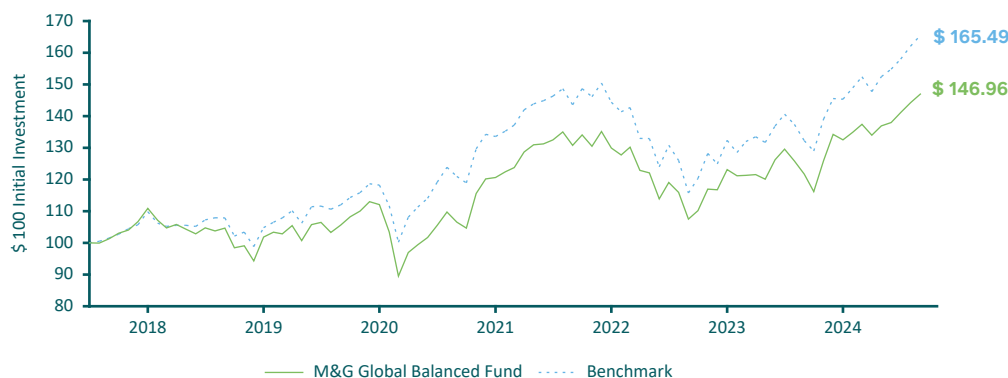


M&G Global Balanced Fund

Global Multi Asset USD-denominated

September 2024

Since inception cumulative performance (B Class)



Annualised performance

| | B Class | Benchmark |
|-----------------|---------|-----------|
| 1 year | 20.7% | 25.1% |
| 2 years | 16.9% | 19.5% |
| 3 years | 4.0% | 4.8% |
| 5 years | 6.8% | 8.0% |
| 7 years | 5.5% | 7.2% |
| Since inception | 5.5% | 7.2% |

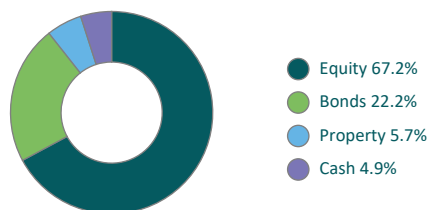
Returns since inception¹

| | 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 September 2024

| | |
|--|------|
| 1. US Treasury Bill 101024 | 5.9% |
| 2. US Dollar Cash | 5.7% |
| 3. US Ultra Long T-Bond Future 1224 | 2.9% |
| 4. US Treasury Bond 2.25% 150252 | 2.4% |
| 5. US 2 Year Treasury Note Future 1224 | 2.0% |
| 6. Hong Kong Dollar Cash | 1.5% |
| 7. Apple Inc | 1.4% |
| 8. Microsoft Corp | 1.1% |
| 9. FTSE/MIB Index Future 1224 | 1.1% |
| 10. Taiwan Semiconductor Manufacturing | 1.1% |

Asset allocation



Risk measures

| | B Class | Benchmark |
|----------------------------------|---------|-----------|
| Monthly volatility (annualised) | 13.4% | 12.3% |
| Maximum drawdown over any period | -20.8% | -23.0% |
| % of positive rolling 12 months | 61.3% | 74.7% |

Investment options²

| | 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) | 0.88% |
| Transaction Costs (TC) | 0.14% |
| Total Investment Charges (TIC) | 1.02% |

Transactional information

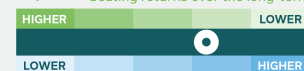
| | |
|--------------------|---|
| Dealing date: | Every business day |
| Settlement period: | 3 business days after the relevant dealing date |
| Cut-off times: | 14h00 (UK time) |

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 137.8 million

Currency

US Dollar

Share type

Accumulation

Domicile

Ireland

¹ 12-month rolling performance figure

² 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

³ 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

September 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 equities as measured by the MSCI ACWI Index recorded a positive total return in September, boosted by a bumper rate cut in the US and a package of stimulus measures announced by China. US Treasuries and eurozone bonds also enjoyed gains on the back of rate cuts and the prospect of more to come. Most major stock markets started the month on the back foot, dragged lower by a sell-off in technology stocks and disappointing manufacturing and employment data out of the US. However, investor sentiment improved after US CPI fell to 2.5% y/y for August (down from 2.9% in July) and the US Federal Reserve (Fed) delivered a 50 bps interest rate cut – the first rate cut since March 2020. While a rate cut was widely anticipated, the magnitude of the cut came as a surprise. Fed officials expect the benchmark interest rate to drop another 50 basis points by the end of the year, and a full percentage point in 2025. In the UK, the BoE kept its Bank Rate at 5% at its September meeting, a decision that was largely anticipated as part of their efforts to bring CPI inflation back to the 2% target level. Monetary policy has been focused on eliminating persistent inflationary pressures to achieve this goal in a timely and sustainable manner. Turning to the Eurozone, CPI inflation dropped to 2.2% y/y in August, down from 2.6% in July. As anticipated, the ECB cut rates in September, reducing the interest rates on main refinancing operations and the marginal lending facility to 3.65% and 3.90%, respectively.

Towards the end of the month the People's Bank of China (PBOC) announced a raft of stimulus measures to shore up a flailing economy, leading to a surge in Chinese and China-exposed stocks. The PBOC cut the rate on one-year medium-term lending facility (MLF) loans to some financial institutions to 2% from 2.3%. China's August CPI inflation came in at 0.6%, below the forecasted 0.7%. China's economy is showing signs of a modest recovery, but a slow start to the second half of the year is increasing pressure on the world's second-largest economy to implement additional policies. Looking at global market returns in September (in US\$), the MSCI All Country World Index delivered 2.4%, the Bloomberg Global Aggregate Bond Index returned 1.7%, while the FTSE EPRA/NAREIT Global REIT Index posted 3.3%.

Exposure to equities was the main contributor to gains in September. Fixed income and property exposure also aided performance. Within equities, our core exposure to global equities identified using machine learning techniques was the main contributor to performance, supported by tactical positions. Within the core portfolio, much of the differentiated price action occurred in small and mid-cap names, with our gains from overweight allocation offsetting stock selection losses. In terms of sectors, our constrained portfolio construction led to marginal gains from consumer staples and healthcare stocks, and losses in information technology and consumer discretionary stocks. The core portfolio's overweight in China contributed to relative performance. In terms of our tactical positions, exposure to Asia ex Japan (particularly China and Hong Kong) was the main driver of returns. Short exposure to the S&P 500 Index (which is part of a relative value trade) cost some performance. Gains in the fixed income allocation were mainly due to our core exposure. The core portfolio's overweight duration position has moved lower, with markets pricing in an aggressive easing cycle in the US, which would be more suited to a significant deterioration in economic growth. The Fed's ability to front load cuts may be limited by key event risks such as the US elections and escalating conflict in the Middle East, making the November meeting as uncertain as September. We continue to expect a slowdown in growth alongside a period of consistent monetary easing, however favour being long rates in countries such as the UK and Australia, where less has been priced in. To put the size of the US yield move and our positioning adjustment into perspective, the portfolio was 1.0 years long US duration at the end of June, and is 0.2 years long now. The 10-year Treasury yield has moved just over 60 bps lower over that period. The portfolio is neutral on EUR duration and long GBP and AUD. We have a preference for curve steepening trades, which are positive from a carry perspective. Activity wise, we switched some exposure out of German bonds and into Australian government bonds and carried out a relative value trade on the US Treasury curve. In emerging markets, from a duration perspective, the portfolio is broadly in line with the benchmark; the majority of overweight positions are in Latin America (Uruguay) as well as Indonesia. Given positive performance in Peru, the portfolio has reduced duration there. In terms of currency exposures, the portfolio's largest, active, single currency exposure is in the yen, which traded between the 140-145 level versus the dollar through most of September. In emerging market FX, the main long positions are in the Indonesian rupiah and select currencies across Latin America. In terms of our tactical positions, our holdings in US Treasuries were the main contributor to performance.

Glossary

| | |
|---|--|
| Accumulation class | An accumulation class does not make income distributions. Income is accrued daily in the net asset value of the class. |
| Annualised performance | 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. |
| Cumulative performance graph | 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. |
| Maximum drawdown | The largest drop in the Fund's cumulative total return from peak to trough over any period. |
| Monthly volatility (annualised) | 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). |
| Percentage of positive rolling 12 months | The percentage of months, since inception, that the Fund has shown a positive return over a rolling 12-month period. |
| Total Expense Ratio (TER) | 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. |
| Transaction Costs (TC) | 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. |
| Total Investment Charges (TIC) | 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. |
| Unit class | 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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