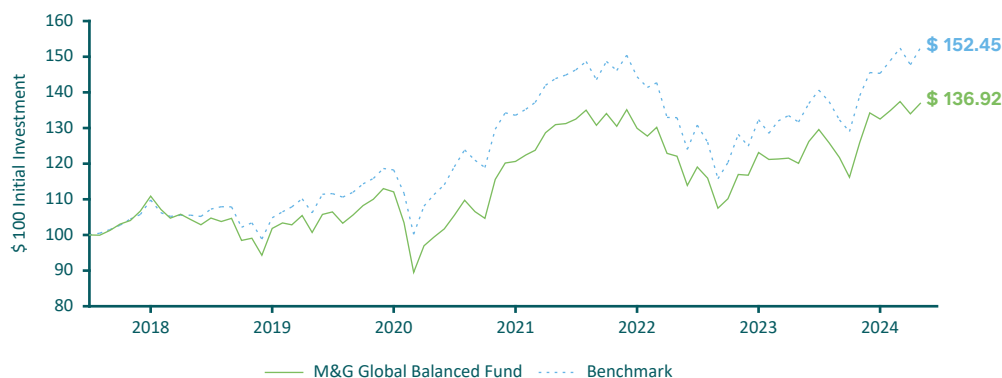


M&G Global Balanced Fund

Global Multi Asset USD-denominated

May 2024

Since inception cumulative performance (B Class)



Annualised performance

	B Class	Benchmark
1 year	14.0%	15.8%
2 years	5.9%	7.1%
3 years	1.5%	1.9%
5 years	6.3%	7.4%
Since inception	4.7%	6.3%

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 31 March 2024

1. US Treasury Bill 180424	14.7%
2. Hang Seng Index Future 0424	4.1%
3. US Ultra Long T-Bond Future 0624	3.0%
4. US Treasury Bond 2.25% 150252	2.4%
5. US 2 Year Treasury Note Future 0624	2.3%
6. FTSE 100 Index Future 0624	2.2%
7. Euro Stoxx Bank Future 0624	2.2%
8. US Dollar Cash	2.0%
9. US Treasury Inflation Index Bond 0.375% 150127	1.6%
10. HSCFI Index Future 0424	1.0%

Risk measures

	B Class	Benchmark
Monthly volatility (annualised)	13.7%	12.6%
Maximum drawdown over any period	-20.8%	-23.0%
% of positive rolling 12 months	59.2%	73.2%

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)	0.96%
Transaction Costs (TC) ³	0.09%
Total Investment Charges (TIC)	1.05%

Transactional information

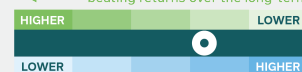
Dealing date:	Every business day
Settlement period:	3 business days after the relevant dealing date
Cut-off times:	14h00 (UK time)

Asset allocation



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 126.4 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).

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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 (the MSCI ACWI) reached an all-time high in May, recovering strongly from their losses in April. The performance of developed market sovereign bonds, however, was more mixed. Whilst 10-year US Treasury yields fell, eurozone sovereign bond yields rose. Early on in the month, lower-than-expected US non-farm payrolls for April reignited some hopes that US Federal Reserve (Fed) interest rate cuts may be back on the table. In particular, Fed Chair Powell commented that it was "unlikely" the next move would be a hike. Although they lost ground towards the end of the month, US Treasuries recorded gains overall in May. In the UK, the economy emerged from recession with Q1 2024 GDP growth coming in at 0.6%, the largest expansion in almost three years. Meanwhile, the BoE kept rates unchanged at its May meeting. UK CPI printed at 2.3% y/y for April, the lowest rate since September 2021. Turning to the Eurozone, GDP growth rebounded slightly with a 0.3% expansion in Q1 2024. Eurozone CPI held steady at 2.4% y/y in April, in line with forecasts. Markets now expect the ECB to cut rates three times this year, with the first cut expected in June.

China's CPI increased for the third month in a row, printing at 0.3% y/y in April and indicating strengthening consumer demand. The economy grew by 5.3% y/y in Q1 2024, beating the 4.6% estimate. China's exports and imports returned to growth in April, suggesting that government stimulus is taking effect. In Japan, the economy contracted by an annualised 2.0% in Q1 2024 on weak private consumption. CPI slowed to 2.2% y/y in April, down from 2.7% in March. Looking at global market returns in May (in US\$), the MSCI All Country World Index delivered 4.1%, the Bloomberg Global Aggregate Bond Index returned 1.3%, while the FTSE EPRA/NAREIT Global REIT Index posted 4.0%.

Exposures to equities and fixed income were the main contributors to returns for the month. Property exposure 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 were also beneficial to performance. Within the core exposure, style and stock selection were both modest contributors over the month. The fund's industry exposure detracted from performance despite tight active exposure limits; more specifically, active exposures to US software and emerging market technology stocks both detracted, despite the modest size of the overweight positions. Within style, the portfolio's exposure to high residual volatility and smaller size companies contributed to performance, but was partly offset by an underweight in companies with higher profitability. In terms of tactical positions, value lost by a short position in the S&P 500 was offset by positive returns from exposure to Asia ex Japan within our tactical fund holdings. Gains in the fixed income allocation were mainly due to the performance of the core exposure. As 2024 progresses, we continue to believe that the main opportunity remains in duration. We think the more likely scenario for this year is not a soft landing, but a slowdown followed by central banks cutting interest rates. Therefore we want to be exposed to government bonds and longer in interest rate duration, which we would expect to perform well in such a scenario. Conversely, we continue to seek to position the portfolio more defensively in credit and risk markets. This month we participated in a number of relative value trades in US Treasury bonds and UK gilts. We also sold EDF bonds and purchased French government bonds in a relative value trade. In credit markets, we purchased a Swisscom new issue. The fund also made purchases in Uruguay, South Africa, Japan and Brazil sovereign bonds. In terms of our tactical positions, our holdings 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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Disclaimer

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