

# THE ADVICE OPPORTUNITY IN THE POST-RETIREMENT MARKET

WE NEED TO THINK DIFFERENTLY

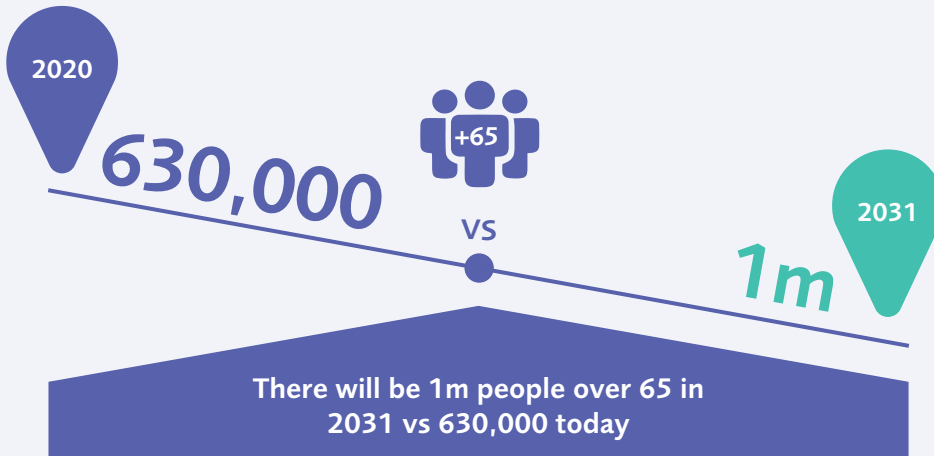


# Irish Life

## Demographics



will drive change for decades to come



Sources: CSO, Irish Life

ARF market  
c.€29bn  
by 2028 (€12bn in 2019)



Research proves clients' investment wants, needs and objectives evolve as they transition from pre- to post-retirement – investment solutions need to reflect that.

Source: Research from TILDA, 2019



## PRE-RETIREMENT CHARACTERISED BY...

- The need to make regular savings and accumulate wealth
- Key risk and return considerations are determined by a client's attitude to risk

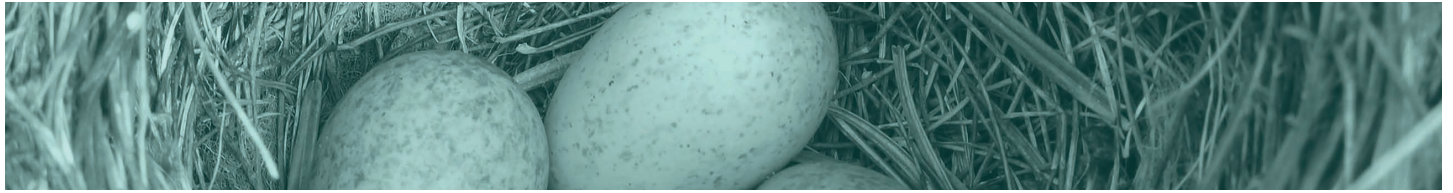
## POST-RETIREMENT CHARACTERISED BY...

- Taking regular income vs. making regular contributions
- Income withdrawals may mean a declining pension pot
- Withdrawals make clients more vulnerable to sequencing risk (also known as the order of your returns) in early retirement
- Significant behavioural drivers in post-retirement:
  - Fear of outliving your fund in the long term
  - Fear of total loss (bomb-out) in the short term
  - Taking the right amount of risk to get the balance right
  - Time to recover losses is unknown, but shorter.

# INTRODUCING IRISH LIFE RETIREMENT PORTFOLIOS (REPS)

A range of retirement portfolios expertly managed by our investment manager, Irish Life Investment Managers (ILIM), and built for the unique and specific need of retirees.

REPS are available across our Approved Retirement Fund (ARF) and Approved Minimum Retirement Fund (AMRF) products.

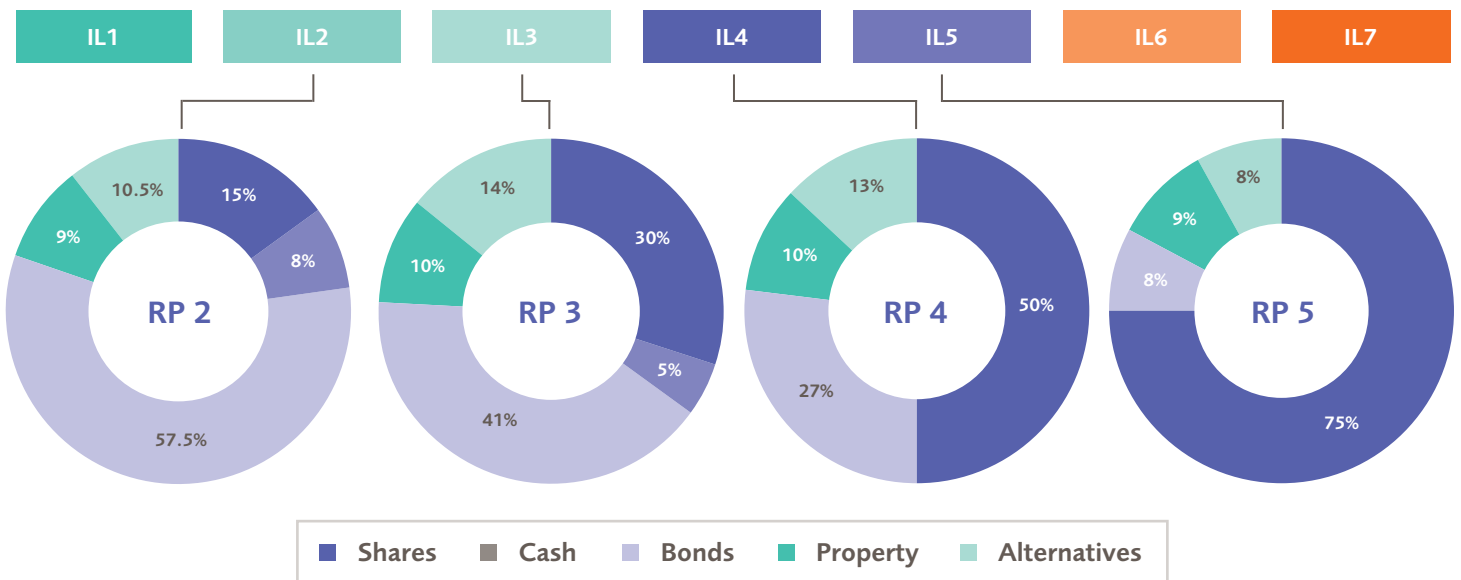


## EXTENDING BEST THINKING FOR BETTER CLIENT OUTCOMES

- A range of multi asset funds with a strong focus on reducing the risk of poor returns, particularly in early retirement
- Focus on defensive income generating assets to help give greater stability
- Greater diversification using traditional and non-traditional assets
- Balancing risk with providing returns through retirement

## WHAT DO THE RETIREMENT PORTFOLIOS INVEST IN?

### IRISH LIFE FUND RISK SCALE



	Strategies	Benefits
<b>Shares</b>	High yield shares, global shares, equity option strategy, emerging market shares, infrastructure shares	Diversified across a range of defensive equity strategies to aid smoother returns in retirement
<b>Bonds</b>	Government bonds, corporate bonds (investment grade & high yield), emerging-market bonds, alternative credit	Necessary to diversify bond allocations in order to generate returns in low yield environment
<b>Property</b>	Irish Commercial & residential property, European property(tbc)	Property an important income generating asset in retirement portfolios
<b>Alternatives</b>	Alternative return, diversified return, credit, global opportunity	Blend of alternative strategies further diversifies sources of returns

**Warning: If you invest in this product you may lose some or all of the money you invest.**

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

**Warning: This fund may be affected by changes in currency exchange rates.**



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This document is intended as a general review of investment market conditions. It does not constitute investment advice and has not been prepared based on the financial needs or objectives of any particular person, and does not take account of the specific needs or circumstances of any person.

The author cannot make a personal recommendation for any person and you should seek personal investment advice as to the suitability of any investment decision or strategy to your own needs and circumstances. Any comments on specific stocks are intended as an objective, independent view in relation to that stock generally, and not in relation to its suitability to any specific person.

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