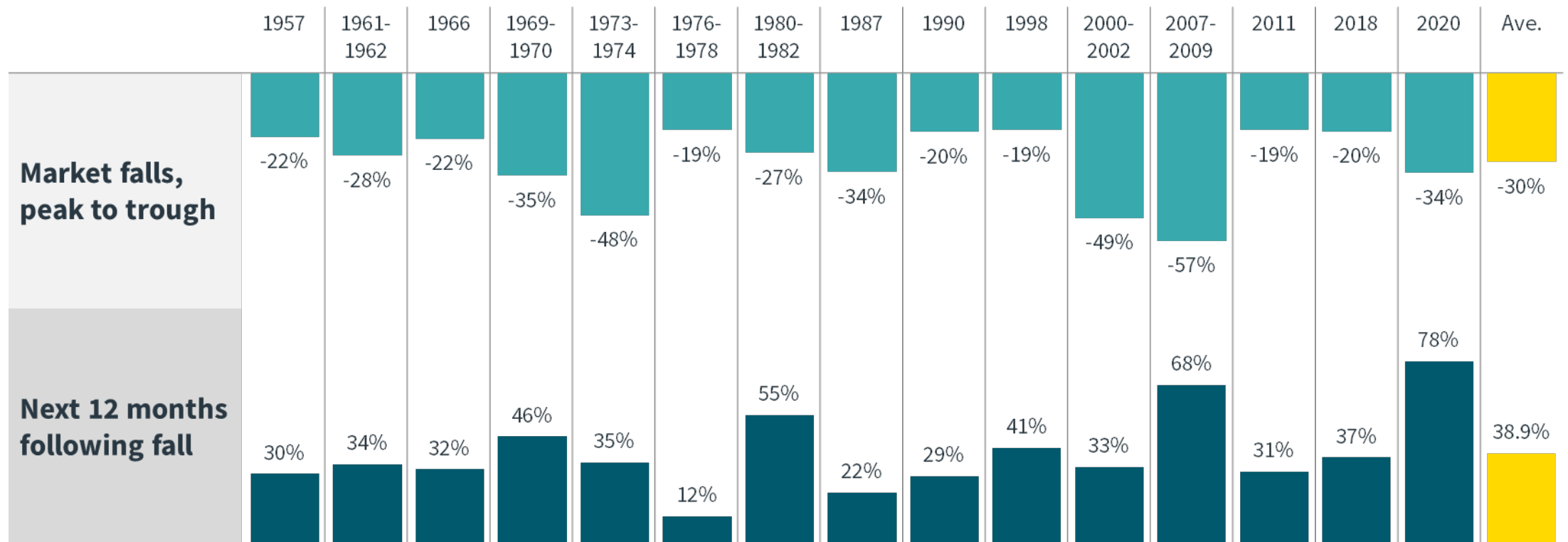
4

Markets often
recover before
the news
gets better



Markets recover from crises

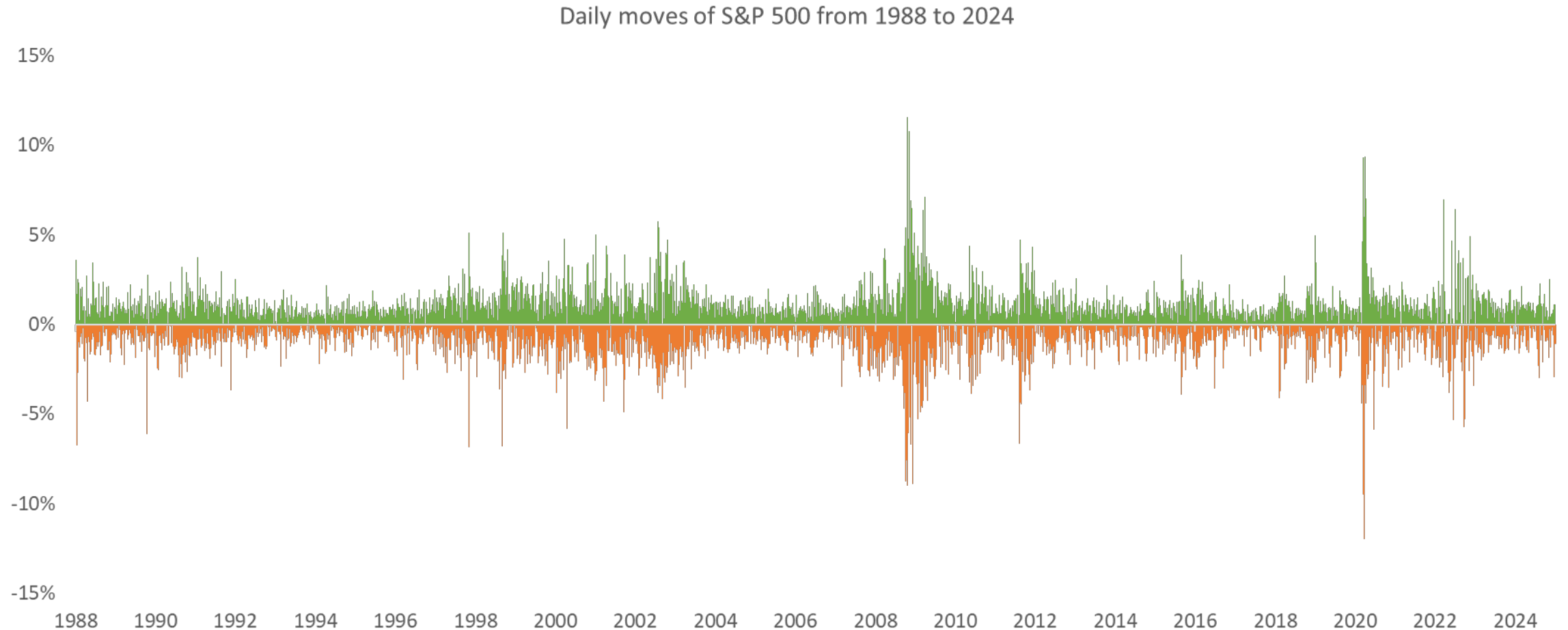
Crisis and recovery: how the S&P 500 index has performed during and after historic events



Past performance is not a guide to future performance

Source: Aviva Investor & Bloomberg, as at 31 December 2024. Data used S&P 500 TR USD

Bad days are often followed by good days



Past performance is not a guide to future performance

Source: Aviva Investors & Bloomberg, as at 31 December 2024. Data used S&P 500 TR USD

Lesson

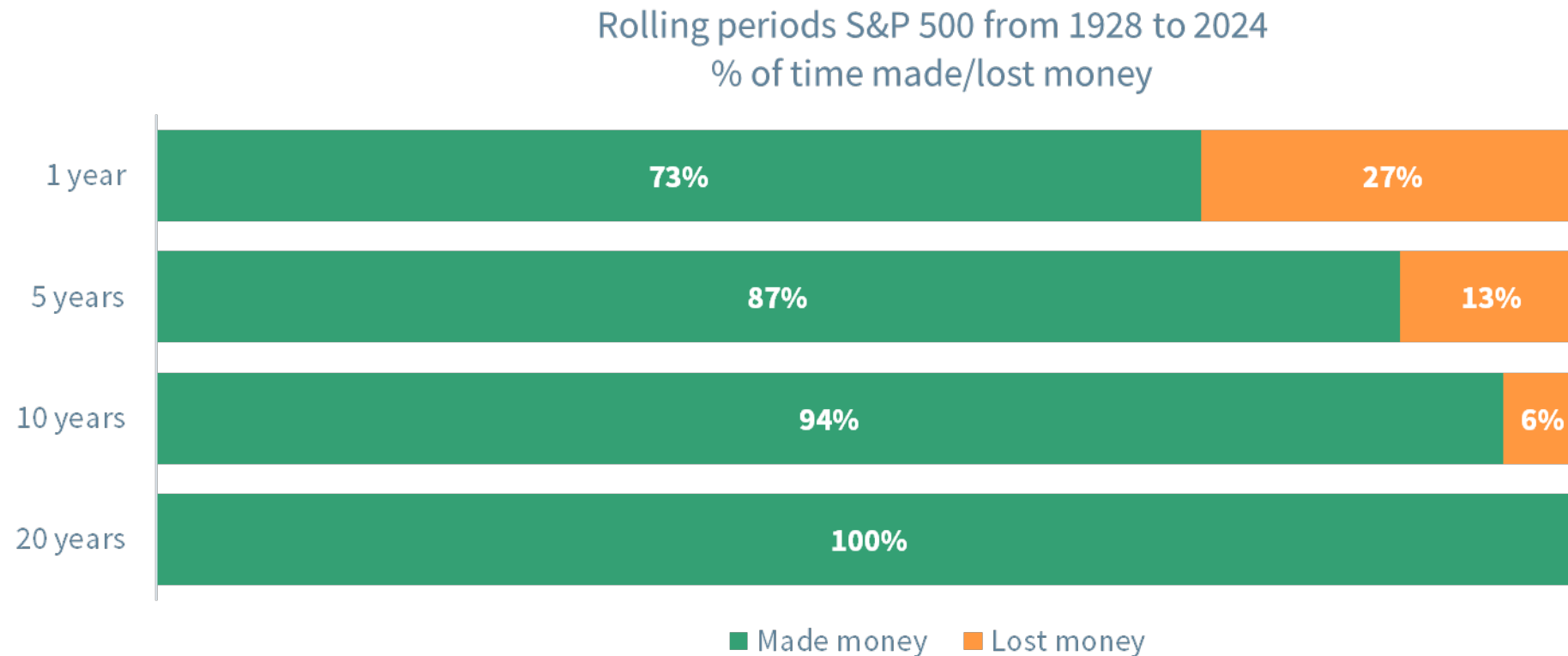
5

The odds
are stacked in
your favour

How long do I need to invest?

S&P 500 (CR,USD) 1928 to 2024

Rolling periods



Past performance is not a guide to future performance

Source: Aviva Investors, Lipper, a Thomson Reuters company, as at 31 December 2023. Data used S&P 500 CR USD

Lesson

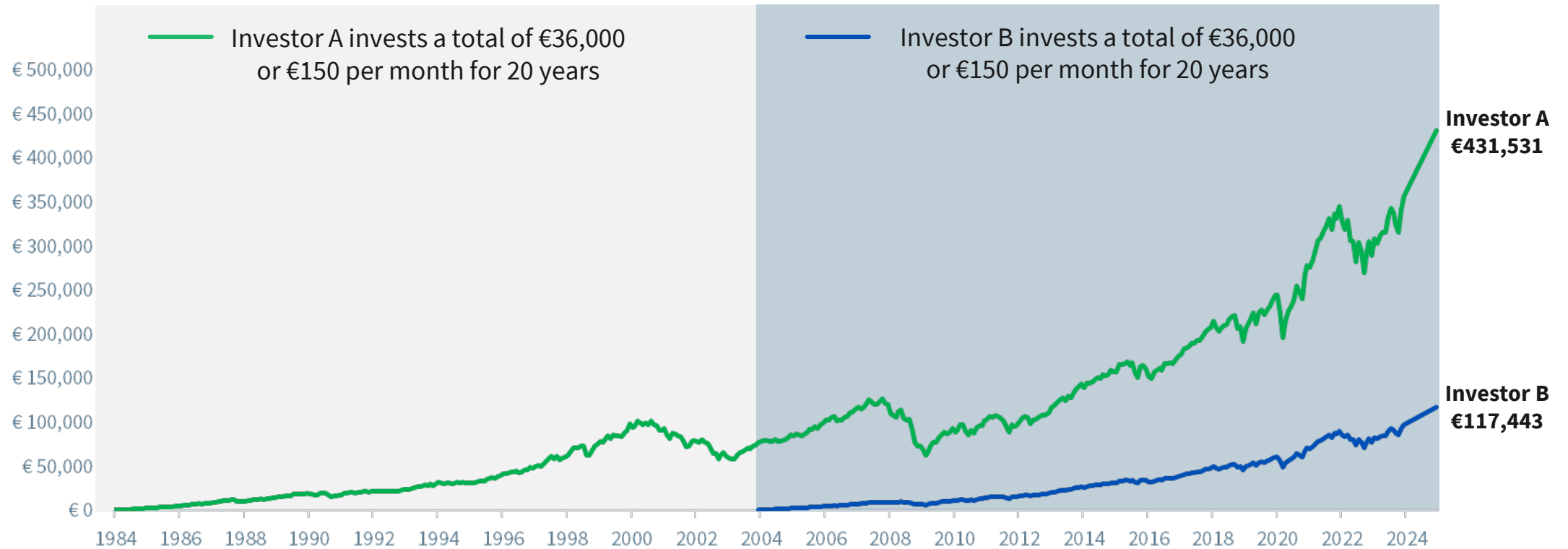
6

The power of
compounding –
the sooner you
start investing
the better



Start early – the power of compounding returns

Global Equities – MSCI World Index (TR, Local)



Past performance is not a guide to future performance

Source: Aviva Investors & Bloomberg, as at 31 December 2024

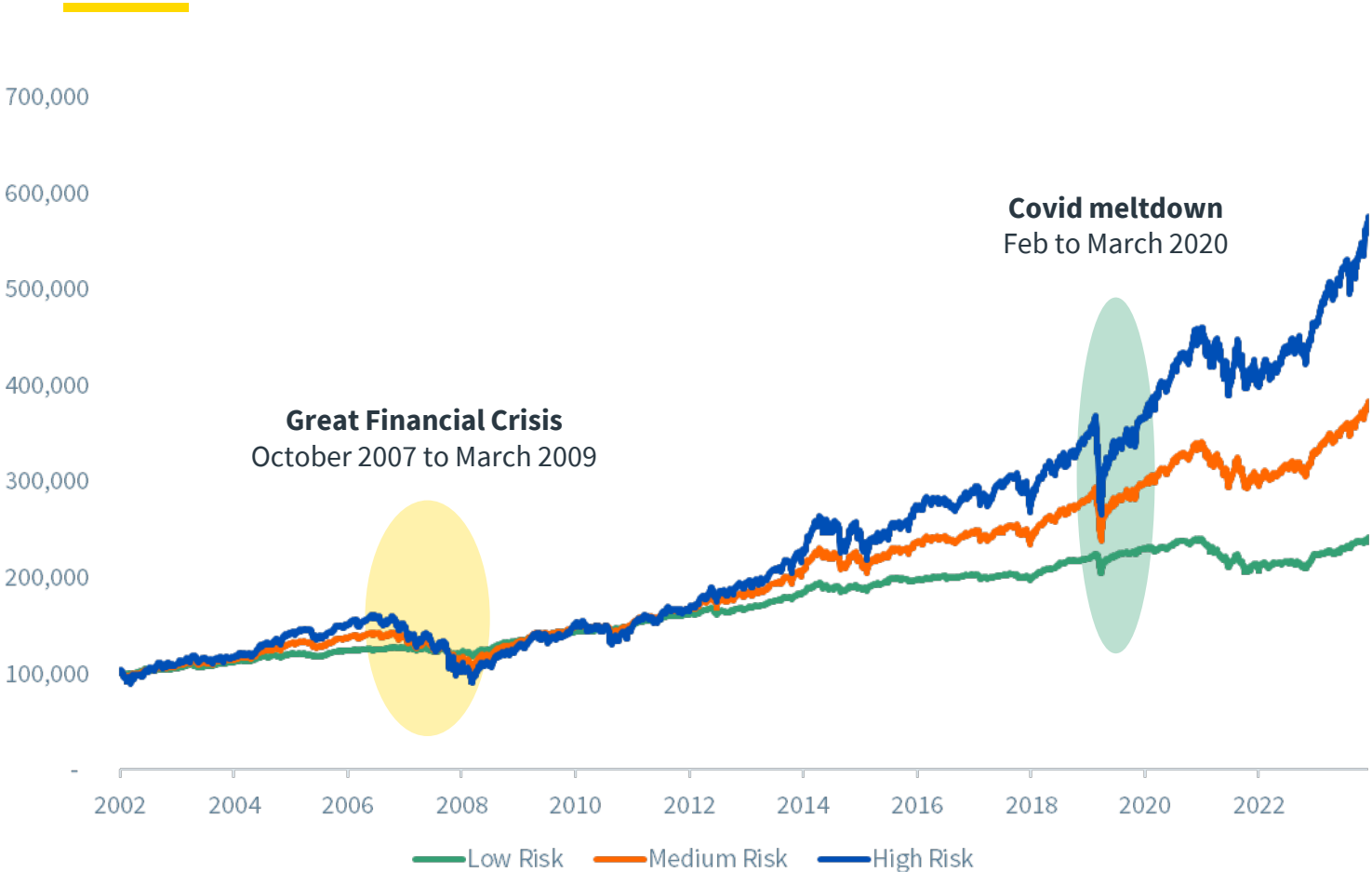
Lesson

7

Understand
market risk –
To make profit
you need to
take risk



What is risk?



	Low Risk (3)	Medium Risk (4)	Higher Risk (5)
Investment Jan 2003	€100,000	€100,000	€100,000

October 2007 (peak)	€127,750	€142,366	€159,378
Loss	-€ 10,430	-€ 38,559	-€ 69,339
March 2009	€117,320	€103,807	€90,039

19 Feb 2020 (peak)	€224,861	€293,418	€367,931
Loss	-€ 19,906	-€ 55,283	-€ 103,202
23 March 2020	€204,955	€238,135	€264,729

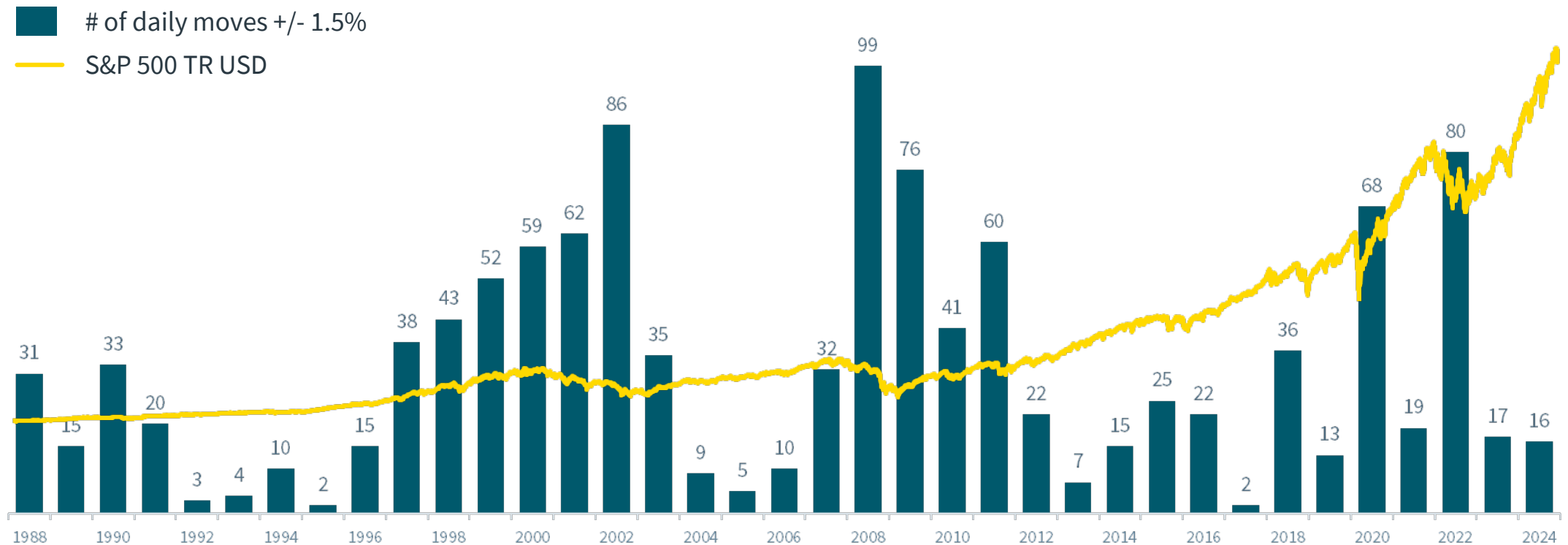
Investment December 2024	€238,677	€377,416	€565,014
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Source; Aviva Investors as at 31 December 2024

Low Risk is 20% Global Equities/80% Global Bonds (hedged) in euro
Medium Risk is 50% Global Equities/50% Global Bonds (hedged) in euro
Higher Risk is 80% Global Equities/20% Global Bonds (hedged) in euro
All rebalanced daily, based on index returns, gross of fees and costs

S&P 500 daily moves each year +/- 1.5%

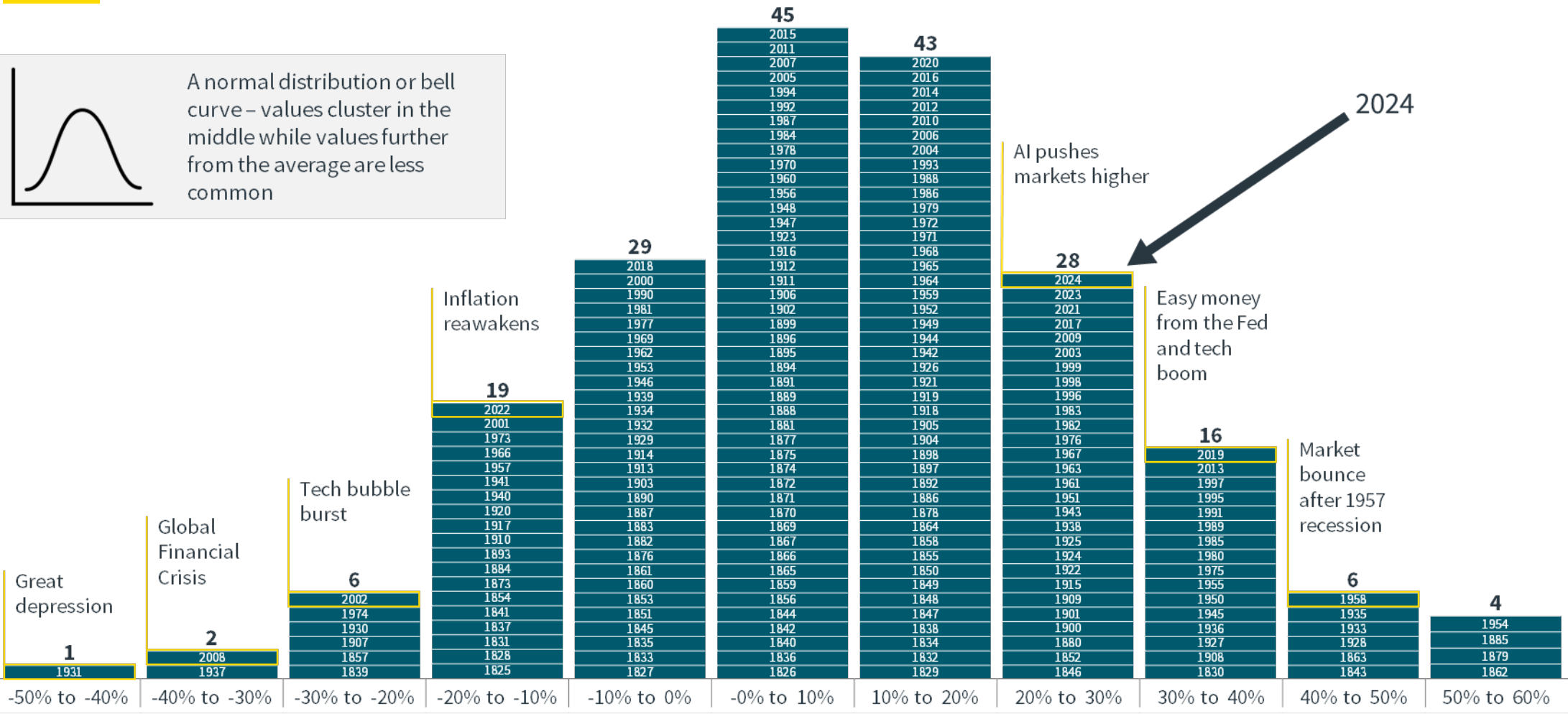
Volatility often means falling markets



Past performance is not a guide to future performance

Source: Aviva Investors, Bloomberg as at 31 December 2024. Data used S&P 500 TR USD

Almost 200 years of US markets*



Source; Aviva Investors, Lipper Refinitiv, Bloomberg as at 31.12.2024

* US Market is S&P 500 from 1926 to 2021 and NYSE from 1815 to 1925 (A New Historical Database for the NYSE 1815 to 1925: Performance and Predictability – William N. Goetzmann*, Roger G. Ibbotson, and Liang Peng)

**Are global equities
really diversified?**



Global equity market-cap

Asia Pacific (APAC)

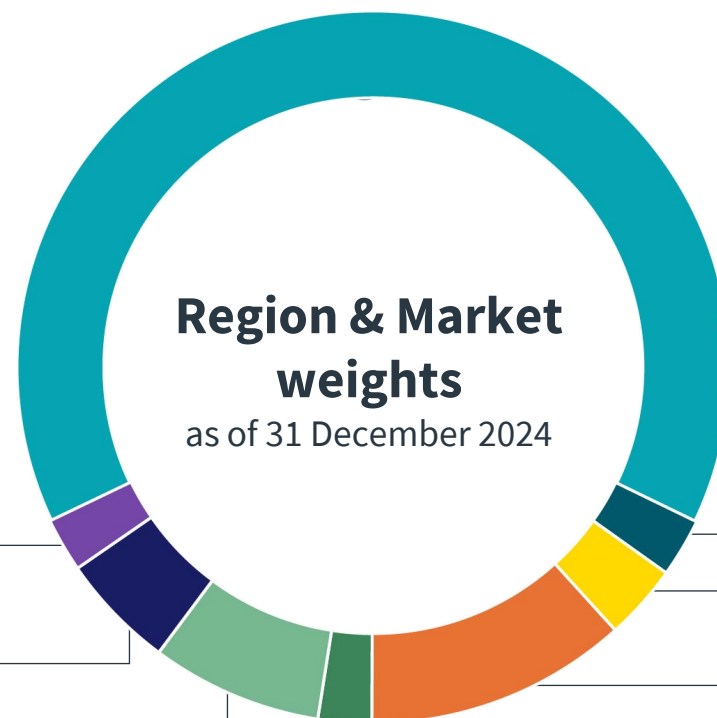
Other APAC | 2.3%

Japan | 4.6%

Emerging Markets

Other EM | 7.3%

China | 2.4%



Canada | 2.7%

Europe

UK | 3.1%

Europe | 10.8%

Past performance is not a reliable indicator of future performance.

Source: Aladdin, as at 31 December 2024. Indices used are available on request. Equities indices in GBP, fixed income indices are GBP hedged.

Global equity market-cap

Asia Pacific (APAC)

Other APAC | 2.3%

Japan | 4.6%

Emerging Markets

Other EM | 7.3%

China | 2.4%

North America

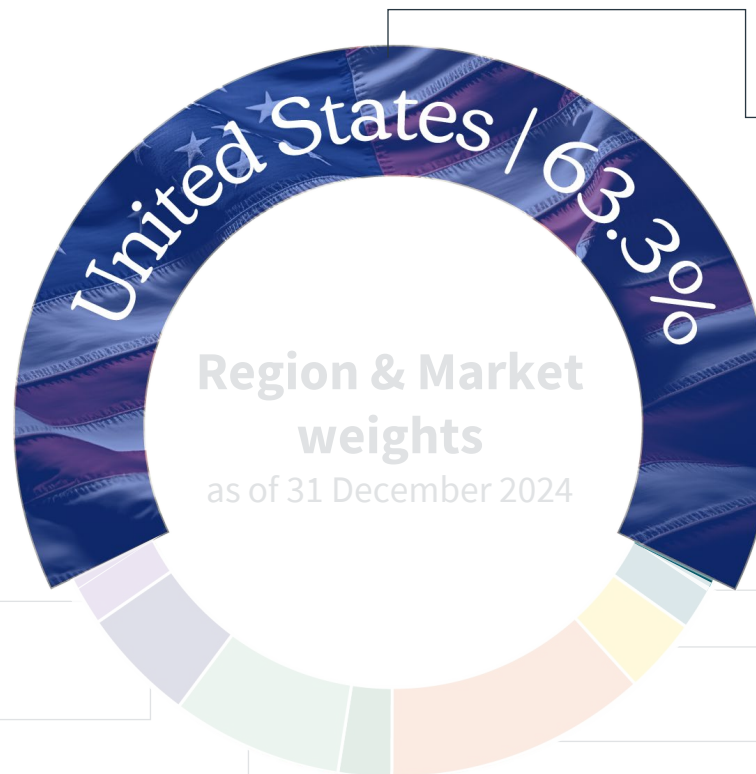
United States | 63.3%

Canada | 2.7%

Europe

UK | 3.1%

Europe | 10.8%



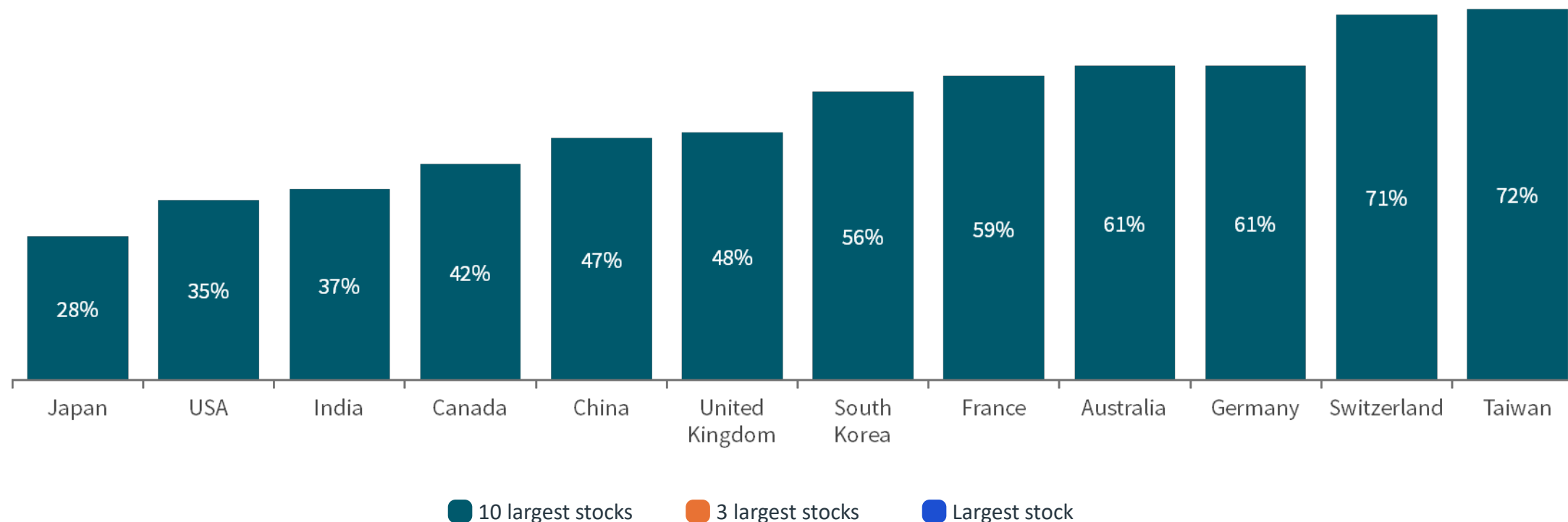
Past performance is not a reliable indicator of future performance.

Source: Aladdin, as at 31 December 2024. Indices used are available on request. Equities indices in GBP, fixed income indices are GBP hedged.

How concentrated are the largest equity markets?

Concentration within the world's 12 largest equity markets

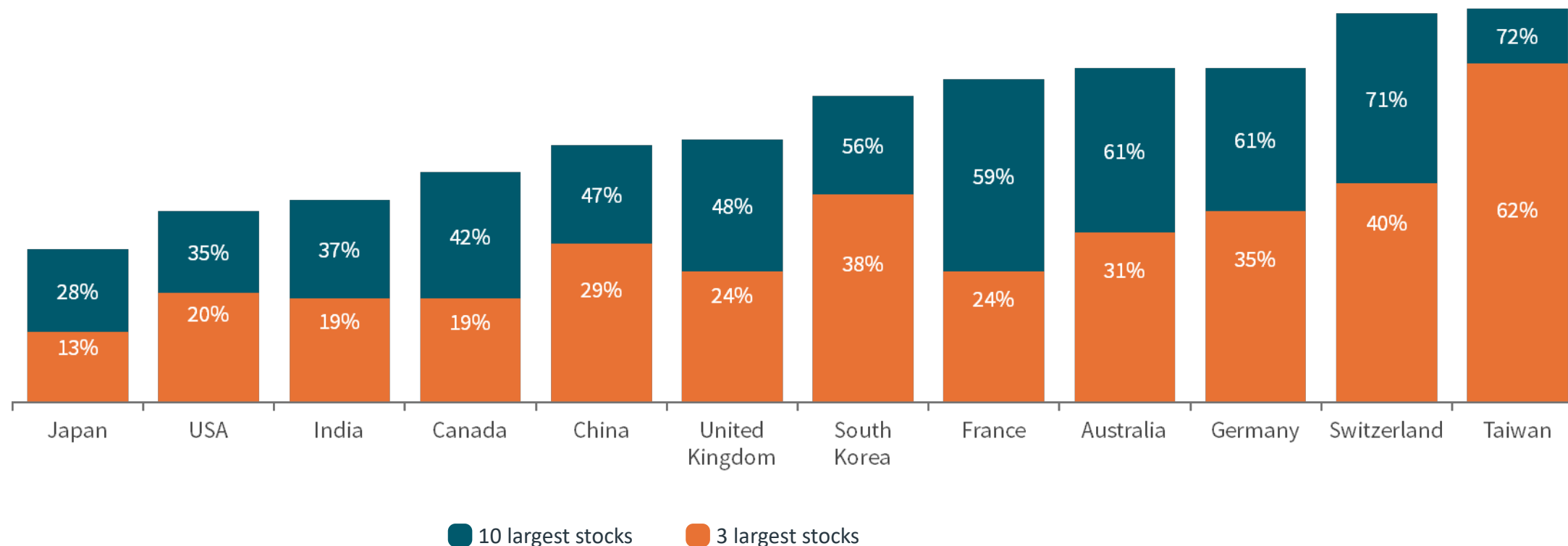
Percent of total market / index



How concentrated are the largest equity markets?

Concentration within the world's 12 largest equity markets

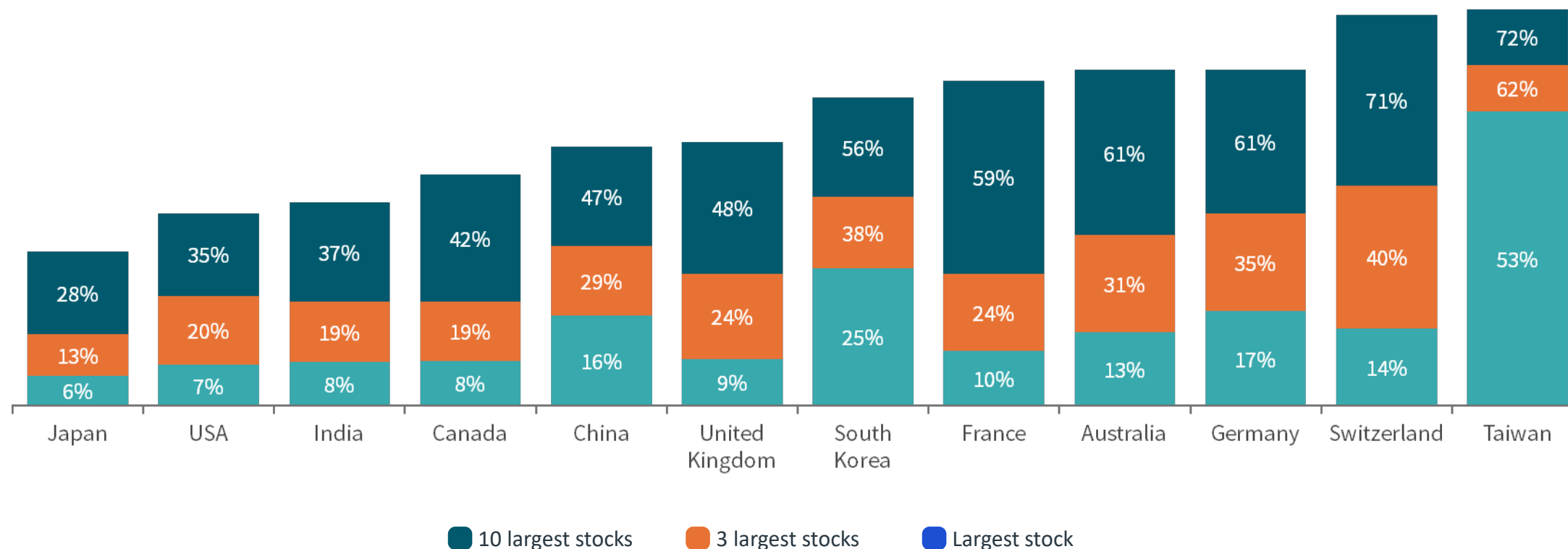
Percent of total market / index



How concentrated are the largest equity markets?

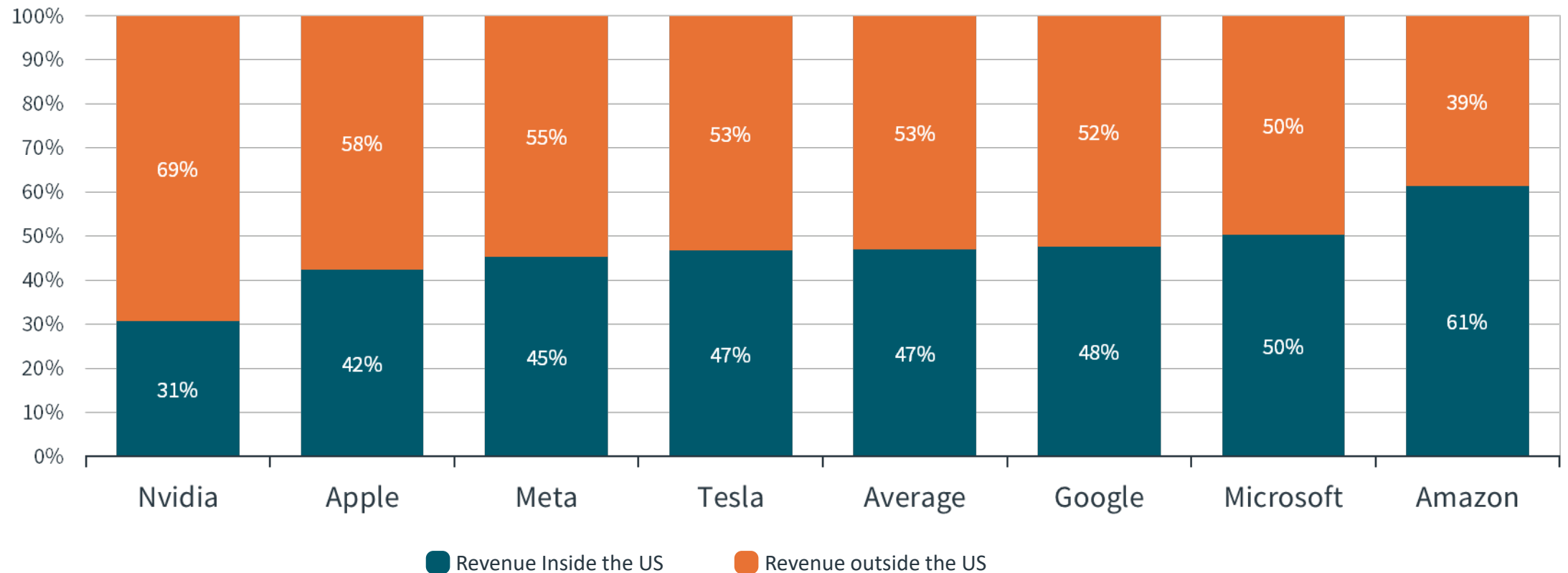
Concentration within the world's 12 largest equity markets

Percent of total market / index



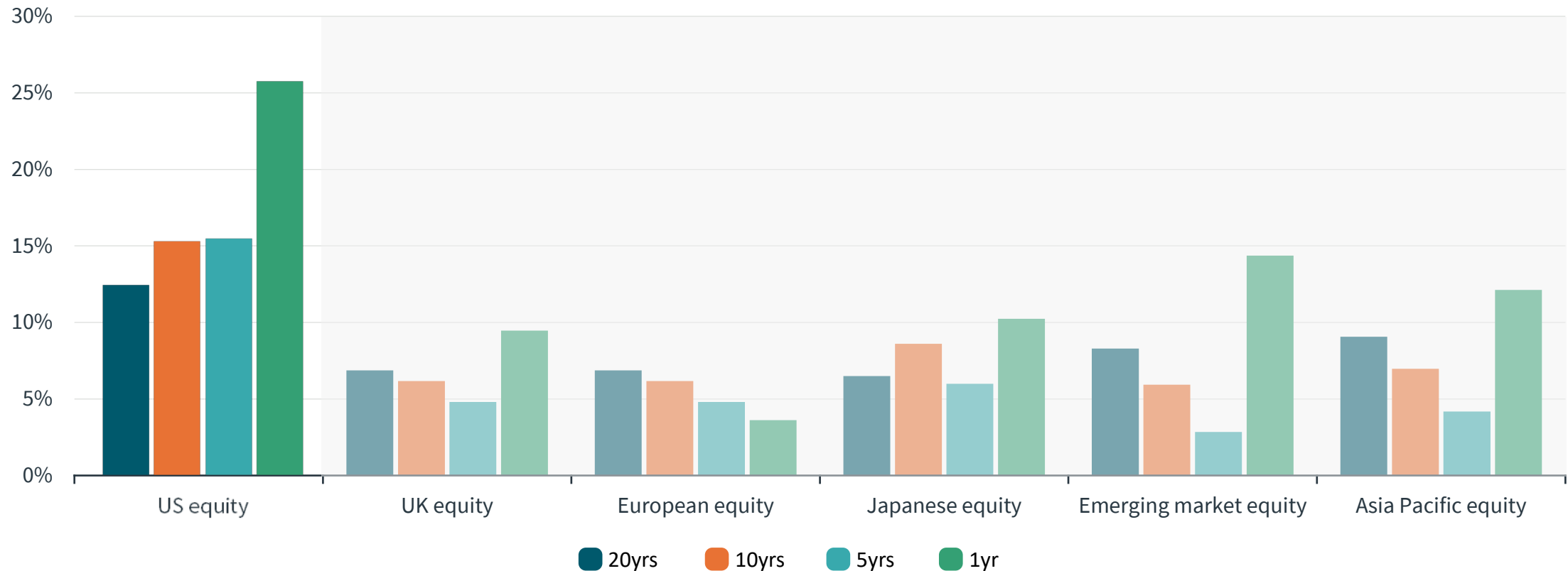
And remember, US listed does not equal US business

Percentage of revenue generated outside of the US vs inside in 2023



Why the US? Equity performance has been great

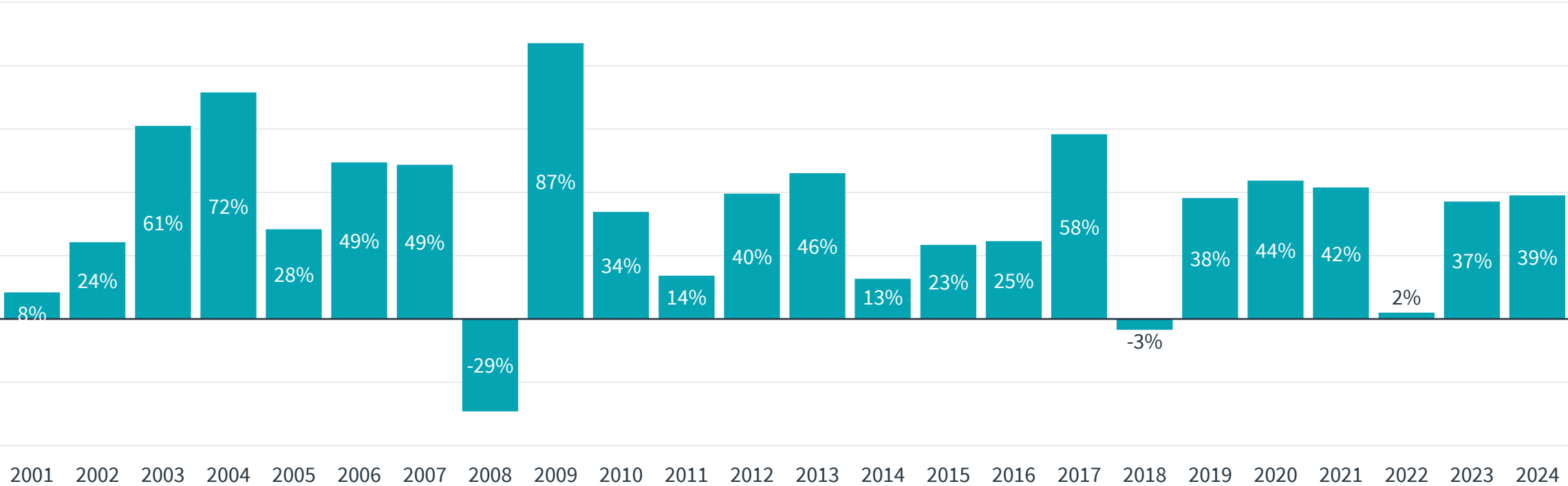
Annualised performance



Past performance is not a reliable indicator of future performance.

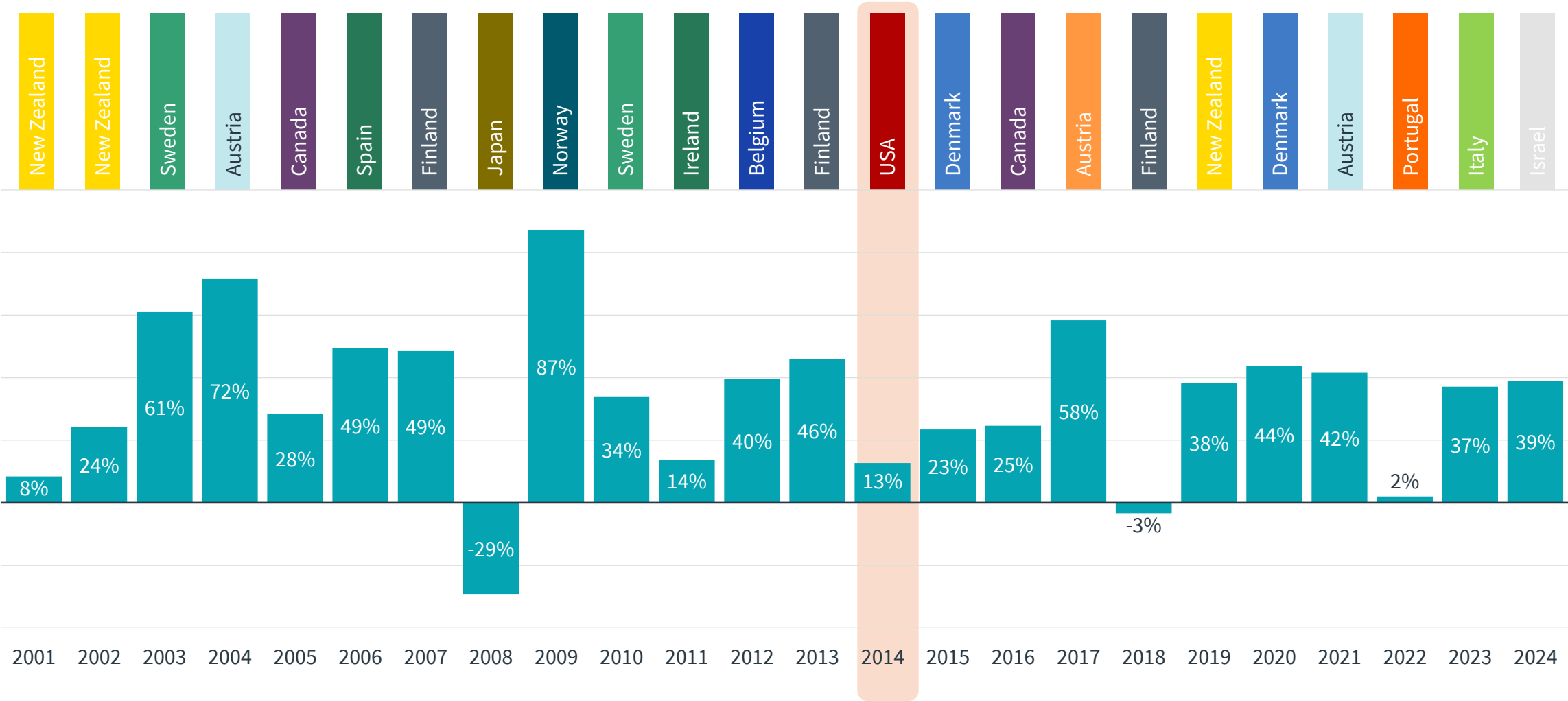
Source: Refinitiv and Morningstar Direct as at 31 December 2024. Indices used are available on request. The performance for all the equity indices are in GBP terms.

The case for regional diversification



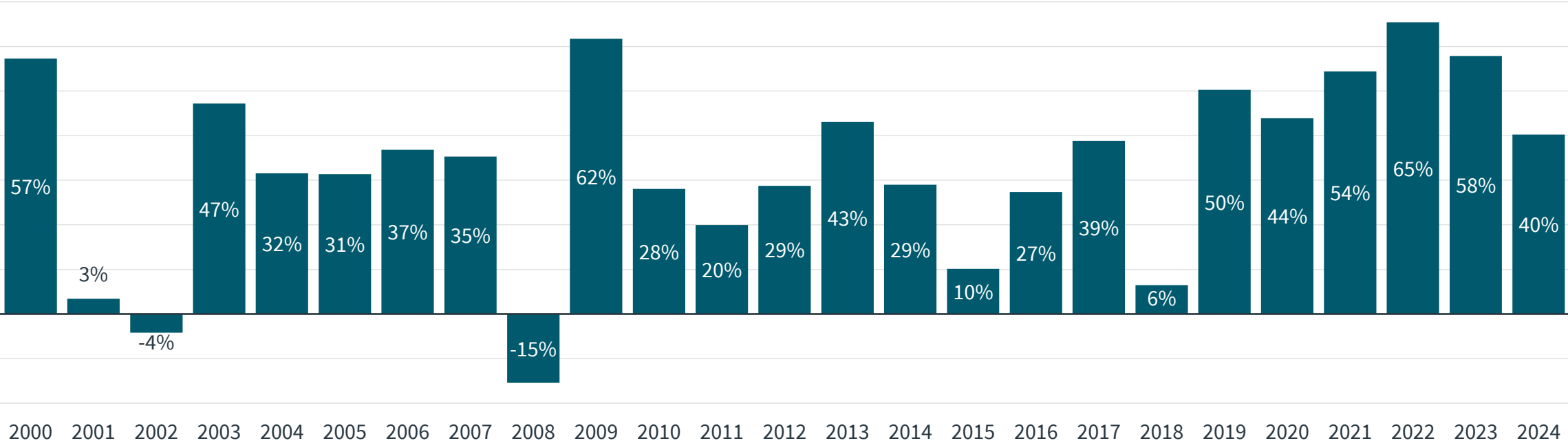
Source: Bloomberg as at 31st December 2024

The case for regional diversification



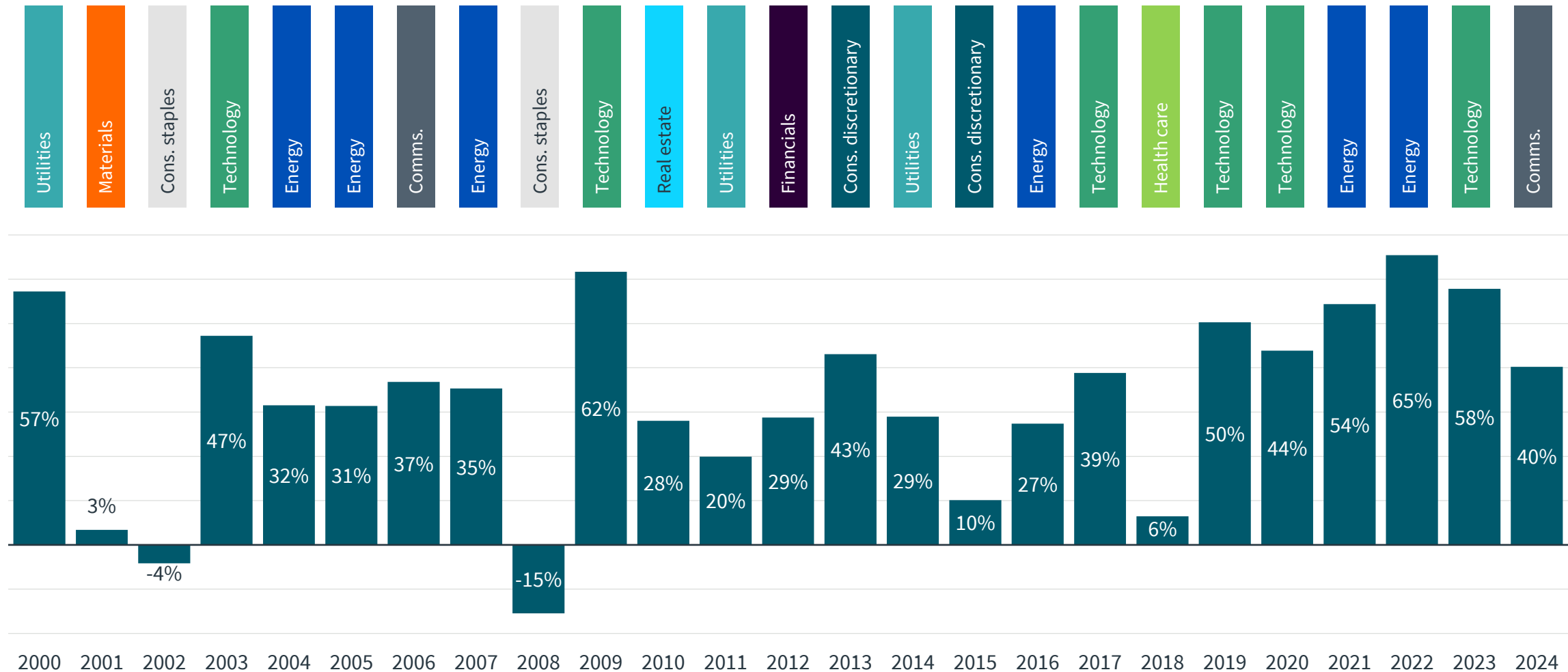
Source: Bloomberg as at 31st December 2024

The case for sector diversification



Source: Bloomberg as at 31st December 2024

The case for sector diversification



Source: Bloomberg as at 31st December 2024

Important information

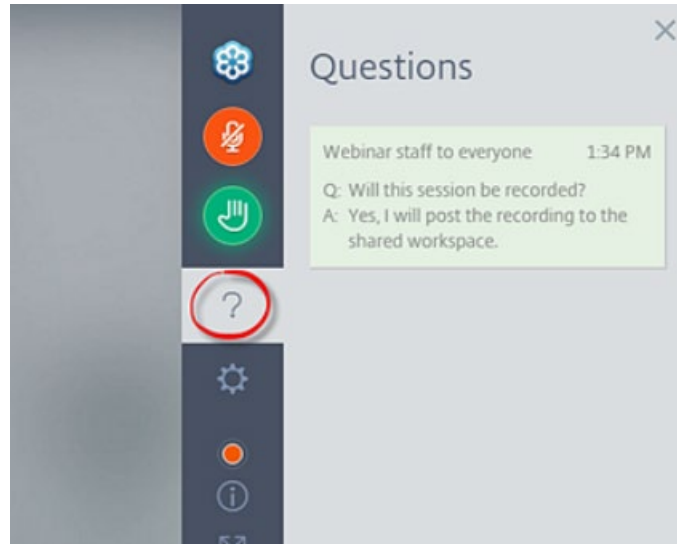
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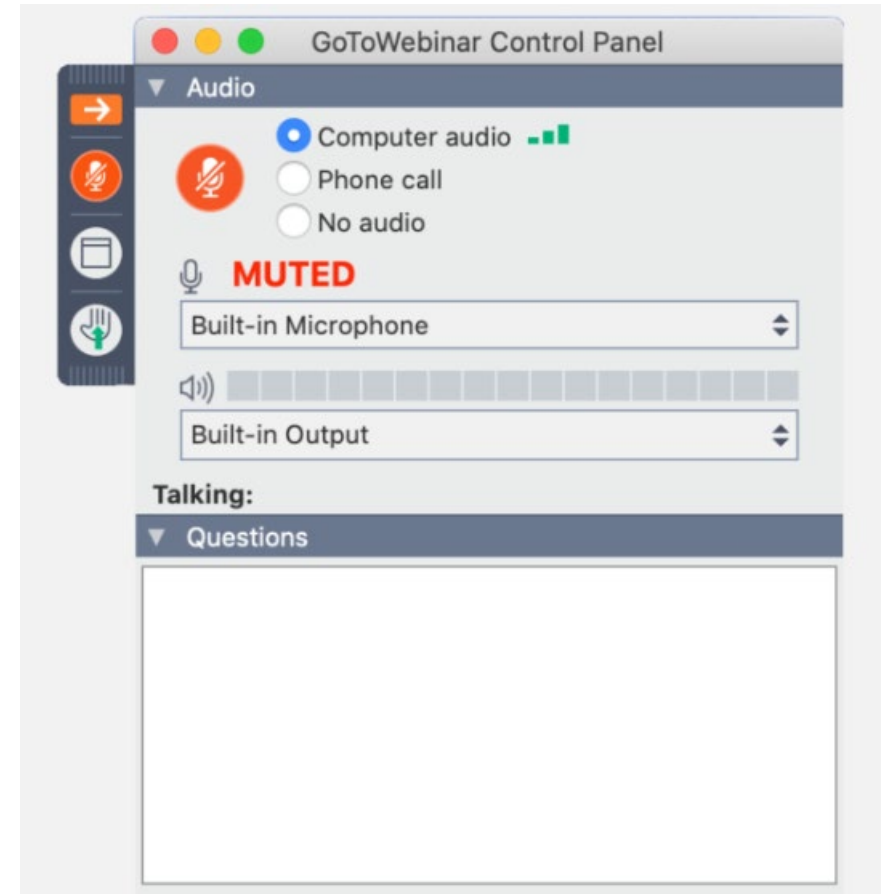
Investment risk

The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

QUESTIONS FOR THE PANEL



Use the Questions function on the Control Panel to submit a question



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Next IIPM WEBINAR | DORA
20 March @ 4pm

ONLINE

Thank You



Lenny McLoughlin
Chief Economist & Investment
Strategist
Irish Life Investment Managers



Peter Smith
Senior Investment Director
Aviva Investors

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