

Equities

Global equity markets rose by 1.3% (in local currency terms) in July, while Eurozone markets rose by 0.6% over the month.

US equities gained in July as the earnings season continued. A weaker than expected US Consumer Price Index (CPI) report, combined with weak US labour market data increased investor expectations that the Federal Reserve (Fed) will soon begin cutting interest rates.

Eurozone equities lagged in their performance due to a disappointing Purchasing Managers' Index (PMI) report, indicating a slight slowdown in economic growth over the summer. Additionally, uncertainties surrounding the French election likely contributed to the weaker performance.

Bonds

Eurozone annual rate of inflation rose slightly to 2.6% in July, in line with expectations. The ECB kept interest rates on hold at their July meeting and commented on a possible cut in September as 'wide open'.

Bond yields fluctuated in July with long-dated core Eurozone bond prices rising by 3.2% over the month with the yield on the AAA Eurozone 15+ Year Index finishing the month at 2.6% p.a. Prices rose 4.1% on the Euro Broad Sovereign 10+ Year Index, with its yield falling to 3.2% by the end of July.

Annuity Prices

Annuity prices increased over July as a result of falling core bond yields. All annuity rates are 5 year guarantee and single life.

Sample DB Scheme

The funding level of our sample DB scheme remained stable at 106% as its assets weighed more than its liabilities (calculated using a Funding Standard proxy) over July.

Sample DC Schemes

Our High Risk, Medium Risk and Pension Purchase DC strategies posted positive returns over the month.

All returns are in € terms	Jul' 24	3 Months	YTD	1 Year	3 Years	5 Years	10 Years
	%	%	%	%	% pa	% pa	% pa
Equities							
FTSE World	0.8	7.2	15.9	20.7	10.3	12.9	12.1
FTSE World (€ Hedged)	1.3	7.6	14.8	19.0	8.0	12.3	10.5
FTSE Eurozone	0.6	1.2	9.5	11.1	6.5	8.9	10.5
FTSE World ex Eurozone	0.8	7.7	16.5	21.6	10.7	13.3	12.5
FTSE North America	0.5	8.5	18.4	24.0	12.0	15.3	15.0
FTSE Emerging Markets	-0.2	3.7	11.5	10.0	2.4	5.0	5.8
Bonds							
Euro Sovereign AAA (15+ yr)	3.2	4.2	-3.1	3.7	-13.4	-7.8	-0.1
Euro Broad Sovereign (10+ yr)	4.1	3.1	-0.9	6.0	-10.7	-5.4	0.9
Euro Inflation Linked	1.8	-0.7	-1.6	-1.0	-6.2	-2.6	-0.3
Euro Corporate (5+ yr)	2.4	3.2	1.9	8.4	-4.4	-1.9	1.2
Other							
Commodities	-3.5	-4.0	7.2	0.2	10.8	7.6	-2.9
Fund of Hedge Funds	0.6	1.5	7.6	11.0	5.3	6.2	4.3
€/\$	0.9	1.2	-2.1	-1.8	-3.1	-0.6	-2.1
€/£	-0.6	-1.4	-2.9	-1.6	-0.5	-1.6	0.6

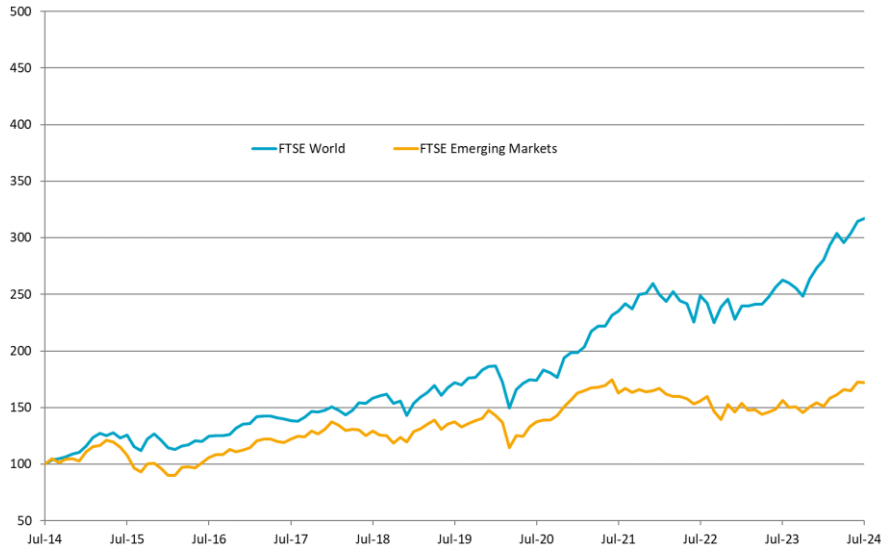
Bond Index Yields	Jun' 24	Jul' 24	Change
	%	%	%
iBoxx Euro Sovereign AAA (15+ yr)	2.73	2.56	-0.17
iBoxx Euro Broad Sovereign (10+ yr)	3.50	3.24	-0.26
iBoxx Euro Corporates (5+ yr)	3.85	3.57	-0.29

	Cost of a €10k Pension	Change in annuity prices						
		Jul-24	3 months	YTD	1 year	3 year	5 year	10 Year
		%	%	%	%	%	%	
Annuity cost - 65 year old; no increases	€185k	1.8%	3.0%	-1.4%	3.6%	-29.2%	-27.4%	-11.1%
Annuity cost - 65 year old; 2% increases	€235k	2.1%	3.4%	-1.6%	4.1%	-32.4%	-30.5%	-12.5%
Annuity cost - 65 year old; CPI max 4%	€262k	2.2%	3.6%	-1.6%	4.2%	-31.4%	-31.4%	-12.9%

Sample Pension Schemes	Jul-24	3 Months	Year to Date	1 Year	3 Years	5 Years
	%	%	%	%	% pa	% pa

DB Schemes						
Assets	1.7	5.2	6.3	11.7	-0.8	2.9
Liabilities	1.3	2.4	2.0	6.1	-0.5	1.4
Change in Funding Level	0.4	2.8	4.3	5.3	-0.3	1.5
DC Schemes						
High Risk Strategy	0.6	4.9	10.6	14.5	5.7	7.7
Medium Risk Strategy	1.4	4.8	6.7	11.6	0.3	3.5
Pension Purchase Strategy	2.5	3.4	-1.7	3.7	-9.8	-5.6

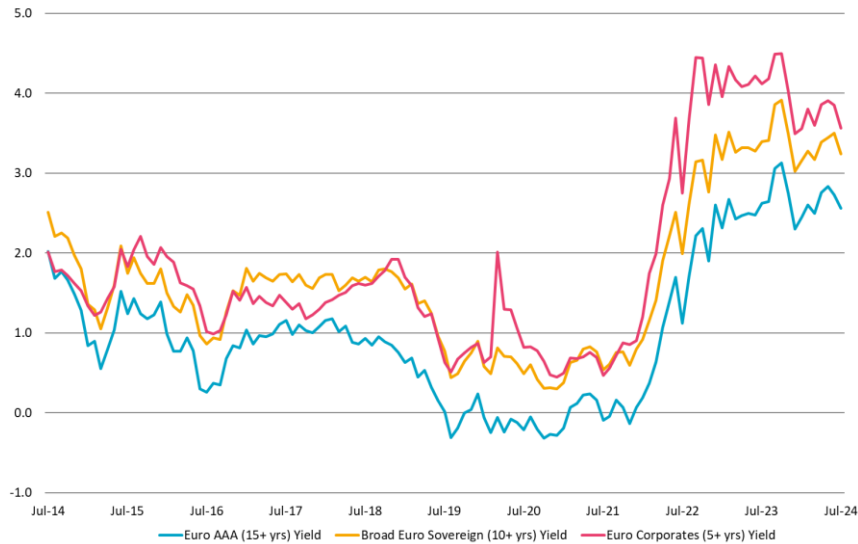
Equity Market Performance



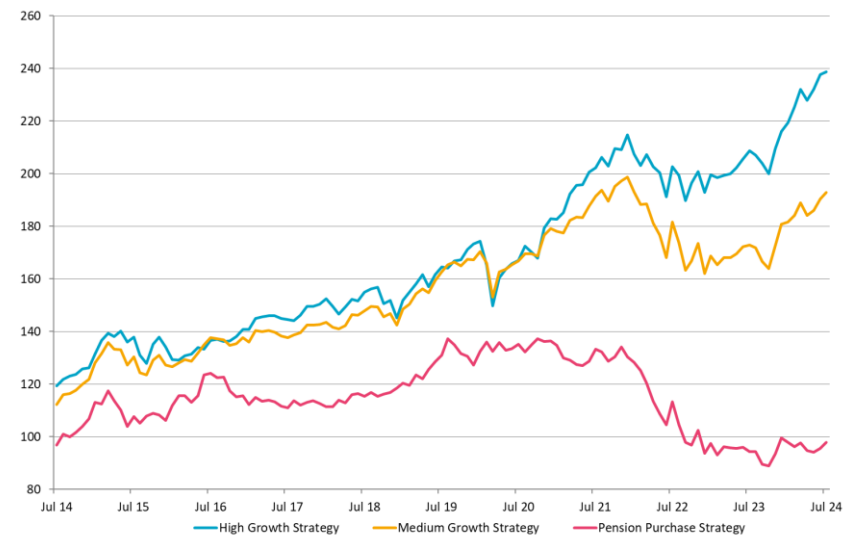
Sample DB Funding Level Progression (MFS Proxy Basis)



Historical Bond Yields



Sample DC Scheme Performance

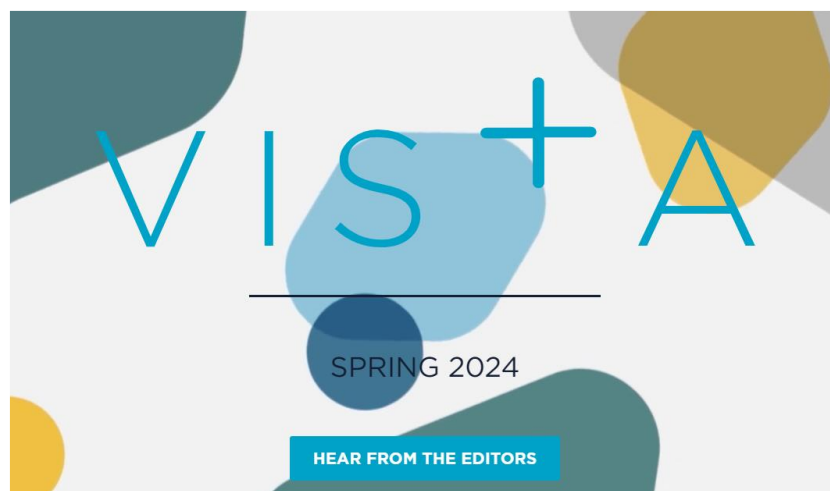




LCP Ireland Master Trust Survey 2024



LCP Investment Uncut Podcast



LCP Vista



LCP RI Survey

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