fund objective:
The investment objective of the Fund is to outperform global inflation while preserving capital over the medium term.

Investor Profile:
Investors seeking to preserve their capital from the detrimental effects of inflation over time by investing in a diversified portfolio of global assets. The recommended investment horizon is 3 years or longer.

Investment Mandate:
The Fund aims to achieve its investment objective by investing across a diversified portfolio of global assets with limited exposure to assets that may be considered high risk. The Fund may invest up to 40% 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:
Marc Beckenstrater and Craig Simpson

Morningstar Category:
Moderate Allocation

Benchmark:
Global inflation

Inception Date:
9 June 2017

Fund Size:
USD 60.5 million

Currency:
US Dollar

Share Type:
Accumulation

Domicile:
Ireland

INVESTMENT OPTIONS

1. Eastspring Investments US Inv Grade Bond Fund 17.5%
2. M&G European Corporate Bond Fund 9.2%
3. Xtrackers S&P 500 Swap UCITS ETF 6.2%
4. M&G Lux Emerging Mkts Hard Currency Bond Fund 5.9%
5. iShares USD Floating Rate Bond ETF 5.4%

** As at 30 September 2020 (updated quarterly)

INVESTMENT CODES

ISIN
IE00BYQDDG78
BLOOMBERG
PRUGIBA ID

INVESTMENT OPTIONS

Minimum lump sum investment $2.5 million
Minimum additional investment $1,000
Minimum holding amount $10,000

The above 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.

TRANSACTIONAL INFORMATION

Dealing date: Every business day
Settlement period: 3 business days after the relevant dealing date
Cut-off times: 14:00 (UK time)

Sources: Prudential & Morningstar
An accumulation class does not make income distributions. Income is accrued daily in the net asset value of the class.

**PRUDENTIAL GLOBAL INFLATION PLUS FUND**

Global equity markets were broadly negative in October, as governments across the UK and Europe imposed new national lockdown restrictions in a bid to combat a second wave of Covid-19 infections. Other factors weighing on investor sentiment included the failure by the US government to launch a fourth stimulus package to help boost the economy before the Presidential election on 3 November, and concerns around the extent to which the pandemic will impact global economic growth. In the UK, Prime Minister Johnson reintroduced a nation-wide lockdown in a bid to stem rising Covid-19 infections and help alleviate mounting pressure on healthcare workers. Turning to Brexit news, traders were left with a sense of optimism that a free trade agreement between the UK and the EU could be secured by early November, however both sides still remain divided on several key issues. Meanwhile, the UK formally signed a trade agreement with Japan, marking its first significant post-Brexit deal. Elsewhere in Europe, Germany and France joined the likes of Italy and Spain after they announced new national lockdown measures to slow the rising tide of Covid-19 cases. In more positive news, the Eurozone economy grew by an annualised 12.7% in Q3, recovering from a record slump of 11.8% in the previous quarter. In China, The People’s Bank of China injected CNY120bn into the financial system to help maintain reasonable liquidity in the banking system.

Looking at global market returns (all in US$), the MSCI All Country World Index delivered -2.4%, the Bloomberg Barclays Global Aggregate Bond Index returned 0.1%, while the EPR/NA/REIT Global Property REIT Index posted -3.1%.

The main detractor from performance in October was exposure to broad global equities. Exposure to Indonesian and Chinese equities produced the largest positive equity return. In terms of fixed income, exposure to European corporate bonds and US Treasuries were the primary detractors. Property also detracted.

**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 placed into the Fund would change over time, taking ongoing fees into account.

**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. 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).

**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**

Prudential’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.