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Life | Pensions | **Investments**



August 2026 in review

Performance Pulse

Irish Life MAPS® 10 YEARS

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OVERVIEW

> Geopolitical risk remained elevated in August. Central banks were in focus, as the Federal Reserve and European Central Bank both adopted increasingly hawkish stances. Global equities performed well, supported by solid earnings and ongoing AI enthusiasm.

EQUITIES

Global equities were positive over the month, with the MSCI All Country World index up 2.4% (1.7% in euros). The primary driver was the near-completion of a strong corporate earnings season, which provided fundamental support, alongside a stabilisation in semiconductor, memory and AI-related stocks following the profit-taking that had characterised July.

The MSCI USA rose 2.8% in local terms (1.8% in euros), supported by a recovery in technology and AI-related stocks. Emerging markets also gained, with the MSCI Emerging Markets index up 1.9% (2.4% in euros), helped by a softer dollar and gold-led support for EM mining equities. European equities were also positive, with the MSCI Europe ex-UK rising 0.9% (0.7% in euros), supported by a strong earnings season.

MARKETS

▲	▼
> Equities climbed during August, led by US tech and semiconductor stocks. Strong corporate earnings releases provided fundamental support. > European and emerging market equities also rose, but were more muted.	> Though the month was positive for global equities, performance was uneven, with pockets of weakness. > Hawkish turns from major central banks could dent performance for rate-sensitive sectors.

Performance (%) as at 31 August 2026

MSCI ACWI (GLOBAL SHARES)	Local	Eur
1 month	2.4%	1.7%
6 months	10.3%	11.7%
YTD	14.7%	15.9%
1 year	23.3%	23.7%
3 years p.a.	20.7%	18.3%
5 years p.a.	12.2%	11.7%

Source: ILIM, Factset. Data is accurate as at 31 August 2026.

One-year performance chart (in euros)



Source: ILIM, Factset. Data is accurate as at 31 August 2026.

BONDS



The US 10-year Treasury yield ended August higher by 3 bps at 4.75%, with the figure not fully capturing the significant intra-month volatility driven by oil-related inflation concerns, fiscal supply pressures and the unwinding of the more dovish July FOMC positioning. The German 10-year Bund yield rose by 12 bps to 3.33% and the ICE BofA 5+ Year Euro Government bond index fell by 1.0% as the combination of resilient Eurozone growth, the August CPI acceleration and hawkish ECB commentary provided a cleaner fundamental driver for higher yields.



- Yields rose during the month as inflation concerns remained in focus.
- Iran-related impacts on oil pricing showed few signs of abating, and central banks were fairly explicit about the likely higher rate path.



- Though yields generally rose over the month, some weaker economic data releases and safe-haven demand for Treasuries created moments of downward pressure.

10-Year Bond Yields	2026	2025	2024	2023	2022	2021
US	4.7	4.1	4.6	3.9	3.9	1.5
Germany	3.3	2.9	2.4	2.0	2.5	-0.2
UK	5.0	4.5	4.6	3.5	3.7	1.0
Japan	2.9	2.1	1.1	0.6	0.4	0.1

Source: ILIM, Factset. Data is accurate as at 31 August 2026.

PROPERTY MARKET UPDATE Q2 2026



2025 represented a turning point in the Irish commercial property market, through stability and an improvement in liquidity. These trends continued into 2026, and market activity translated into positive capital growth as increased rental levels and yield compression fed into valuations in most segments across all sectors.

The largest transaction of Q2 was of Horizon Logistics Park, located close to Dublin Airport. The approximate sale price of €500 million meant that it was one of the most significant logistics transactions in Europe so far this year. Another significant trade was that of 1 Molesworth Street, a prime office building that was acquired by MEAG, a German investment manager, from Henderson Park for a reported €110 million, reflecting an income yield of approximately 4.8% and a rate per sq. ft. of €1,242.

The stabilisation of values in 2025 has fed through into returns, which have been largely reflective of income return since the second half of that year. However, a notable trend has developed in respect of capital growth, which has turned positive for all sectors as of Q2 2026. Offices, the most dominant sector, has recorded a capital improvement of 0.7% in the 12 months to June.

Similarly, rental value growth is now entrenched across all sectors, and has been particularly pronounced in the industrial and retail sectors since early 2025.

Outlook

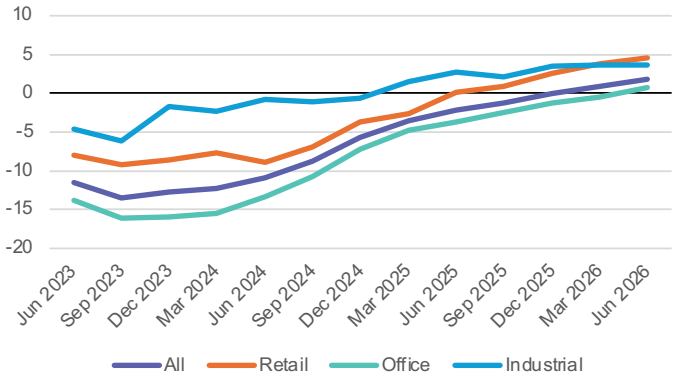
The completed sales processes of prime assets including One Molesworth Street, Horizon Logistics Park and Seafield Square apartments have demonstrated institutional investor confidence in the Irish property sector. We expect international investors to continue to seek out opportunities in Ireland, generating competition and maintaining or enhancing values for prime product as a result.

Transactional evidence, valuations and market index data have proven the shift of the Irish property market from recovery to growth, with all sectors now registering both rental value and capital growth following structural market shifts and geopolitical uncertainty. Momentum is building in this respect and expectations for performance in the short term are positive.

The recovery of the office sector will have a significant bearing on the fortunes of the Irish market due to its outsized weight relative to other countries.

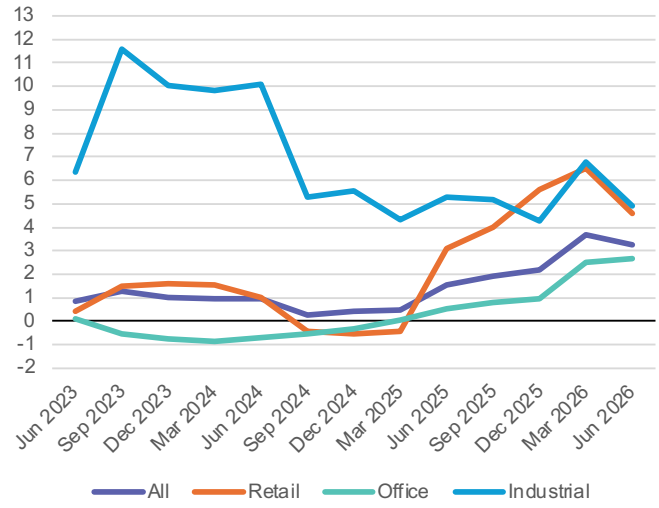
Despite stable recent performance, property is not immune to the negative impacts of geopolitical turbulence. Inflation has historically been a driver of rental growth and net returns for property; however, risks remain, particularly in respect of interest rate fluctuations and the capacity for the market to digest further build-cost inflation. This is most noteworthy in the office and residential sectors, for which future performance will be subject to the delivery of new supply.

MSCI Ireland Index – 12mth rolling Capital Growth

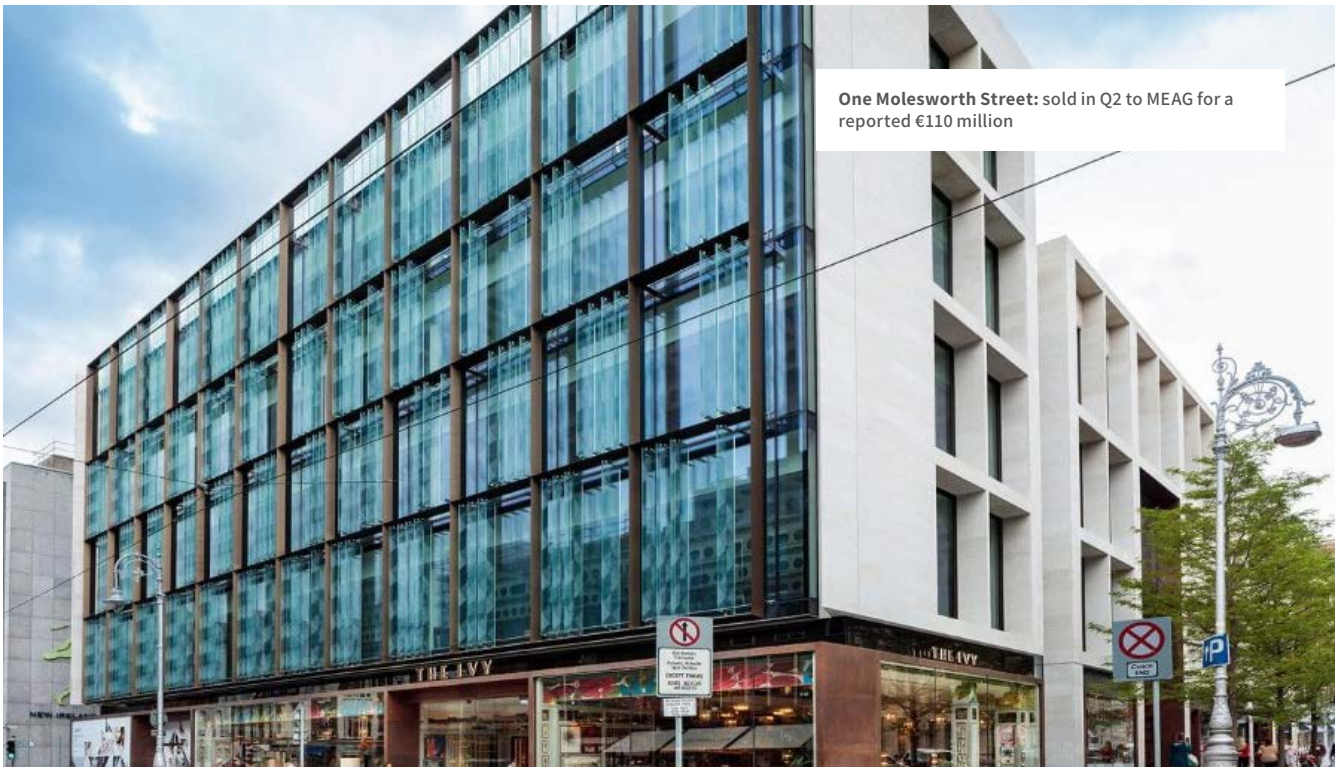


Source: MSCI

MSCI Ireland Index - 12mth rolling Rental Growth



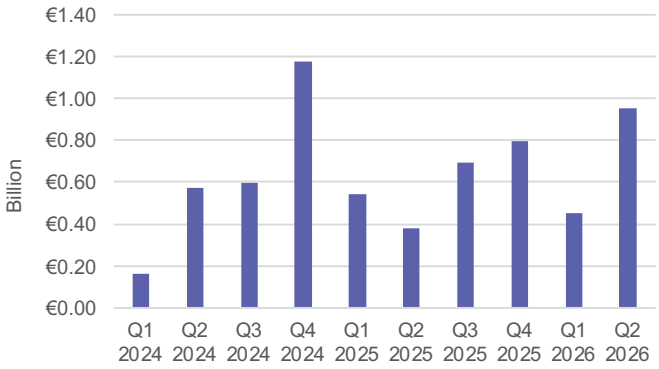
Source: MSCI



One Molesworth Street: sold in Q2 to MEAG for a reported €110 million

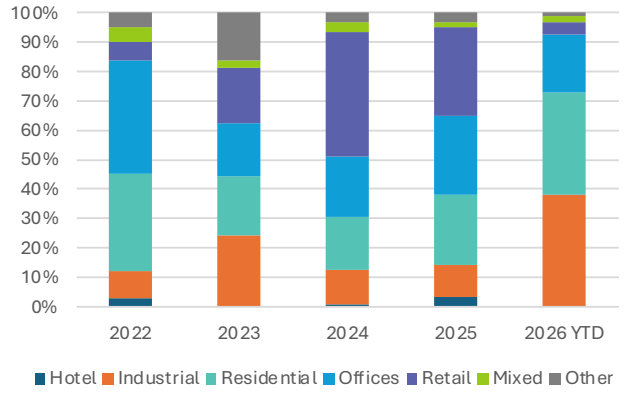
MARKET METRICS

Investment Turnover 2024 - 2026



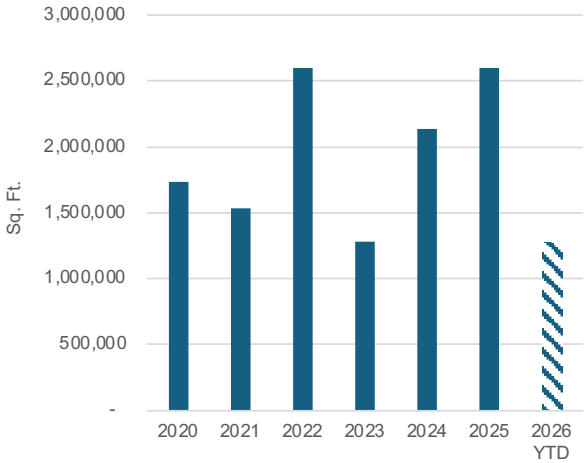
Source: Savills

Investment Turnover by Sector 2022 - 2026



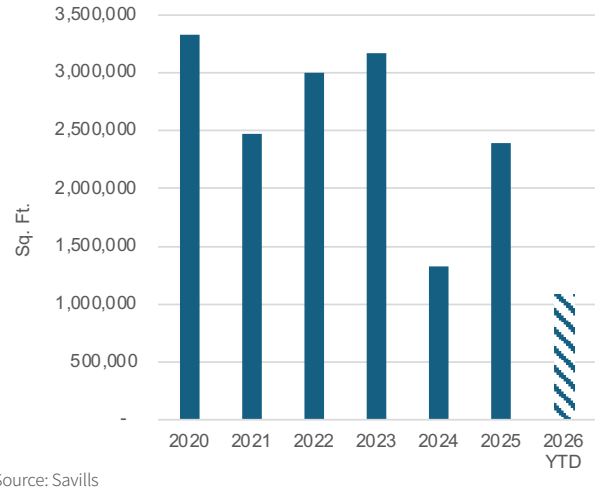
Source: Savills

Office Take-Up 2020 - 2026



Source: Savills

Industrial Take-Up 2020 - 2026



Source: Savills

CASH

The latest meeting was held on 23 July 2026, and the ECB's policymakers maintained the deposit facility rate at 2.25%.

The next ECB meeting will be held 10 September, and expectations are for a 25bps hike at current levels.

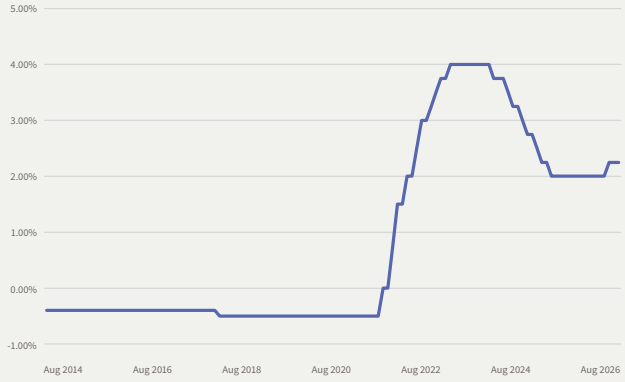
Central bank rates

	31 Aug 2026	End 2025	End 2024
ECB deposit rate	2.25	2.00	3.00
Bank of England*	3.75	3.75	4.75
US Federal Reserve**	3.75	3.75	4.50

* Official Bank Rate **Federal Funds Target Rate

Source: ILIM, Factset and Bloomberg. Data is accurate as at 31 August 2026.

ECB Deposit Rate



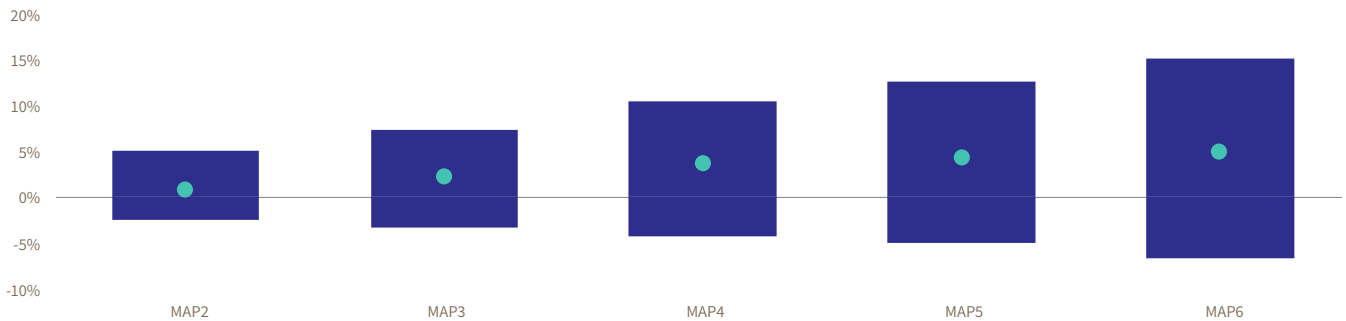
Source: ILIM, Factset. Data is accurate as at 31 August 2026.

Irish Life strategic MAPS asset allocation*

Asset allocation	MAP2	MAP3	MAP4	MAP5	MAP6
Indexed Developed Market Equities	2.00%	7.00%	18.50%	44.00%	58.50%
Low Volatility Equities (DM)	4.50%	9.00%	11.00%	0.00%	1.00%
Global Equities (DSC)	10.00%	16.50%	16.50%	11.50%	6.50%
Indexed EAFE Equities	2.00%	4.00%	7.00%	8.75%	10.60%
Indexed Emerging Market Equities (EM)	0.50%	1.50%	3.50%	7.75%	10.00%
Low Volatility Equities (EM)	0.50%	1.00%	1.50%	0.00%	0.00%
Indexed Small Cap Equities	0.50%	1.00%	2.00%	3.00%	4.00%
Systematic Core Global Equity Fund	0.00%	0.00%	0.00%	5.00%	5.00%
EQUITIES	**20.00%**	**40.00%**	**60.00%**	**80.00%**	**95.60%**
Indexed Euro Government Bonds	21.50%	10.00%	7.00%	0.00%	0.00%
Indexed Euro Corporate Bonds	14.00%	5.50%	2.50%	0.00%	0.00%
Global Aggregate Bonds	9.00%	9.00%	0.00%	0.00%	0.00%
Global High Yield Bonds	3.00%	4.00%	3.50%	3.00%	0.00%
Emerging Market Debt (Local & Hard Currency)	2.50%	5.00%	5.00%	3.00%	0.00%
BONDS	**50.00%**	**33.50%**	**18.00%**	**6.00%**	**0.00%**
ALTERNATIVES	**12.00%**	**12.00%**	**12.00%**	**5.00%**	**0.00%**
INFRASTRUCTURE	**3.00%**	**3.00%**	**3.00%**	**2.00%**	**0.00%**
PROPERTY	**5.00%**	**6.50%**	**6.50%**	**6.50%**	**4.00%**
CASH	**10.00%**	**5.00%**	**0.50%**	**0.50%**	**0.40%**
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Source: ILIM, 31 August 2026. *Global Equities (DSC) use the Dynamic Share to Cash model. The table above shows the strategic asset mix before any Dynamic Share to Cash (DSC) or tactical movements (where applicable). ILIM rebalances the fund back to this mix on a quarterly basis. For the latest actual Irish Life MAPS fund mixes, which allow for any tactical or DSC changes, for example, see the relevant MAPS fund factsheet at **www.irishlife.ie**. ILIM will continue to monitor and review these assets and may change them over time.

Irish Life MAPS Performance v Expected Range of Returns



Source: ILIM – Data is accurate as at 31 August 2026. The expected range of returns and the actual performance are both net of a 1.15% fund management charge for MAP 2 to MAP 5 Funds inclusive and a 1.05% fund management charge for MAP 6.

- The 7-year range of expected returns (95% of the time) back in August 2019.
- The actual annualised performance of MAPS funds since August 2019.

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