

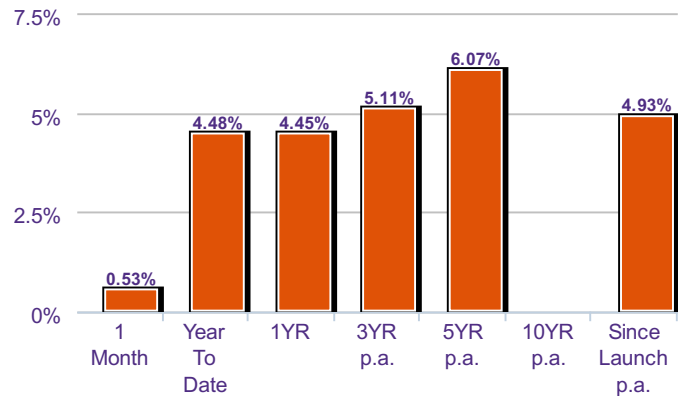


## Magnet Stable

### Fund Snapshot

|                              |                                                                                         |
|------------------------------|-----------------------------------------------------------------------------------------|
| <b>Launch Date</b>           | 01/04/2010                                                                              |
| <b>Fund Manager</b>          | <a href="#">Friends First</a>                                                           |
| <b>Risk Rating</b>           |  4     |
| <b>Fund Type</b>             |  Mixed |
| <b>Diversification</b>       |        |
| <b>Stocks &amp; Holdings</b> | > 1000                                                                                  |
| <b>Regions Covered</b>       |  8     |
| <b>Fund Size</b>             | €128.5m*                                                                                |
| <b>Latest Bid Price</b>      | €1.4493                                                                                 |
| <b>Price Date</b>            | 15/12/2017                                                                              |

### Fund Performance from 16/06/2017 to 16/12/2017



### Fund Summary

Magnet Stable is a medium risk fund. It invests across a broad range of growth and defensive assets such as government and corporate bonds, equities, commercial property, commodities as well as alternative strategies. The fund has a significantly lower level of risk than that associated with equity investments. The fund targets a volatility range of 5% to 10% over a rolling five year period. The underlying assets of the fund may change.

### Market Commentary

Thus far 2017 has been defined by a synchronised rebound in global economic growth and remarkably positive market sentiment. Investors are seemingly impervious to the risk of political shocks: markets have continued to rally in the face of shifting monetary policy, building tensions between North Korea and the US and even terrorist attacks. A cheaper dollar, strong corporate revenues and profit growth have helped secure double digit returns for US equities since the beginning of the year and a number of indices have reached new all-time highs. On the other side of the Atlantic, rapidly improving fundamentals and a brighter economic outlook have bolstered returns of European stocks. All the funds in the Magnet range generated solid returns over the quarter, owing to a positive contribution from all strategies with the exception of the Explorer Emerging Market fund that posted a negative result over the period. The top performing fund was the Insight Currency fund that benefitted from some pronounced moves in the direction of the Dollar, the Euro and the Japanese Yen, specifically on the back of political events as well as fiscal and monetary policy announcements. The commodities Optimum Yield fund also contributed positively to performance. Commodity prices appear to have bottomed out, prices are rising as demand is picking up faster than supply. Falling inventories have been supportive for the price of oil in particular. In Fixed Income the Magnet Cautious, Stable and Portfolio funds switched from European sovereign bonds into global bonds. Historically, global bonds have exhibited a low to negative correlation to global equities, thus providing a degree of protection in equity downturns. The increased de-synchronisation of interest rates policies across the main developed economic areas, means that policy divergence between global central banks may create diverse sources of return. Of relevance is also the investment in the Physical Gold fund across all of the funds in the Magnet Range. Historically, Gold has exhibited very low or negative correlation to stocks, providing strong diversification benefits. The challenge for investors is to reconcile the current optimistic market sentiment and benign global economic backdrop with considerable uncertainty in the outlook. Mounting geopolitical tensions, rising equity valuations particularly in the US and the forthcoming withdrawal of central bank balance sheet support, necessitate a cautious approach. Even at times of calm, it's important to remember the benefits of investing in a well-diversified portfolio. The key for achieving long-term investment objectives is a disciplined approach to asset allocation and portfolio construction that considers how each holding in the portfolio interacts with each other in terms of risk and correlation. (30th Sept 2017)

### Additional Information

Access the [Magnet Fund Range Brochure](#) or [Magnet Stable Quarterly Snapshot](#) or [Funds that incur Performance Fees](#)

### Management Charge

0.95% pa of fund assets. Please refer to policy conditions for policy charges.

### Asset Allocation as at 30/09/2017

### Underlying Funds as at 30/09/2017



■ Equity - 34.56%  
■ Alternative Strategies - 26.04%  
■ Bonds - 20%  
■ Commodities - 9.78%  
■ Property - 9.62%

| Fund                               | Fund Manager  | %      |
|------------------------------------|---------------|--------|
| Magnet Absolute                    | Friends First | 20.01% |
| Global Aggregate Bond Index        | SSgA          | 16.00% |
| International Equity               | BMO           | 9.68%  |
| Global High Yield Equity           | KBIGI         | 8.27%  |
| Optimum Yield                      | Deutsche      | 7.79%  |
| Irish Commercial                   | Friends First | 6.62%  |
| Magnet European Equity             | Friends First | 6.23%  |
| Insight Currency                   | Alder         | 6.03%  |
| Explorer (Emerging Markets)        | LGM           | 4.16%  |
| European Corporate Bond            | BMO           | 4.00%  |
| Indexed Global (Ex Euro) Equity    | SSgA          | 3.45%  |
| UK Select                          | Friends First | 3.00%  |
| Emerging Markets High Yield Equity | KBIGI         | 2.77%  |
| Gold                               | Deutsche      | 1.99%  |

This fund should be considered as being a medium-long term investment. Access to your investment in this fund may in periods of adverse investment conditions be restricted for up to six months. Performance figures are as per 'price date'. Asset Information source: Friends First, unless otherwise stated. \* Fund size refers to assets under management in underlying fund. The returns shown include the reinvestment of net income and are net of trading costs and management fees but before other insurance contract charges and as such do not represent the returns on insurance contracts linked to these funds. Details of all charges for a particular product are available on request. The information in this document does not constitute investment advice. It does not take into account the investment objectives, financial position or needs of any particular investor. Before making an investment decision, you should consult suitably qualified and independent investment, taxation, and regulatory advisors to discuss your specific situation and investment objectives. The investment strategies and risk profiles outlined in this document may not be suitable for your specific investment needs.

Warning: Past performance is not a reliable guide to future performance.  
 Warning: The value of your investment may go down as well as up.  
 Warning: Funds may be affected by changes in currency exchange rates.  
 Warning: If you invest in this product you may lose some or all of the money you invest.

The information provided is intended for use by retail investment customers and is based on our understanding of current law and revenue practice.

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