M&G Global Target Return Fund

a sub-fund of M&G Investment Funds (11)

Annual Short Report April 2019
For the year ended 30 April 2019

Fund information

The Authorised Corporate Director (ACD) of M&G Investment Funds (11) presents its Annual Short Report for M&G Global Target Return Fund which contains a review of the fund's investment activities and investment performance during the period. The ACD's Annual Long Report and audited Financial Statements for M&G Investment Funds (11), incorporating all the sub-funds and a Glossary of terms is available free of charge either from our website at www.mandg.co.uk/reports or by calling M&G Customer Relations on 0800 390 390.

ACD

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(Authorised and regulated by the Financial Conduct Authority. M&G Securities Limited is a member of the Investment Association and of the Tax Incentivised Savings Association.)

Important information

On 8 April 2019, the Sterling Class 'PP' (Accumulation) shares were launched on both sub-funds of M&G Investment Funds (11).

On 28 September 2018, the Depositary changed from National Westminster Bank Plc to NatWest Trustee & Depositary Services Limited.

Investment objective

The fund aims to achieve a total return (the combination of income and capital growth) of at least 4% per annum above the 3-month GBP LIBOR rate, before any charges are taken, in any market conditions and over any three year period. LIBOR is the rate at which banks borrow money from each other.

The fund aims to achieve this while seeking to minimise the degree to which the value of the fund fluctuates over time (volatility), while also seeking to limit monthly losses. Managing the fund in this way reduces its ability to achieve returns significantly above 3-month GBP LIBOR plus 4%.

There is no guarantee that the fund will achieve a positive return over three years, or any other period, and investors may not get back the original amount they invested.

Investment policy

The fund has a highly flexible investment approach with the freedom to invest in different types of investment assets from anywhere in the world. The fund manager's approach combines in-depth research to determine the value of assets over the medium to long term, together with analysis of market reactions to events, to identify investment opportunities.

The fund may at any one time invest in the following asset classes: fixed income securities (including, but not limited to, corporate bonds and government and public securities) company shares, currencies, cash, near cash and deposits. The fund will mostly gain exposure to these assets by investing through derivatives, but may also invest directly, or by investing through other funds. Derivatives are financial contracts whose value is derived from an underlying asset. In cases where the fund manager believes that investment opportunities are limited to a few areas, or where available investment opportunities would add too much risk, the fund may hold a high level of cash. At any one time the geographical range of the fund may be more focused rather than globally diversified.

The fund may also invest in other transferable securities and warrants (allowing the fund manager to buy stocks for a fixed price until a certain date) which may be from anywhere in the world and denominated in any currency.

The fund may take short positions (holding derivatives with the aim of delivering a positive return when the assets they are linked to fall in value) in markets, currencies, securities, and groups of securities. The fund also has the flexibility to gain exposure to investments exceeding the net asset value of the fund in order to increase potential returns in both rising and falling markets.

Derivatives can be used to meet the fund's investment objective and for efficient portfolio management.

Fund information

Investment approach

The fund manager adopts a flexible approach to the allocation of capital between asset classes in response to changes in economic conditions and the valuation of assets, guided by a robust valuation framework. The fund manager seeks to respond to opportunities created by asset prices moving away from a reasonable sense of 'fair' value due to investors reacting emotionally to events. The blend of investments held in the fund is actively adjusted depending on where the fund manager sees the most value and to manage risks in order to limit monthly losses. The fund manager will seek to manage risk by combining diversified and relatively uncorrelated assets (which are assets affected by market conditions in different ways) and by employing derivative strategies to help protect or profit from falling markets. In cases where the fund manager believes that investment opportunities are limited to a few areas, or where the available investment opportunities would add too much risk to the fund, the fund may hold high levels of cash.

The fund manager believes that this approach has the potential to limit monthly losses to less than 3% in normal to stressed times and less than 6% in highly stressed times. The fund manager believes the fund has the potential to deliver an annualised volatility (the degree to which the value of the fund fluctuates over any 12-month period) of between 3% and 7%. The fund manager will ensure the fund's 1-month 99% VaR remains below 6%.

Risk profile

The fund invests globally in a broad range of assets, including company shares (equities), fixed income securities (bonds), currencies and other assets such as REITs, infrastructure-related securities, convertible bonds and asset-backed securities. The fund is, therefore, subject to the price volatility of global financial and currency markets.

The fund adopts a flexible approach to the allocation of capital between asset classes in response to changes in economic conditions and the valuation of assets.

Investments are mainly implemented through exchange traded derivatives and OTCs, physical assets and cash or cash equivalents.

The fund can be positioned to benefit from a rise or fall in the value of any asset class (such as company shares or bonds) at overall fund level. This means if asset prices move in the opposite direction to that expected, the fund can incur a loss.

Due to the fund's defensive nature and strong focus on risk management, the fund manager observes defined thresholds related to risk measures including volatility, monthly losses and value at risk.

Please note that the risk management policies are set out in full in the financial statements and notes sections of the Annual Long Report and audited Financial Statements of M&G Investment Funds (11).

The following table shows the risk number associated with the fund and is based on Sterling Class 'A' shares.

Low risk ← → High risk

Typically lower rewards — Typically higher rewards

1	2	3	**4**	5	6	7

The above number:

- is based on the rate at which the value of the fund has moved up and down in the past and is based on historical data so may not be a reliable indicator of the future risk profile of the fund.
- is not guaranteed and may change over time and the lowest risk number does not mean risk free.
- has not changed during this period.

Investment review

As at 1 May 2019, for the year ended 30 April 2019

Performance against objective

Between 1 May 2018 (start of the review period) and 1 May 2019, the M&G Global Target Return Fund delivered a negative return across all share classes, as market movements proved challenging for the strategy's value-based approach.

This means the fund's annualised return since its launch in December 2016 is currently below its performance target of at least 3-month LIBOR plus 4% (before any charges), albeit with the potential to deliver on its three-year investment objective.

* For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Fund performance' section of the Annual Long Report and audited Financial Statements for M&G Investment Funds (11).

To give an indication of the performance of the fund, the following table shows the compound rate of return, per annum, over the period for Sterling Class 'A' (Accumulation) shares and Sterling Class 'I' (Accumulation) shares. Calculated on a price to price basis with income reinvested.

Long-term performance

	One year 01.05.18 % [a]	Three years 03.05.16 % p.a.	Five years 01.05.14 % p.a.	Since launch % p.a.
Sterling [b]				
Class 'A'	-2.3	n/a	n/a	+1.3 [c]
Class 'I'	-2.1	n/a	n/a	+1.5 [c]

[a] Absolute basis.

[b] Price to price with income reinvested.

[c] 13 December 2016, the launch date of the fund.

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

Investment performance

The review period made for a challenging environment for the fund, as an unforeseen escalation in fears over economic growth in Europe and Asia sent developed market bond yields lower and pressured stockmarkets outside the US. This outcome was contrary to the signals provided at the time by asset class valuations, which had suggested (and continue to do so) much better multi-year returns for equities (company shares) over bonds; and also within the global stockmarket, with regions and sectors priced at low valuations continuing to underperform the global equity index.

Bonds are loans that are extended by an investor to an issuer – such as a company or government – usually in exchange for regular interest payments. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'. Bond yields refer to the interest received from a fixed income security, which is usually expressed annually as a percentage based on the investment's cost, its current market value or its face value. Bond yields typically move in the opposite direction to bond prices.

For much of 2018, the focus was on rising US interest rates but fears over global growth and financial market volatility prompted an apparent rethink both from the market and the Federal Reserve. US bond yields were rising until October, from which point they declined materially. Growth fears partly stemmed from volatile political developments including escalating trade tariffs between the US and China, uncertainty over the UK's withdrawal from the European Union (EU) and a new coalition government in Italy.

The fund has been positioned for global equities and emerging market bonds to outperform developed market government bonds on valuation grounds. However, expectations that European interest rates would remain in negative territory for longer than previously anticipated sent German and UK bond prices higher (and therefore yields lower) over the period, detracting from fund returns. This also pressured share prices for European banks, a sector we believe has the potential to offer high returns should confidence return to the economic outlook. Global equities fell sharply in late 2018 in what resembled a panic, only to reverse course in 2019. Nevertheless, many stockmarkets outside the US declined over the 12-month period, including Japan, Europe and South Korea.

Emerging markets were volatile and deemed vulnerable to rising US interest rates and a stronger US dollar, especially Turkey and Argentina, which suffered significant currency depreciations. Other emerging market countries, such as Mexico, generated more stable financial returns. Although US bond yields moved lower from October, subsequent performance from emerging market assets was mixed.

Observations on asset class valuations are necessarily multi-year in nature and provide little information about short-term returns. While fund returns over the period disappointed, decisions taken have been consistent with the approach we have outlined for managing the fund. That approach continues to emphasise two main sources of returns: (i) tactical opportunities presented by investors' emotional over-reactions to market events or news; and (ii) relative valuations between asset classes, informed by our assessment of economic conditions. Over longer time periods we remain confident such an approach can deliver satisfactory returns.

Investment activities

The fund was positioned to benefit from any potential gains from equities and, generally speaking, for developed market government bonds to fall in price (or rise in yield). However, there was some important tactical shifts in positioning.

On several occasions over the review period, we added exposure to US government bonds. This was because we felt that recent shifts in expectations for higher US interest rates had gone too far. In 2019, we believed that US bonds may provide diversification to the fund and that longer maturity bonds offered reasonable value if the Federal Reserve was not inclined to increase interest rates further in the near term. These trades were all profitable.

We added Italian government bonds in June 2018, after investors grew concerned over the formation of a new coalition government. We felt the market's response was an overreaction to events. We held this position until March 2019, with the bonds having provided a reasonably attractive level of interest during that time.

The allocation to equities was scaled back in August to reduce risk, given the increased volatility within emerging markets. We gradually built up equity exposure during the fourth quarter of 2018. During January 2019, the equity weighting including exposure through options was at its highest since inception of the fund.

Changes to currency strategy were relatively modest. The fund had significant exposure to the US dollar at the start of the period, but this was reduced in August 2018 after a period of dollar strength. Generally, the fund retained exposure to emerging market currencies with high interest rates.

Credit default swaps (CDS) and options were used periodically as a means of reducing portfolio risk. CDS are insurance-like contracts that can be bought to protect an investment portfolio when asset prices fall (for example, bonds). Options are financial contracts that offer the right, but not the obligation, to buy or sell an asset at a given price on or before a given date in the future. They offer the potential to benefit from share price rises, albeit to a lesser extent than buying actual shares, as they reduce the maximum potential loss.

Outlook

The consensus view in early 2018 was one of 'synchronised global economic growth'. In April 2019, the International Monetary Fund announced that we were now facing a 'synchronised slowdown' – a view that markets have arguably expressed for some time. Indeed, today it is easier to articulate risks to the global economy stemming from China, trade wars, rising interest rates and problems in Europe than positive factors. However, the realisation that consensus views are repeatedly and profoundly surprised is the reason our investment strategy seeks to avoid forecasting and look to exploit market overconfidence in either direction.

Global equity valuations in 2018 fell to levels similar to the first quarter of 2016 – the last time such pessimism over global growth was evident. Stockmarkets subsequently provided strong returns over the following two years. We believe today's compelling valuations for equities, as well as selected emerging market assets, should allow us to construct a portfolio that delivers higher prospective returns over the medium term. In our view, the recovery of many of the fund's pro-growth positions so far in 2019 provides some evidence for this.

Core to our approach is a belief that market volatility should be viewed as a source of opportunity provided by fluctuating markets, rather than something to fear. The combination of attractive valuation opportunities and ongoing market volatility should therefore make for an encouraging environment for our investment approach.

Please note that the asset breakdown shown below has been added for your information and was not prepared in accordance with the requirement of the Investment Association Statement of Recommended Practice for Financial Statements of UK Authorised Funds (SORP). As a consequence, the exposures shown in this table may differ from the portfolio statement holdings as they reflect the fund's overall exposure rather than the fund's balance sheet as at 30 April 2019.

The table below reflects the fund's exposure as at 30 April 2019. The long exposure shown comprises physical and derivative positions, held in the view that the underlying securities will rise in value. Short exposure comprises derivative positions, held in the view that the underlying securities will fall in value. Net exposure is the difference between the fund's long and short exposure. Please note, where securities do not perform as expected, a capital loss will be incurred by the fund.

Asset breakdown

	Long exposure %	Short exposure %	Net exposure %
Equities	**21.7**	**0.0**	**21.7**
UK	1.8	0.0	1.8
Europe	4.0	0.0	4.0
US	3.8	0.0	3.8
Japan	3.9	0.0	3.9
Asia Pacific ex Japan	7.6	0.0	7.6
Other	0.6	0.0	0.6
Equity options (nominal)	**0.0**	**0.0**	**0.0**
Government bonds	**13.3**	**-29.9**	**-16.6**
UK	0.0	-6.9	-6.9
Europe	1.6	-17.7	-16.1
US	6.0	0.0	6.0
Japan	0.0	-5.2	-5.2
Asia Pacific ex Japan	1.9	0.0	1.9
Other	3.8	0.0	3.8
Corporate bonds	**2.0**	**0.0**	**2.0**
Investment grade	2.0	0.0	2.0
High yield	0.0	0.0	0.0
Bond options (nominal)	**0.0**	**0.0**	**0.0**
Credit default swaps	**0.0**	**-48.3**	**-48.3**
Other	**3.8**	**0.0**	**3.8**
Convertible bonds	0.0	0.0	0.0
Property funds / infrastructure	0.0	0.0	0.0
Private loans	3.4	0.0	3.4
Other	0.4	0.0	0.4

Source: M&G

Equity options (nominal): The total value of all the equity options held in the fund expressed as a percentage of net asset value (NAV). **Bond options (nominal):** The total value of all the bond options held in the fund expressed as a percentage of net asset value (NAV). **Private loans:** A loan provided by a non-bank lender, generally at a specific interest rate and for a predetermined length of time.

Tristan Hanson
Fund manager

An employee of M&G Limited which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Classification spread of investments

The table below shows the percentage holding per sector.

as at 30 April	% of fund 2019	2018 [a]
EQUITIES		
Software & computer services	0.56	0.44
Pharmaceuticals & biotechnology	0.00	1.06
Banks	4.47	3.01
Finance & credit services	0.51	0.41
Equity investment instruments	1.09	0.89
Real estate investment trusts	0.41	0.45
Industrial metals & mining	1.00	0.00
Equity derivatives		
Equity futures contracts	0.15	0.39
Equity options	0.00	0.00
Equity portfolios	4.19	4.67 [a]
FIXED INCOME		
Debt securities		
'AAA' credit rated bonds	4.94	0.00
'AA' credit rated bonds	64.56	65.65
'BBB' credit rated bonds	2.86	4.38
'BB' credit rated bonds	2.77	0.80
'B' credit rated bonds	2.45	1.72
Bonds with no credit rating	0.59	0.63
Debt derivatives		
Credit default swaps	(1.38)	(1.11)
Interest rate swaps	(0.25)	(0.02)
Interest rate futures	(0.17)	(0.13)
Bond portfolios	5.19	3.18
CURRENCY		
Forward currency contracts	0.40	(0.27)
CASH EQUIVALENTS		
'AAA' rated money market funds [b]	0.00	2.84
SHARE CLASS HEDGING		
Forward currency contracts for share class hedging	0.00	0.00

[a] The comparative sector weightings have been re-analysed to reflect changes to the sector classifications.

[b] Uncommitted surplus cash is placed into 'AAA' rated money market funds with the aim of reducing counterparty risk.

Financial highlights
Fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

The following chart and tables show the performance for two of the fund's share classes – Sterling Class 'A' (Accumulation) shares and Sterling Class 'I' (Accumulation) shares.

We show performance for these two share classes because:

- The performance of the Sterling Class 'A' (Accumulation) share is what most individuals investing directly with M&G have received. It has the highest ongoing charge of all the share classes. Performance is shown after deduction of this charge. All investors in the fund therefore received this performance or better.
- The performance of the Sterling Class 'I' (Accumulation) share is the most appropriate to compare with the average performance of the fund's comparative sector. It is the share class used by the Investment Association in the calculation of the comparative sector's average performance. This share class is available for direct investment with M&G subject to minimum investment criteria, or via third parties who may charge additional fees. The performance shown takes the deduction of the ongoing charge for this share class into account but it does not take account of charges applied by any other party through which you may have invested.

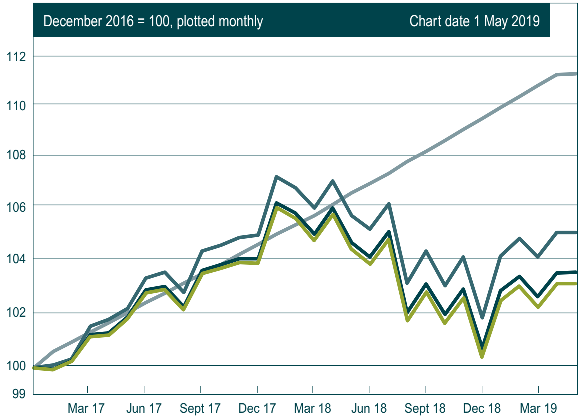
The fund is available for investment in different share classes, each with varying levels of charges and minimum investments; please refer to the Prospectus for M&G Investment Funds (11), which is available free of charge either from our website at www.mandg.co.uk/prospectuses or by calling M&G Customer Relations. For the specific performance tables of all share classes, please refer to the Annual Long Report and audited Financial Statements for M&G Investment Funds (11), which is available free of charge either from our website at www.mandg.co.uk/reports or by calling M&G Customer Relations.

Fund net asset value

as at 30 April	2019 £'000	2018 £'000	2017 £'000
Fund net asset value (NAV)	97,276	93,593	58,032

Performance since launch

To give an indication of how the fund has performed since launch, the chart below shows total return of Sterling Class 'A' (Accumulation) shares and Sterling Class 'I' (Accumulation) shares.



Sterling Class 'A' (Accumulation) shares (net of OCF)*
Sterling Class 'I' (Accumulation) shares (net of OCF)*
M&G Global Target Return Fund Sterling (gross of OCF)*
3-month GBP LIBOR +4%

* Income reinvested

The past performance shown here is for returns before the ongoing charges figure is taken (gross of OCF) as well as returns after the ongoing charges figure is taken (net of OCF).

Source: Morningstar, Inc. and M&G

Financial highlights

Fund performance

To give an indication of how the fund has performed during the period the tables below show the performance of Sterling Class 'A' (Accumulation) shares and Sterling Class 'I' (Accumulation) shares.

All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

Historic yields for the current year are calculated as at 10 May 2019.

Sterling Class 'A' Accumulation share performance

The share class was launched on 13 December 2016.

for the year to 30 April **Change in NAV per share**	**2019** **UK p**	**2018** **UK p**	**2017** **UK p**
Opening NAV	105.67	100.72	100.00
Return before operating charges and after direct portfolio transaction costs	(1.72)	5.94	1.15
Operating charges	(0.95)	(0.99)	(0.43)
Return after operating charges	(2.67)	4.95	0.72
Distributions	(0.58)	(0.47)	(0.13)
Retained distributions	0.58	0.47	0.13
Closing NAV	103.00	105.67	100.72
Direct portfolio transaction costs	**UK p**	**UK p**	**UK p**
Costs before dilution adjustments	0.03	0.03	0.02
Dilution adjustments *[a]*	0.00	0.00	(0.02)
Total direct portfolio transaction costs	0.03	0.03	0.00
Performance and charges	**%**	**%**	**%**
Direct portfolio transaction costs *[b]*	0.03	0.03	0.00
Operating charges	0.92	0.92	1.05*
Return after operating charges	-2.53	+4.91	+0.72
Historic yield	0.59	0.43	0.13
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (£'000)	1,393	1,027	101
Closing NAV percentage of total fund NAV (%)	1.43	1.10	0.17
Number of shares	1,352,631	971,496	100,000
Highest share price (UK p)	105.62	106.16	101.42
Lowest share price (UK p)	99.77	101.23	99.23

* The operating charge shown is an estimate of the charges, as the share class had not been in existence for a full financial year.

Sterling Class 'I' Accumulation share performance

The share class was launched on 13 December 2016.

for the year to 30 April **Change in NAV per share**	**2019** **UK p**	**2018** **UK p**	**2017** **UK p**
Opening NAV	105.90	100.79	100.00
Return before operating charges and after direct portfolio transaction costs	(1.76)	5.88	1.16
Operating charges	(0.74)	(0.77)	(0.37)
Return after operating charges	(2.50)	5.11	0.79
Distributions	(0.74)	(0.63)	(0.20)
Retained distributions	0.74	0.63	0.20
Closing NAV	103.40	105.90	100.79
Direct portfolio transaction costs	**UK p**	**UK p**	**UK p**
Costs before dilution adjustments	0.03	0.03	0.02
Dilution adjustments *[a]*	0.00	0.00	(0.02)
Total direct portfolio transaction costs	0.03	0.03	0.00
Performance and charges	**%**	**%**	**%**
Direct portfolio transaction costs *[b]*	0.03	0.03	0.00
Operating charges	0.72	0.71	0.87*
Return after operating charges	-2.36	+5.07	+0.79
Historic yield	0.75	0.59	0.20
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (£'000)	40,704	43,240	10,643
Closing NAV percentage of total fund NAV (%)	41.84	46.20	18.34
Number of shares	39,365,709	40,829,400	10,560,541
Highest share price (UK p)	105.86	106.36	101.48
Lowest share price (UK p)	100.10	101.30	99.25

* The operating charge shown is an estimate of the charges, as the share class had not been in existence for a full financial year.

[a] In respect of direct portfolio transaction costs.

[b] As a percentage of average net asset value.

Operating charges and portfolio transaction costs

We explain below the payments made to meet the ongoing costs of investing and managing the fund, comprising operating charges and portfolio transaction costs.

Operating charges

Operating charges include payments made to M&G and to providers independent of M&G:

- **Investment management:** Charge paid to M&G for investment management of the fund (also known as Annual Management Charge).
- **Administration:** Charge paid to M&G for administration services in addition to investment management – any surplus from this charge will be retained by M&G.
- **Share class hedging:** Charge paid to M&G for currency hedging services to minimise exchange rate risk for the share class.
- **Oversight and other independent services:** Charges paid to providers independent of M&G for services which include depositary, custody and audit.
- **Ongoing charges from underlying funds:** Ongoing charges on holdings in underlying funds that are not rebated.

Operating charges do not include portfolio transaction costs or any entry and exit charges (also known as initial and redemption charges). The charging structures of share classes may differ, and therefore the operating charges may differ.

Operating charges are the same as the ongoing charges shown in the Key Investor Information Document, other than where an estimate has been used for the ongoing charge because a material change has made the operating charges unreliable as an estimate of future charges.

For this fund there is no difference between operating charges and ongoing charges figures, unless disclosed under the specific share class performance table.

Portfolio transaction costs

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange and method of execution. They are made up of direct and indirect portfolio transaction costs:

- **Direct portfolio transaction costs:** Broker execution commission and taxes.
- **Indirect portfolio transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

Investments are bought or sold by a fund when changes are made to the investment portfolio and in response to net flows of money into or out of the fund from investors buying and selling shares in the fund.

To protect existing investors, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive. The table below shows direct portfolio transaction costs paid by the fund before and after that part of the dilution adjustment relating to direct portfolio transaction costs. To give an indication of the indirect portfolio dealing costs the table also shows the average portfolio dealing spread.

Further information on this process is in the Prospectus, which is available free of charge on request either from our website at www.mandg.co.uk/prospectuses or by calling M&G Customer Relations.

Portfolio transaction costs

for the year to 30 April Direct portfolio transaction costs [b]	2019 %	2018 %	2017 %	Average [a] %
Broker commission	0.02	0.02	0.01	0.02
Taxes	0.01	0.01	0.00	0.01
Costs before dilution adjustments	0.03	0.03	0.01	0.03
Dilution adjustments [c]	0.00	0.00	(0.01)	0.00
Total direct portfolio transaction costs	0.03	0.03	0.00	0.03
as at 30 April Indirect portfolio transaction costs	**2019 %**	**2018 %**	**2017 %**	**Average [a] %**
Average portfolio dealing spread	0.12	0.11	0.21	0.15

[a] Average of first three columns.

[b] As a percentage of average net asset value.

[c] In respect of direct portfolio transaction costs. Please see the section above this table for an explanation of dilution adjustments.

Contact

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