



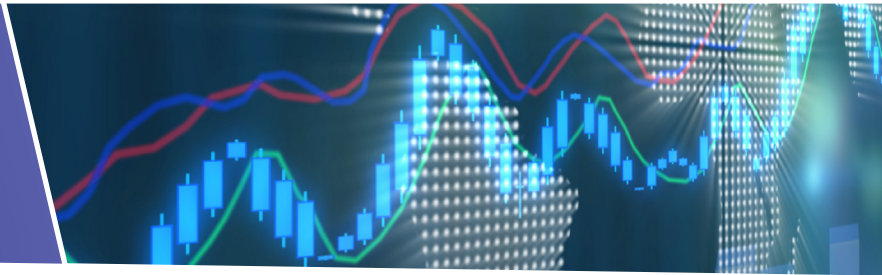
March 2024 in review

Summit Mutual Funds

Summit Mutual Funds plc is authorised in Ireland and regulated by the Central Bank of Ireland

Helping people build better futures

MARKET REVIEW



MARKET ROUND-UP

Market Review

Global stock markets continued to rally in March, buoyed by a combination of prospective interest rate cuts later in 2024 and continued optimism around artificial intelligence (AI) and its potential to increase corporate profits. Bond prices also rose as both the Federal Reserve (Fed) and the European Central Bank (ECB) suggested rate cuts would likely start in June. Global activity data was somewhat mixed, with signs of a slowdown in the US while data in the Eurozone showed tentative signs of improvement.

Equities

Global stock markets continued to rally in March. The MSCI All Country World index rose by 3.4% (3.4% in euros) over the month. The MSCI USA rallied by 3.2% (3.4% in euros), while European ex-UK equities were up by 4.5% (3.9% in euros).

Bonds

Bond prices were higher in March as expectations remained for interest rate cuts in the first half of 2024. The ICE BofA 5+ Year Euro Government bond index returned 1.4% over the month.

MARKET SNAPSHOT

Market returns (EUR)

Equity Markets (EUR)	QTD Return (%)	YTD Return (%)	2023 Return (%)
MSCI Ireland	18.4	18.4	20.6
MSCI United Kingdom	5.5	5.5	10.3
MSCI Europe ex UK	8.5	8.5	18.5
MSCI North America	12.7	12.7	22.3
MSCI Japan	13.7	13.7	16.7
MSCI EM (Emerging Markets)	4.8	4.8	6.5
MSCI AC World	10.8	10.8	18.6
10-Year Yields	Yield last month (%)	2023 Yield (%)	2022 Yield (%)
US	4.20	3.88	3.87
Germany	2.30	2.02	2.57
UK	3.93	3.54	3.67
Japan	0.73	0.61	0.42
Ireland	2.75	2.38	3.13
Italy	3.68	3.69	4.70
Greece	3.38	3.06	4.62
Portugal	3.01	2.66	3.59
Spain	3.16	2.99	3.66
FX Rates	End last month	2023 Rates	2022 Rates
U.S. Dollar per Euro	1.08	1.10	1.07
British Pounds per Euro	0.85	0.87	0.89
U.S. Dollar per British Pounds	1.26	1.27	1.21
Commodities (USD)	QTD Return (%)	YTD Return (%)	2023 Return (%)
Oil (Brent)	13.6	13.6	-10.3
Gold (Oz)	8.1	8.1	13.1
S&P Goldman Sachs Commodity Index	10.4	10.4	4.3

Source: ILIM, Bloomberg. Data is accurate as at 1 April 2024.

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MARKET OUTLOOK

Irish Life Investment Managers' (ILIM's) view – looking ahead

Sovereign bond yields rose through most of 2023 on the back of a slower-than-expected moderation in inflation. However, yields have fallen since the peak in October 2023 as concerns around inflation abated in late 2023. With inflation having clearly peaked and central banks now suggesting rates will be cut in 2024, bond yields are expected to decline over the next 12 months.

On a 12-month view, our base case is that German and US 10-year government bond yields fall from current levels of 2.30% and 4.20% to 1.75% and 3.50% respectively. We believe fixed income offers a strong risk-reward profile at this stage in the cycle, with the potential to offer protection if the economy slows, and is attractive from an income perspective while also providing potential for capital gains via falling yields. We believe that the risks of materially higher bond yields have reduced and, if the economy falters, major central banks will be able to cut rates to support growth. In that scenario, we would expect bonds to outperform to a greater extent.

Global equities were resilient in 2023 as recession fears receded and a peak in central bank policy rates has likely been reached. While global earnings fell by 0.7% in 2023, they held up better than feared at the start of the year as sales surprised to the upside in the better economic backdrop and the margin squeeze for corporates was less than anticipated. Earnings are expected to grow by 11.0% in 2024.

Global equities valuations are above long-term averages, and equities remain expensive against both bonds and cash given the high yields currently available on these assets. Despite this, the outlook on a 12-month view is positive. Central banks are likely to pivot towards looser policy in 2024 as inflation falls. An increasing probability of a soft landing with a rebound in earnings in 2024 and an upward bias to growth forecasts are supportive. Over the medium term, the rollout of AI should boost efficiencies and earnings across the whole market and allow equities trade at higher valuation levels. The ongoing green-related capex cycle could also boost earnings over the medium term. Any short-term volatility in markets is likely to be offset by the above factors, resulting in positive returns on a 12-month timeframe.



Increasing hopes of a soft landing for the US economy (inflation coming down with the avoidance of a recession) have been supportive of equity markets. A continued fall in inflation, enabling central banks to cut interest rates in 2024, could contribute to additional gains in equity markets.



Global growth surprised positively in 2023, at an estimated 2.7%, led by a resilient US economy. Growth is forecast to decelerate slightly to 2.4% in 2024, although the bias to forecasts is still to the upside. The US economy has been robust, while Europe has struggled as higher interest rates have impacted activity levels and demand. Recent stabilisation in European sentiment indicators suggest an improvement in growth in 2024



After an initial reopening surge in 2023, Chinese growth stalled. The authorities have announced additional stimulus to boost growth, and recent data has begun to stabilise.



Equities are above long-term average valuation multiples but, with positive economic and earnings growth in 2024, can continue to grind higher.



Structural long-term benefits from the AI theme, and evidence of earnings being boosted by AI-related initiatives, can support higher equity valuation multiples.



Volatility is likely to remain a feature due to uncertainty over the eventual growth outcome, inflation path, monetary policy and geopolitical events. Modest short-term drawdowns in markets are possible, which could provide opportunities to add to exposures.

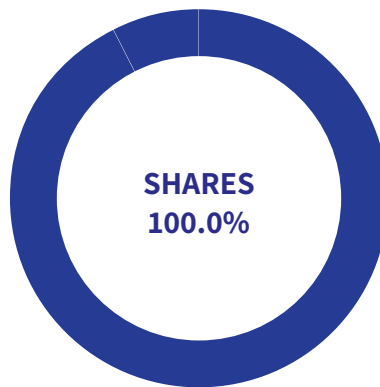
SUMMIT GLOBAL LEADERS FUND

The Summit Global Leaders Fund invests in stocks with large market capitalisations. From July 2014, equity management has been sub-advised to Setanta Asset Management.

Fund update for March

The Summit Global Leaders Fund returned 2.94%, net of fund management fee, over March. Leading performers in the period included NVIDIA (+14.2% in US\$) and Samsung Electronics (+12.3% in Korean won). During the month, NVIDIA unveiled its Blackwell graphics processing units, which it claims will massively increase the computing power driving AI language models. AI applications continue to drive strong demand growth for the company. Samsung Electronics is seeing a recovery in pricing and demand for its semiconductor memory chips and is also expected to benefit from the AI trend with its High Bandwidth Memory offering. Chief laggards included Tesla (-12.9% in US\$) and Adobe (-9.9% in US\$). The former was hit by a slowdown in the shift to electric vehicles and increased price competition in the space, with Chinese player BYD particularly aggressive. Adobe fell in the wake of earnings results as its outlook fell short of market expectations, as did monetisation of its generative machine learning Firefly product.

Asset allocation



Top Ten Share Holdings

Stock name	% of fund
Nvidia	9.5
Microsoft	8.2
Alphabet	7.6
Amazon.com	7.4
Apple	6.3
Meta Platforms	4.5
Taiwan Semiconductor	3.0
Eli Lilly	3.0
JP Morgan Chase	2.7
Broadcom	2.5

Source: ILIM, Factset. Data is accurate as at 31 March 2024.

Share regional distribution



Information is correct at 31 March 2024.

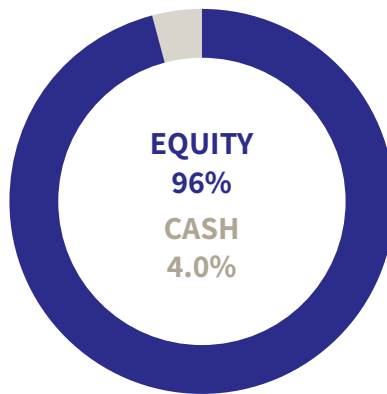
SUMMIT GROWTH FUND

The Summit Growth Fund aims to achieve growth by investing exclusively in global equities. From July 2014, equity management has been sub-advised to Setanta Asset Management. Equities are managed under the Setanta Global Equity Strategy.

Fund update for March

The Summit Growth Fund returned 3.35%, net of fund management fee, over March. Energy, Utilities and Industrials were the best performing sectors, while the Consumer Discretionary, Healthcare and Consumer Staples sectors lagged over the month. The stocks contributing the most to the fund's return were Oracle, Alphabet, Samsung Electronics and Oshkosh. The largest detractors from performance were Nike, McDonalds, Electronic Arts and Steris.

Asset allocation

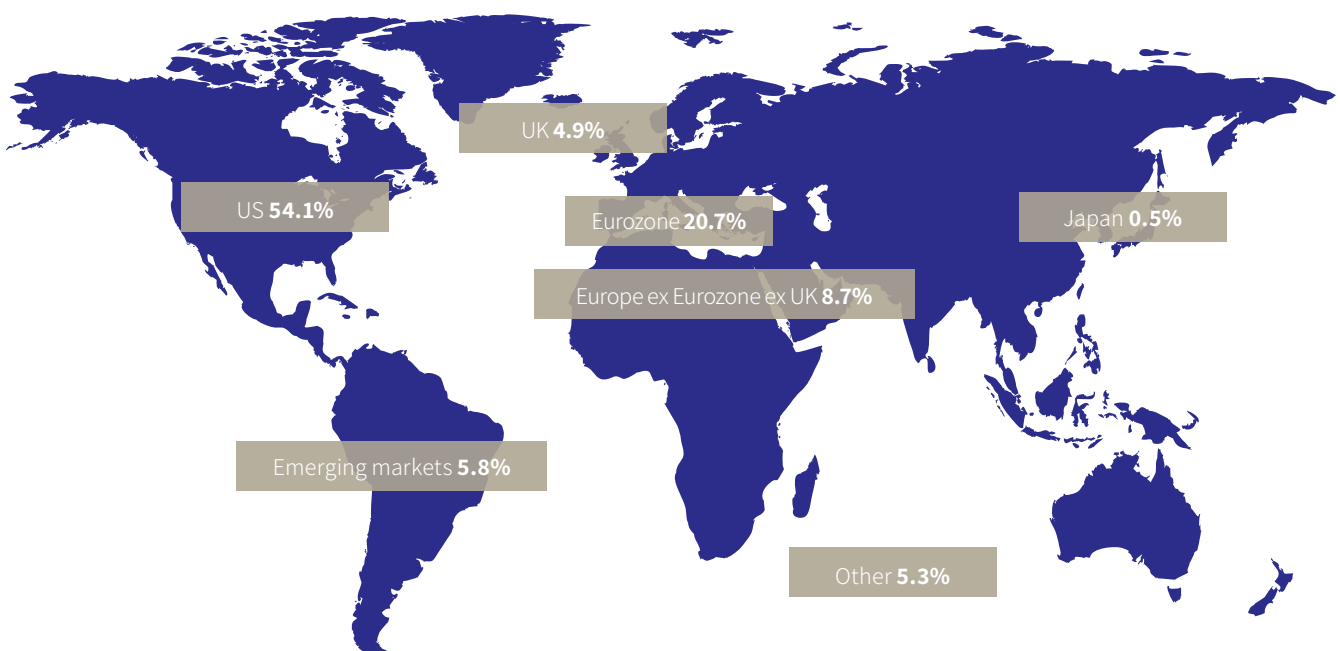


Top Ten Share Holdings

Stock name	% of fund
Microsoft	4.8
Berkshire Hathaway	4.2
Alphabet	3.7
Oracle	3.7
Booking Holdings	3.2
Samsung Electronics	2.9
Costco Wholesale	2.7
Nike	2.2
Taiwan Semiconductor	2.2
CRH	2.1

Source: ILIM, Factset. Data is accurate as at 31 March 2024.

Share regional distribution



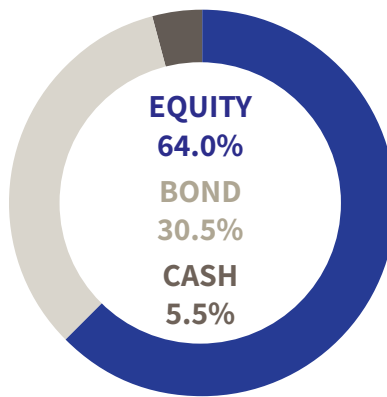
SUMMIT BALANCED FUND

The objective of the Summit Balanced Fund is to avoid excessive volatility, while still providing solid returns over the medium to long term. The fund invests in global equities but also maintains a minimum of 33% invested in a mix of fixed income and cash. From July 2014, equity management has been sub-advised to Setanta Asset Management. Equities are managed under the Setanta Global Equity Strategy.

Fund update for March

The Summit Balanced Fund returned 2.43%, net of fund management fee, over March. Energy, Utilities and Industrials were the best performing sectors, while the Consumer Discretionary, Healthcare and Consumer Staples sectors lagged over the month. Global activity data was somewhat mixed, with signs of slower, although still strong, growth in the US, while data in the Eurozone showed tentative signs of improvement. Meanwhile, both the Fed and the ECB suggested that interest rate cuts would likely start in June. Global stock markets continued to rally in March, buoyed by a combination of prospective rate cuts later in 2024 and continued optimism around AI and its potential to increase corporate profits. Bond prices rose as expectations remained for the start of rate cuts in the first half of this year amid accommodative central bank commentary.

Asset allocation

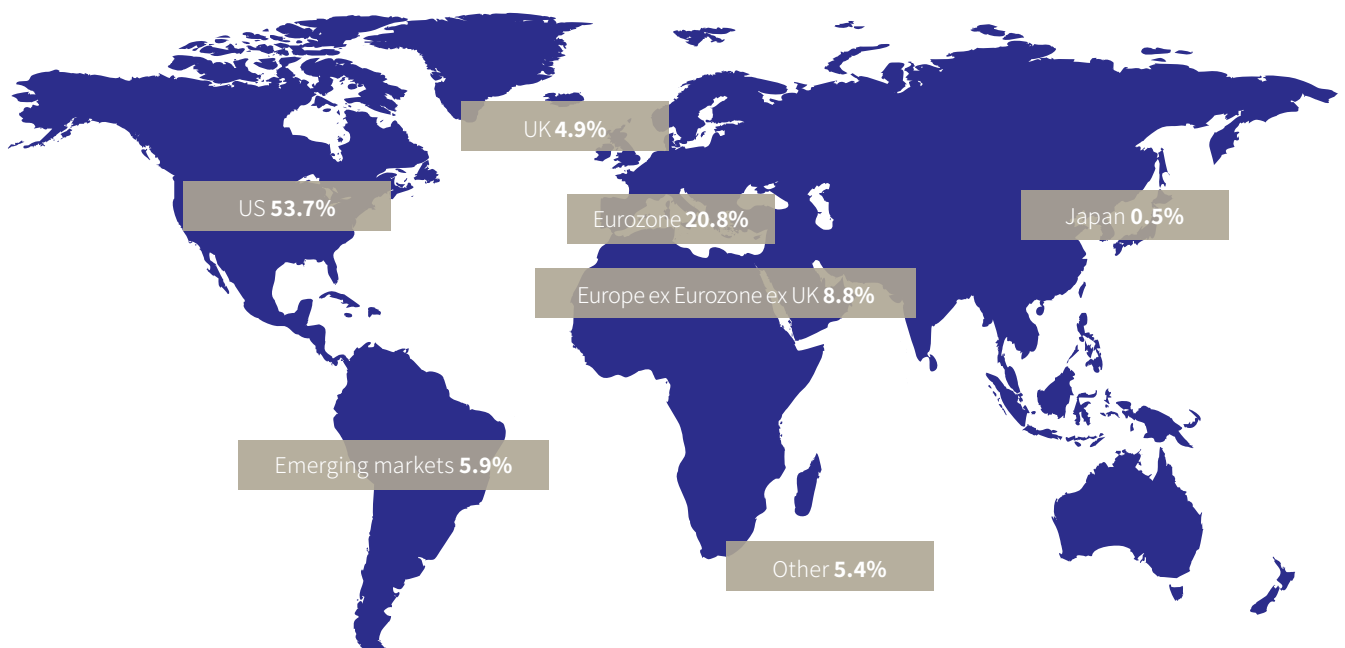


Top Ten Share Holdings

Stock name	% of fund
Microsoft	4.8
Berkshire Hathaway	4.2
Alphabet	3.7
Oracle	3.7
Booking Holdings	3.1
Samsung Electronics	2.9
Costco Wholesale	2.7
CRH PLC	2.1
S&P Global	2.1
Taiwan Semiconductor	2.1

Source: ILIM, Factset. Data is accurate as at 31 March 2024.

Share regional distribution



SUMMIT FUND PERFORMANCE



At 31 March 2024

Fund returns after fund management fee	Balanced	Growth	Global Leaders
1 Month	2.43%	3.35%	2.94%
QTD	4.05%	7.16%	16.26%
3 Month	4.05%	7.16%	16.26%
YTD	4.05%	7.16%	16.26%
1 Year	9.51%	14.15%	36.96%
2 Years pa	1.15%	5.23%	11.00%
3 Years pa	2.59%	7.64%	13.85%
5 Years pa	3.27%	7.06%	14.83%
10 Years pa	5.05%	8.16%	13.56%

Source: ILIM Performance Team

Warning: If you invest in these funds you may lose some or all of the money you invest.

Warning: These funds may be affected by changes in currency exchange rates.

Warning: The value of your investment may go down as well as up.

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

ILIM'S CREDENTIALS



Irish Life Investment Managers (ILIM) is recognised internationally for its expertise, innovation and track record:



Summit Mutual Funds plc is managed by Summit Asset Managers Limited. The Investment Manager is Irish Life Investment Managers Limited. Summit Asset Managers Limited and Irish Life Investment Managers Limited are both part of the Great-West Lifeco group of companies, global leaders in financial services.

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Figures referenced herein have been sourced from ILIM and Bloomberg. Forecast figures have been prepared by ILIM based on reasonable assumptions, internal data and data sourced from Bloomberg.