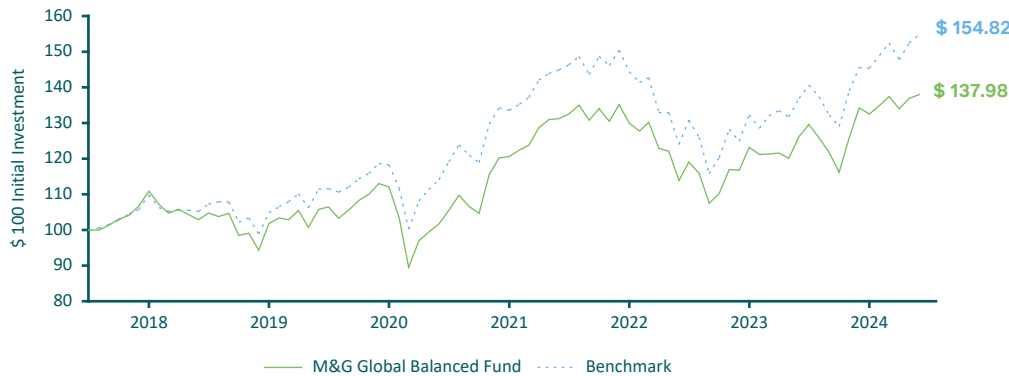


# M&G Global Balanced Fund

Global Multi Asset USD-denominated

June 2024

## Since inception cumulative performance (B Class)



## Annualised performance

|                 | B Class | Benchmark |
|-----------------|---------|-----------|
| 1 year          | 9.3%    | 13.1%     |
| 2 years         | 10.1%   | 11.7%     |
| 3 years         | 1.7%    | 2.2%      |
| 5 years         | 5.5%    | 6.7%      |
| Since inception | 4.8%    | 6.5%      |

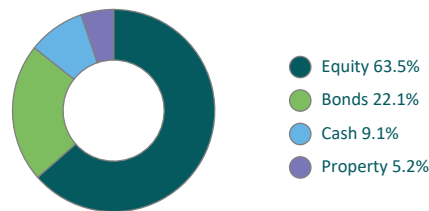
## Returns since inception<sup>1</sup>

|                           | B Class | Date        |
|---------------------------|---------|-------------|
| Highest annualised return | 38.3%   | 31 Mar 2021 |
| Lowest annualised return  | -17.8%  | 31 Oct 2022 |

## Top 10 holdings as at 30 June 2024

|   |      |
|---|------|
| 1. US Treasury Bill 160724                        | 9.6% |
| 2. US Ultra Long T-Bond Future 0924               | 3.0% |
| 3. US Treasury Bond 2.25% 150252                  | 2.5% |
| 4. US 2 Year Treasury Note Future 0924            | 2.1% |
| 5. Alphabet Inc                                   | 1.4% |
| 6. Amazon.com Inc                                 | 1.4% |
| 7. Apple Inc                                      | 1.4% |
| 8. US Treasury Inflation Index Bond 0.375% 150127 | 1.3% |
| 9. Microsoft Corp                                 | 1.3% |
| 10. Taiwan Semiconductor Manufacturing            | 1.3% |

## Asset allocation



## Risk measures

|                                  | B Class | Benchmark |
|----------------------------------|---------|-----------|
| Monthly volatility (annualised)  | 13.6%   | 12.5%     |
| Maximum drawdown over any period | -20.8%  | -23.0%    |
| % of positive rolling 12 months  | 59.7%   | 73.6%     |

## Investment options<sup>2</sup>

|                               | B Class       |
|-------------------------------|---------------|
| Minimum lump sum investment   | \$2.5 million |
| Minimum additional investment | \$1 000       |
| Minimum holding amount        | \$10 000      |

## Annual management fees

|                 | B Class |
|-----------------|---------|
| M&G Investments | 0.75%   |

## Expenses

|                                     | B Class |
|-------------------------------------|---------|
| Total Expense Ratio (TER)           | 0.99%   |
| Transaction Costs (TC) <sup>3</sup> | 0.09%   |
| Total Investment Charges (TIC)      | 1.08%   |

## Transactional information

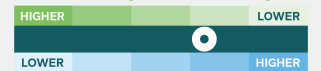
|                    |   |
|--------------------|---|
| Dealing date:      | Every business day                              |
| Settlement period: | 3 business days after the relevant dealing date |
| Cut-off times:     | 14h00 (UK time)                                 |

## Investment code

| Investment code | ISIN         | Bloomberg  |
|-----------------|--------------|------------|
| B Class         | IE00BYQDDD48 | PRUGBBA ID |

## Risk profile

◀ Risk of not earning meaningful inflation-beating returns over the long-term



Variability of returns over the short-term ▶

## Fund facts

### Fund objective

The Fund's objective is to provide investors with capital growth over the long-term by investing in a diversified portfolio of global assets.

### Investor profile

Investors seeking long-term capital growth from a diversified portfolio of global assets. The recommended investment horizon is 5 years or longer.

### Investment mandate

The Fund aims to achieve its objective by investing across a diversified portfolio of global assets. This includes exposure to equity securities (including property), cash, bonds, currencies and commodities. The Fund may invest up to 75% in equity securities (excluding property) and up to 25% in property securities. The Fund may invest in other collective investment schemes and in financial derivative instruments.

### Investment manager

M&G Investment Management Limited (UK)

### Fund managers

Craig Simpson  
Aaron Powell

### Morningstar category

Aggressive Allocation

### Benchmark

65% MSCI All Country World Index TR (Net), 5% FTSE EPRA/NAREIT Global REIT Index, 25% Bloomberg Global Aggregate Bond Index, 5% US 1m Treasury Bill

### Inception date

19 June 2017

### Fund size

USD 129.1 million

### Currency

US Dollar

### Share type

Accumulation

### Domicile

Ireland

<sup>1</sup> 12-month rolling performance figure

<sup>2</sup> The minimums apply to direct investments into the Fund. Investors can also access the Fund via leading offshore investment platforms, in which case platform minimums apply

<sup>3</sup> Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market, and FX costs (where applicable).

# M&G Global Balanced Fund

Global Multi Asset USD-denominated

June 2024

## Other information

|   |   |
|---|---|
| Alternative Investment Fund Manager (AIFM): | Waystone Management Company (IE) Limited                  |
| Distributor:                                | MandG Investments Unit Trusts (South Africa) (RF) Limited |
| Depository:                                 | State Street Custodial Services (Ireland) Limited         |
| Administrator:                              | State Street Fund Services (Ireland) Limited              |

## Fund commentary

Global stocks, as measured by the MSCI ACWI, reached an all-time high in June, driven largely by the performance of the US, and technology stocks in particular. In fixed income, developed market government bonds generally recorded positive returns, although French sovereign bonds were one notable exception. In the US, the Federal Reserve (the Fed) held rates and revised down the number of cuts it expects this year from three to one. US Q1 GDP was revised down to 1.3% from a previous reading of 1.6%, with US consumers holding back on spending, particularly on big ticket items. Meanwhile, US CPI softened to 3.3% y/y in May versus expectations of 3.4%. In the UK, CPI returned to its 2% target for the first time in almost three years, down from 2.3% y/y in April. As expected, the BOE voted to hold rates at 5.25% in June with a rate cut expected in August. Turning to the Eurozone, the ECB cut the deposit interest rate from 4.0% to 3.75%, but acknowledged that the fight against inflation was far from having been won. Eurozone CPI came in at a higher-than-expected 2.6% y/y in May, up from 2.4% in April.

China's softer-than-expected CPI rose 0.3% y/y in May, below expectations of 0.4%. Meanwhile, major Chinese property data worsened despite efforts to prop up the sector. China's robust GDP grew by 5.3%y/y in Q1 2024, beating the 4.6% estimate. In Japan, the BOJ remained cautious and patient around the timing of the next rate hike. A sharp downgrade of Q1 GDP to -2.9% from an earlier estimate of -1.8% is expected to affect the BOJ's forecasts and forthcoming rate decision. Looking at global market returns in June (in US\$), the MSCI All Country World Index delivered 2.3%, the Bloomberg Global Aggregate Bond Index returned 0.1%, while the FTSE EPRA/NAREIT Global REIT Index posted 1.2%.

Exposure to equities was the main driver of returns in June, with fixed income and property exposures also aided returns. Within equities, our core exposure to global equities identified using machine learning techniques was the main contributor to performance. Our tactical positions had a small negative impact on performance. Within the core exposure, style exposure as well as stock selection detracted from relative performance over the month. Within style, exposure to high residual volatility and smaller size companies were the key detractors to relative performance. In terms of our tactical positions, losses on a short position in the S&P 500 and holdings in Latin America and Europe/UK, slightly exceed gains from holdings in Asia ex Japan. Gains in the fixed income allocation, were mainly due to our tactical holdings in long dated US Treasuries. Our core exposure to fixed income had a negligible impact on performance. Our broad investment theme remains in place, with the fund being defensively positioned, with a long interest rate and a short credit risk bias. Credit spreads remain extremely tight and offer little value, in our view, although this month saw some weakness in French banks. Property exposure had a small positive impact on absolute returns.

## Glossary

|   |  |
|---|--|
| <b>Accumulation class</b>                       | An accumulation class does not make income distributions. Income is accrued daily in the net asset value of the class.   |
| <b>Annualised performance</b>                   | The average amount of money (total return) earned by an investment each year over a given time period. For periods longer than one year, total returns are expressed as compounded average returns on a yearly basis.  |
| <b>Cumulative performance graph</b>             | This illustrates how an initial investment of R100 or N\$100 (for example) placed into the Fund would change over time, taking ongoing fees into account, with all distributions reinvested.   |
| <b>Maximum drawdown</b>                         | The largest drop in the Fund's cumulative total return from peak to trough over any period.  |
| <b>Monthly volatility (annualised)</b>          | Also known as standard deviation. This measures the amount of variation or difference in the monthly returns on an investment. The larger the annualised monthly volatility, the more the monthly returns are likely to vary from the average monthly return (i.e. the more volatile the investment).  |
| <b>Percentage of positive rolling 12 months</b> | The percentage of months, since inception, that the Fund has shown a positive return over a rolling 12-month period.   |
| <b>Total Expense Ratio (TER)</b>                | This shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated for the year to the end of the most recent completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.                    |
| <b>Transaction Costs (TC)</b>                   | The percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER. |
| <b>Total Investment Charges (TIC)</b>           | The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expenses, these costs (the TER, TC & TIC) should not be deducted from the fund returns.   |
| <b>Unit class</b>                               | M&G's funds are offered in different unit classes to allow different types of investors (individuals and institutions) to invest in the same fund. Different investment minimums and fees apply to different unit classes.   |

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## Invest now

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## Disclaimer

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