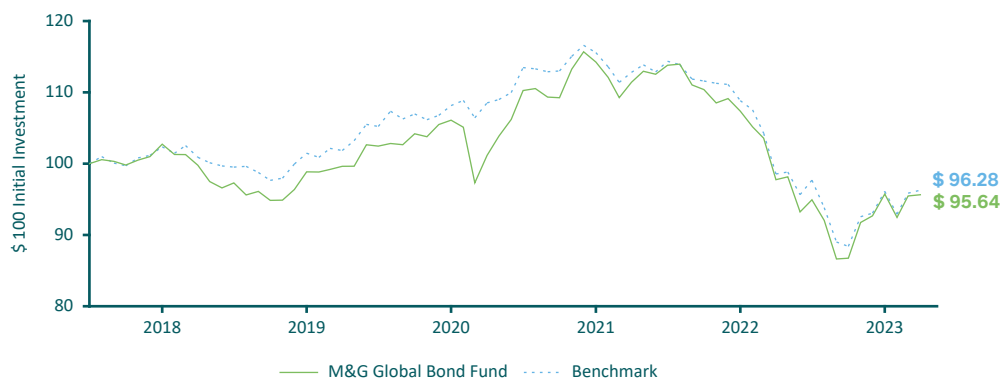


# M&G Global Bond Fund

Global Income USD-denominated

April 2023

## Since inception cumulative performance (B Class)



## Annualised performance

	B Class	Benchmark
1 year	-2.2%	-2.3%
2 years	-7.4%	-7.6%
3 years	-1.9%	-3.9%
5 years	-0.8%	-0.9%
Since inception	-0.8%	-0.7%

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

	B Class	Date
Highest annualised return	12.3%	31 Mar 2021
Lowest annualised return	-22.0%	30 Sep 2022

## Top 10 holdings as at 31 March 2023

1.	US Treasury Note 1.50% 290224	15.1%
2.	US Treasury Inflation-Indexed Note 0.375% 150127	13.8%
3.	US 2 Year Treasury Note Future 300623	9.8%
4.	US Treasury Note 4.125% 151132	4.5%
5.	Long Gilt Future 280623	3.2%
6.	Euro-OAT Bond Future 080623	2.8%
7.	US Treasury Note 0.875% 300626	2.7%
8.	US Inflation-Indexed Note 0.75% 150245	2.6%
9.	Canadian Government Bond 3.75% 010225	2.5%
10.	US Treasury Bond 3.00% 150247	2.2%

## Asset allocation



## Risk measures

	B Class	Benchmark
Monthly volatility (annualised)	8.1%	6.4%
Maximum drawdown over any period	-25.1%	-24.2%
% of positive rolling 12 months	50.0%	50.0%

## 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	0.60%

## Expenses

	B Class
Total Expense Ratio (TER)	0.74%
Transaction Costs (TC) <sup>3</sup>	0.07%
Total Investment Charges (TIC)	0.81%

## 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	IE00BYQDDJ00	PRGLBBA 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 generate investment returns through exposure to global bonds and interest-bearing instruments over the medium term.

### Investor profile

Investors seeking returns from a diversified portfolio of global debt and fixed income securities. The recommended investment horizon is 2 years (or longer when used as strategic exposure to the asset class).

### Investment mandate

The Fund aims to achieve its investment objective by investing in a diversified portfolio of global debt and fixed income 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

Jim Leaviss  
Eva Sun-Wai

### Morningstar category

Global Flexible Bond

### Benchmark

Bloomberg Global Aggregate Bond Index

### Inception date

9 June 2017

### Fund size

USD 155.6 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 Bond Fund

Global Income USD-denominated

April 2023

## 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 equities and bonds posted broadly positive returns in April as positive investor sentiment outweighed growth concerns and lingering worries over US regional bank stability. Markets were bolstered by growing expectations that the US Federal Reserve would likely pause its aggressive rate hiking cycle after an expected 25bp increase in early May, as well as generally positive company earnings results. In the US, consumer prices increased by 5% y/y in March, slower than February's 6% y/y. US GDP growth slowed to an annual rate of 1.1% in Q1 2023, down from the annual rate of 2.6% recorded in Q4 2022. This data points to a slowing economy with increasing expectations that the US will enter a recession this year. In the UK, Q1 real GDP grew at a more-robust-than-expected 1.1% q/q, while CPI rose by 10.1% y/y in March 2023, down from 10.4% in February. Turning to the Eurozone, consumer prices are decreasing rapidly, but core prices remain stubbornly high. Market expectations are for at least a 25 basis point hike by the European Central Bank in May in continued efforts to drive down inflation. Official data released late-April indicated that the eurozone eked out just 0.1% GDP growth over Q1 2023, citing high inflation and interest rates as factors dampening economic output.

Against the backdrop of sticky inflation globally, the Chinese inflation dichotomy continues. China's consumer price index increased by only 0.7% y/y (an 18-month low) in March, below the 1% expectation. The People's Bank of China continues to cut interest rates and inject cash into the financial system to bolster economic growth. China's economic recovery continues in earnest, with GDP having grown by 4.5% in Q1 2023, exceeding expectations of 4%. China appears to be on track to achieve its 5% growth target for 2023. Japan's CPI rose 3.5% y/y in April, higher than the 3.2% reported in March. In Governor Kazuo Ueda's maiden monetary policy meeting, the committee left interest rates unchanged and continued with the central bank's ultra-loose monetary policy stance. The Bloomberg Global Aggregate Bond Index (US\$) returned 0.4% in April.


During the month, the fund's US dollar duration positioning detracted as there was a sell-off in short-dated bonds. Holdings of longer-dated US dollar bonds also cost some performance as yields rose marginally. While holdings of Indonesian government bonds added value, exposure to the yen and UK gilts hampered 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>Percentage of positive rolling 12 months</b>	The percentage of months, since inception, that the Fund has shown a positive return over a rolling 12-month period.
<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

## Invest now

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.