

Standard Life Global Index Fund 40

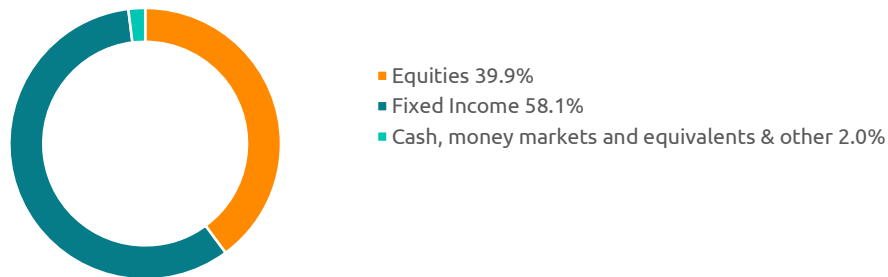
July 2024

Introduction

- The Global Index 40 Fund invests in a diversified portfolio of equities and bonds from across the world. It invests in approximately 17,000 securities
- The underlying funds are managed by Vanguard, the world's second largest fund manager
- Approximately 40% of the fund invests in a portfolio of shares across different countries, regions and industry sectors in both developed and emerging markets
- Approximately 60% of the fund invests in a wide range of investment grade government and corporate bonds from across the world
- The mix between equities and bonds will be rebalanced continually to ensure the 40% equity/60% bond mix remains fairly constant over time

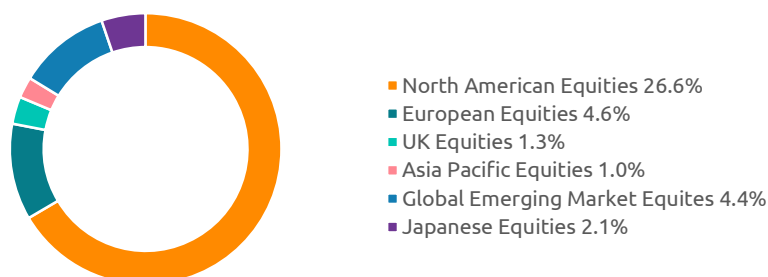
This document is intended for use by individuals who are familiar with investment terminology. For more information on a fund, talk to your financial adviser or refer to the website standardlife.ie

Asset breakdown (as at 28 June 2024)



Source: Standard Life, June 2024. May not add up to 100% due to rounding.
Note: The non euro fixed interest holdings of the fund are hedged back to Euro to reduce currency risk.

Equity regional breakdown (as at 28 June 2024)



Source: Standard Life, June 2024. May not add up to 100% due to rounding.

Growth of €100,000 over 10 years



Value on 30 June 2014	Value on 28 June 2024
€100,000	€143,226

Source: FE fundinfo 2024, net of annual management charge, gross of taxes and adviser charges. The actual return achieved by policies may be lower because of these charges and taxes.

The Standard Life Global Index Fund 40 launched on 17 August 2021. In order to show the historic performance of a similar portfolio prior to 17 August 2021, we use the past performance of the three underlying funds in which Global Index Fund 40 invests. The historic portfolio is comprised of the underlying Vanguard Global Stock Index Institutional EUR (ISIN IE00B03HD191), the Vanguard Emerging Markets Stock Index Institutional EUR (ISIN IE0031786696) and the Vanguard Global Bond Index Institutional Plus Hedged Acc EUR (ISIN IE00BGCZ0B53). This performance track history assumes a fixed allocation of 60% Global Bonds and 40% Global Equities. The portfolio past performance is reflective of asset allocation rebalancing on a monthly basis. Please note that the Standard Life Global Index Fund 40 is rebalanced on an ongoing basis. The annual management charge (AMC) of these underlying funds is different to the AMC of the Standard Life Global Index Fund 40.

Fund performance (as at 28 June 2024)

	1 Month	YTD	1 Year	2 Years	3 Years	5 Years	Since Launch (17 August 2021)
Cumulative	2.0%	4.5%	8.9%	10.6%	-	-	-1.3%
Annualised	-	-	8.9%	5.1%	-	-	-0.5%

Performance is net of Annual Management Charge, EUR, gross of taxes.

Source: FE fundinfo 2024

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

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

Warning: This investment may be affected by changes in currency exchange rates

Warning: If you invest in this fund you may lose some or all of the money you invest

Quarterly market review

In the second quarter of 2024, economic activity slowed in the United States, but rebounded in Europe. Inflation continued to fall towards target levels, albeit slowly. The European Central Bank (ECB) became the first major central bank to cut interest rates this year. Vanguard think the Bank of England (BoE) and US Federal Reserve (Fed) are likely to follow suit with their own rate cuts soon.

The euro area economy came out of recession in the first quarter of this year, growing by 0.3% relative to the final quarter of 2023. Economic activity indicators suggest growth may have slowed in the second quarter. The unemployment rate declined to 6.4% in April 2024 from 6.5% at the start of the year. Annual core inflation declined from a peak of 5.7% in the year to March 2023 to 2.9% in the 12 months to June. The ECB cut its main interest rate by 0.25 percentage points (pp) in June to 3.75%.

In the United Kingdom, the economy rebounded from recession, growing by 0.7% in the first quarter of 2024 compared with the final quarter of 2023. The latest economic activity data suggest that momentum cooled in the second quarter of 2024, though a small expansion is still expected. Annual core inflation, which excludes the volatile energy, food, alcohol and tobacco components, slowed significantly from above 5% at the start of the year to 3.5% in May. However, services inflation and wage growth remained elevated. The BoE kept the Bank Rate on hold at 5.25% at its May meeting.

The United States economy slowed from a growth rate of 3.4% in the last quarter of 2023 to 1.4% in the first quarter of 2024. The job vacancy rate declined and the unemployment rate increased from 3.7% in January 2024 to 4.1% in June.

US core inflation moderated in April and May compared with the first quarter of the year, but progress remains slow. The Fed opted to keep its target interest rate range at 5.25%-5.5% in the second quarter.

In China, economic growth accelerated to 1.6% in the first quarter of 2024, compared with 1.2% in the previous quarter. Core inflation grew by 0.6% in the 12 months to May 2024. The People's Bank of China kept monetary policy largely unchanged in the second quarter of 2024.

Source: Vanguard, June 2024

Quarterly market outlook

The last decade has been exceptional, driven by the strong run for US equities, but it's important to have realistic expectations. Vanguard don't think the next decade will mirror the previous one and expect stock market returns across regions to be more similar, which supports the case for a globally diversified portfolio.

Equity valuations have increased not just in the US stock market but also elsewhere, which means their long-term (10-year annualised return) forecasts for diversified portfolios are slightly lower relative to the beginning of the year. Compared to a few years ago, however, the 10-year outlook for multi-asset portfolios is far improved, thanks in part to higher bond market return expectations. The higher-for longer interest rate outlook is a positive development for long-term bond investors. That's why having a mix of assets across global shares and bonds can help smooth returns over time with the better performing investments helping to offset those that perform less well.

Source: Vanguard, June 2024

This report should be read with the Standard Life Global Index Fund 40 factsheet which contains important information such as key risks on this fund and how ESG is integrated into the investment strategy of this fund.

Find out more

Talk to your financial adviser. They'll give you the information you need.
Also, you can call us or visit our website

(01) 639 7000

Mon-Fri, 9am to 5pm. Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

[standardlife.ie](https://www.standardlife.ie)

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