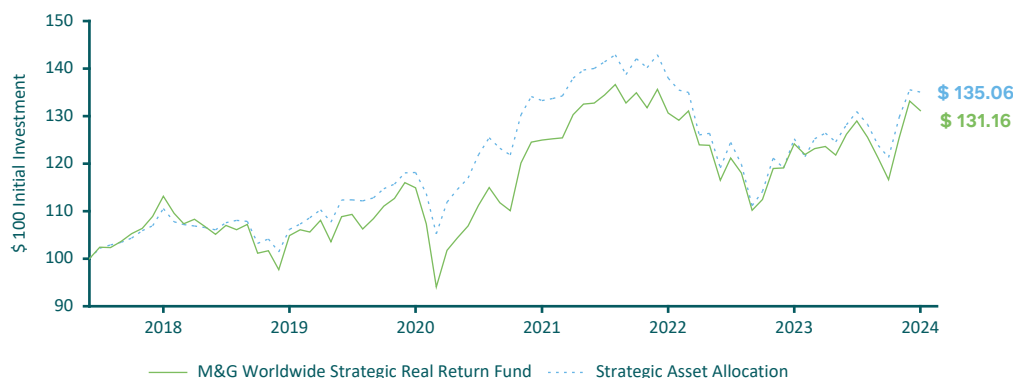


# M&G Worldwide Strategic Real Return Fund

Global Multi Asset USD-denominated

January 2024

## Since inception cumulative performance (C Class)



## Annualised performance

	C Class	SAA
1 year	5.6%	7.8%
2 years	0.2%	-1.1%
3 years	1.6%	0.4%
5 years	4.6%	4.9%
Since inception	4.2%	4.7%

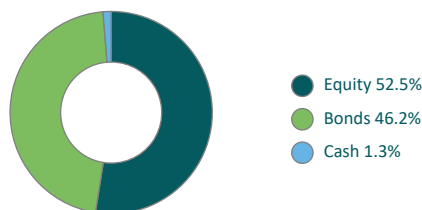
## Returns since inception<sup>1</sup>

	C Class	Date
Highest annualised return	33.4%	31 Mar 2021
Lowest annualised return	-17.0%	30 Sep 2022

## Top 10 holdings as at 31 December 2023

1. US 2 Year Treasury Note Future 280324	6.4%
2. US Treasury Bill 250124	5.0%
3. US Treasury Bond 2.25% 150252	3.5%
4. US Ultra Long T-Bond Future 190324	3.4%
5. Euro Stoxx 50 Index Future 150324	2.9%
6. FTSE 100 Index Future 150324	2.6%
7. US Inflation-Indexed Note 0.375% 150127	2.1%
8. US Treasury Note 4.125% 151132	1.5%
9. UK Gilt Bond 4.125% 290127	1.4%
10. US Treasury Bond 3.0% 151144	1.3%

## Asset allocation



## Risk measures

	C Class	SAA
Monthly volatility (annualised)	12.7%	10.5%
Maximum drawdown over any period	-19.4%	-22.2%
% of positive rolling 12 months	61.8%	72.1%

## Investment options

	C Class
Minimum lump sum investment	\$5 million
Minimum additional investment	\$1 000
Minimum holding amount	\$10 000

## Annual management fees

	C Class
M&G Investments <sup>2</sup>	0.65%

## Expenses

	C Class
Total Expense Ratio (TER)	0.85%
Transaction Costs (TC) <sup>3</sup>	0.09%
Total Investment Charges (TIC)	0.94%

## 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
C Class	IE00BYQDDQ76	PRUSCA ID

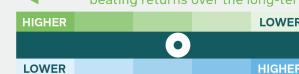
<sup>1</sup> 12-month rolling performance figure

<sup>2</sup> Class C ACC Shares will only be available to clients of M&G Investments Southern Africa (M&G SA) or its subsidiaries where M&G SA or its subsidiaries have been appointed as investment manager.

<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).

## 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 investment objective of the Fund is to provide long-term capital growth while preserving capital over the medium term.

### Investor profile

Investors seeking long-term capital growth while preserving capital over the medium term.

### 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 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

Flexible Allocation

### Strategic asset allocation

50% MSCI All Country World Index TR (Net), 48% Bloomberg Global Aggregate Bond Index, 2% US 1m Treasury Bill

### Inception date

19 June 2017

### Fund size

USD 69.9 million

### Currency

US Dollar

### Share type

Accumulation

### Domicile

Ireland

# M&G Worldwide Strategic Real Return Fund

Global Multi Asset USD-denominated

January 2024

## 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

Financial assets had a mixed month in January, which was a stark contrast to the sharp rally seen in the final two months of 2023. On the one hand, the S&P 500 Index reached an all-time high, but on the fixed income front, there was some weakness in DM sovereign bonds, most notably UK gilts, as investors pushed out their expectations for rate cuts beyond Q1. Economic news out of the US was broadly positive, even as Fed Chairman Jerome Powell's remarks on rate cuts were cautionary, saying it was better to be "too late" with reductions than too early, in the fight against inflation. US Q4 GDP came in at a better-than-expected 3.3% (q/q, annualised), averting fears of a recession, while US inflation ticked up to 3.4% y/y in December from 3.1% y/y in November. In the UK, the Bank of England held interest rates steady at its February meeting, but finally indicated that it foresaw rate cuts in 2024. UK inflation inched up to 4.0% y/y in December from November's 3.9% y/y. The European Central Bank also left interest rates unchanged at a record high 4%, but was less clear about the prospects for lower interest rates. Seasonally adjusted Q4 GDP grew by 0.1% y/y, and was flat compared with Q3.

In China, the pace of the equity market sell-off accelerated amid ongoing uncertainty around economic growth, triggering new stimulus from the authorities. The PBOC lowered bank reserve requirements, while funding was injected into the capital market to stabilise conditions. Additional fiscal spending is also expected to further stimulate growth. China's Q4 GDP grew 5.2% y/y (versus Q3's 4.9%), hitting the government's target for 2023. Looking at global market returns in January (in US\$), the MSCI All Country World Index delivered 0.6%, the Bloomberg Global Aggregate Bond Index returned -1.4%, while the FTSE EPRA/NAREIT Global REIT Index posted -4.0%.

In January, fixed income exposure was the main drag on performance. Equity positions overall also held back returns. In the core fixed income allocation, performance was hurt by the long duration position. We still think the main opportunity remains in duration and are comfortable retaining a long position here. To us, the more likely scenario for this year is a slowdown followed by central banks cutting rates. In terms of our tactical positions, the main detractor from returns was US Treasuries. Within equities, our core equity exposure that includes stocks identified using machine learning techniques detracted from performance. Style continued to be the dominant driver of returns as exposures to high beta, low momentum, high residual volatility and smaller cap companies all hurt performance. Stock selection had a positive contribution over the month. In terms of our tactical positions, emerging market stocks in Latin America, Asia (in general) and China/Hong Kong (in particular), were the main drag on performance. A short position in the S&P 500 Index was also detrimental to performance. Conversely, holdings in US financials, European and Japanese shares were beneficial to 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 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>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.

## Contact us

✉ info@mandg.co.za

🌐 mandg.co.za

📞 0860 105 775

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

## Disclaimer

The information does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act of South Africa. The use or reliance on this information is at the users' own risk. Independent professional financial advice should always be sought before making an investment decision. The M&G (South Africa) Global Funds (ICAV ("the ICAV") full prospectus and the underlying Fund's supplement is available free of charge from the ICAV or at <http://www.mandg.co.za>. Any offering is made only pursuant to the relevant offering document, together with the current financial statements of the relevant fund, the statement of similarities and differences and the relevant subscription, application forms, all of which must be read in their entirety together with the prospectus and supplements. No offer to purchase will be made or accepted prior to receipt by the offeree of these documents, and the completion of all appropriate documentation. Collective Investment Schemes (CIS) Funds are generally medium-to long-term investments. Past performance is not necessarily a guide to future investment performance. The Fund's prices are calculated on a net asset value basis, which is the total market value of all assets in the fund including any income accruals and less any deductible expenses such as audit fees, brokerage, and service fees, and is traded at the ruling forward price of the day. The Fund may borrow up to 10% of the Fund's value, and it may also lend up to 50% of the scrip (proof of ownership of an investment instrument) that it holds to earn additional income. A fund may consist of different fund classes that are subject to different fees and charges. All fees are stated in the prospectus. The AIFM may, at its discretion, close the Fund to new investors and to additional investments by existing investors to make sure that it is managed in accordance with its mandate. The AIFM makes no guarantees as to the capital invested in the Fund or the returns of the Fund. The Fund may hold foreign securities including foreign CIS funds. As a result, the Fund may face material risks. The volatility of the Fund may be higher, and the liquidity of the underlying securities may be restricted due to relative market sizes and market conditions. The Fund's ability to settle securities and to repatriate investment income, capital, or the proceeds of sales of securities may be adversely affected for multiple reasons including market conditions, macro-economic and political circumstances. Further, the return on the security may be affected (positively or negatively) by the difference in tax regimes between the domestic and foreign tax jurisdictions. The availability of market information and information on any underlying sub-funds may be delayed. Fund prices are published daily on the M&G website. These are also available upon request. The performance is calculated for the fund. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and withholding tax. Purchase and repurchase requests must be received by AIFM by 14h00 (UK Time) each business day.