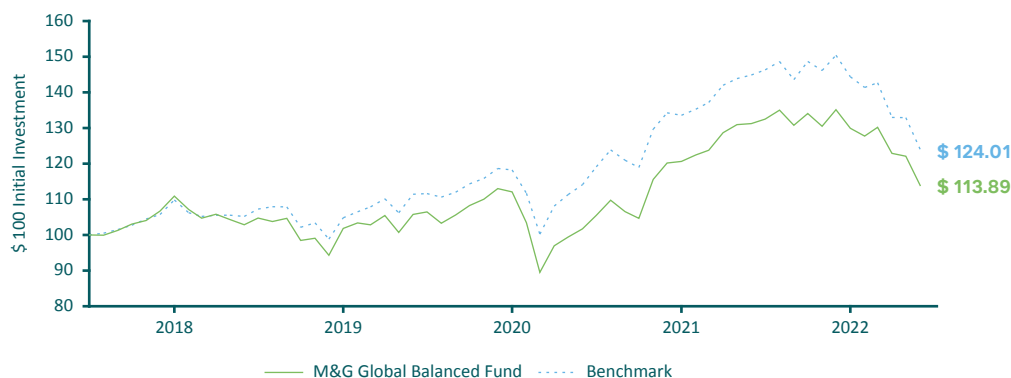


# M&G Global Balanced Fund

Global Multi Asset USD-denominated

June 2022

## Since inception cumulative performance (B Class)



## Annualised performance

	B Class	Benchmark
1 year	-13.2%	-14.4%
2 years	5.8%	4.3%
3 years	2.5%	3.6%
Since inception	2.7%	4.5%

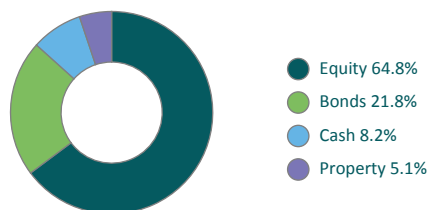
## Returns since inception<sup>1</sup>

	B Class	Date
Highest annualised return	38.3%	31 Mar 2021
Lowest annualised return	-13.2%	30 Jun 2022

## Top holdings as at 30 June 2022

1. US Dollar Cash	4.6%
2. Microsoft Corp	2.3%
3. US Treasury Bill 010922	2.2%
4. US Treasury Bond 2.25% 150252	2.1%
5. Apple Inc	1.7%
6. US Treasury Bill 280722	1.7%
7. People's Republic of China Bond 3.01% 130528	1.6%
8. UnitedHealth Group	1.1%
9. Alphabet Inc	1.0%
10. Greencoat UK Wind Plc	0.9%

## Asset allocation



## Risk measures

	B Class	Benchmark
Monthly volatility (annualised)	13.7%	12.0%
Maximum drawdown over any period	-20.8%	-17.6%
% of positive rolling 12 months	62.5%	81.3%

## 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)	1.00%
Transaction Costs (TC) <sup>3</sup>	0.06%
Total Investment Charges (TIC)	1.06%

## Transactional information

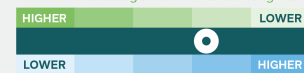
Dealing date:	Every business day
Settlement period:	3 business days after the relevant dealing date
Cut-off times:	14h00 (UK time)

## 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

### Morningstar category

Flexible 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 39.7 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 2022

## Other information

Alternative Investment Fund Manager (AIFM):	KBA Consulting Management 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 equity and bond market returns were broadly negative in June, reflecting growing investor concern that surging inflation and aggressive monetary tightening by major central banks could tip the global economy into recession. Added to this, the Russia-Ukraine war showed little sign of abating, contributing to further spikes in energy prices. In the US, the Federal Reserve (the Fed) increased its federal funds rate by 75bps to a range of 1.5%-1.75% in June, above market forecasts of a 50bp hike. US CPI accelerated to 8.6% y/y in May, the highest reading since December 1981, and above the market consensus of 8.3%. Meanwhile, policymakers revised their growth outlook meaningfully lower in June, with the US economy now expected to expand 1.7% in 2022 (from 2.8%), 1.7% for 2023 (from 2.2%) and 1.9% for 2024 (from 2%). Fed Chairman Jerome Powell acknowledged that steep interest rate hikes may cause a recession in the US, and that avoiding it mostly depended on factors beyond the Fed's control. In the UK, the Bank of England raised its key bank rate by 25bps to 1.25% in June as consumer inflation increased to 9.1% y/y in May. Policymakers expect inflation to exceed 11% y/y in October, while GDP growth is forecast to slow sharply. Turning to the Eurozone, annual inflation increased to a new record high of 8.6% in June, from 8.1% in May. In keeping with previous guidance, the ECB signalled it would soon hike interest rates by 25 bps after discontinuing its net asset purchases. Meanwhile, the growth outlook for the block was revised lower to 2.8% for 2022 and 2.1% for 2023.




In China, signs of a gradual economic recovery began to emerge after the government started lifting its "Zero-Covid" lockdown restrictions earlier in the year. Manufacturing PMI climbed to 51.7 in June from 48.1 in May, while non-manufacturing PMI surged to 54.7 in June from 47.8 in May. In Japan, the Bank of Japan (BoJ) left its key short-term interest rate unchanged at -0.1% and its 10-year bond yields around 0% in June. The decision was widely expected; however, it leaves the BoJ's ultra-easy policy at odds with other major central banks. Looking at global market returns (in US\$), the MSCI All Country World Index delivered -8.4%, the Bloomberg Global Aggregate Bond Index returned -3.2%, while the FTSE EPRA/NAREIT Global REIT Index posted -8.3%.

Exposures to broad global equities, US equities and European value stocks detracted from performance in June. Chinese equities made a positive contribution. In terms of fixed income, exposures to European corporate bonds and emerging market hard currency bonds dragged on performance.

## 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 placed into the Fund would change over time, taking ongoing fees into account.
<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>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

An electronic copy of this document is available at [www.mandg.co.za](http://www.mandg.co.za)

## Disclaimer

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