

M&G Global Listed Infrastructure Fund - Sterling Class I

Monthly Fund Review as at 30 September 2018

For investment professionals only



Highlights

- It was a mixed month for global equities and for listed infrastructure as the market disposition shifted from 'risk-off' to 'risk-on', causing swings in sectoral performance
- Market sentiment turned against perceived interest-sensitive stocks, causing weakness in REITs CoreSite and Ventas. On the flipside, Orsted delivered a strong return
- John Laing Infrastructure Fund left the portfolio as it was acquired by a consortium of private investors

Risks associated with this fund

For any past performance shown, please note that past performance is not a guide to future performance.

The value of investments and the income from them will rise and fall. This will cause the fund price, as well as any income paid by the fund, to fall as well as rise. There is no guarantee the fund will achieve its objective, and you may not get back the amount you originally invested.

Changes in currency exchange rates will affect the value of your investment.

The fund holds a relatively small number of investments and, as a result, may experience larger price rises and falls than a fund which holds a larger number of investments.

The fund will invest in emerging markets which are generally more sensitive to economic and political factors, and where investments are less easily bought and sold. In exceptional circumstances, the fund may encounter difficulties when selling or collecting income from these investments, which could cause the fund to incur a loss. In extreme circumstances, it could lead to the temporary suspension of dealing in shares in the fund.

Further risk factors that apply to the fund can be found in the fund's Key Investor Information Document (KIID).

Things you should know

The fund invests mainly in company shares and is therefore likely to experience larger price fluctuations than funds that invest in bonds and/or cash.

Capitalisation breakdown (%)

	Fund	Index	Relative weight
Mega cap (> \$50bn)	19.7	53.7	-34.1
Large cap (\$10 - \$50bn)	46.4	36.8	9.6
Mid cap (\$2 - \$10bn)	29.5	9.2	20.3
Small cap (< \$2bn)	3.5	0.2	3.4
Cash	0.9	0.0	0.9

Currency breakdown (%)

	Fund
US dollar	39.3
Euro	16.4
British pound	15.4
Canadian dollar	13.9
Danish krone	4.7
Australian dollar	4.3
Hong Kong dollar	2.0
Singapore dollar	1.7
Swiss franc	1.2
Other	1.1

Key changes

We continued to add to our royalty holdings, Franco-Nevada and PrairieSky Royalty, which we believe to be meaningfully undervalued after recent weakness.

This was funded by the completion of the cash acquisition of John Laing Infrastructure Fund by a consortium of private investors, which meant that the social infrastructure holding left the portfolio in September.

As such, the number of holdings fell to 42. The weighting in the 'economic' infrastructure class stands at 64%, the weighting of the 'social' sphere 11%, and the weighting of the 'evolving' segment 24%.

Dividend announcements

There were no dividend announcements during the month.

Key information

Fund manager	Alex Araujo
Fund manager tenure from	5 October 2017
Deputy fund manager	John Weavers
Launch date	5 October 2017
Launch of share class	5 October 2017
Fund size (millions)	£18.43
Fund type	OEIC, incorporated in the UK
Comparative index	MSCI ACWI Index
Comparative sector	IA Global sector
Number of companies	42
Portfolio turnover over 12 months	51.6%
Share type	Acc & Inc
Payment dates	Feb, May, Aug, Nov
Ex-dividend dates	Jan, Apr, Jul, Oct
Ongoing charge	1.10%

Fund ratings

RSM rating yes
Source: RSM, as at 30 September 2018.

Ratings should not be taken as a recommendation.

Industry breakdown (%)

	Fund
Utilities	27.6
Energy	19.1
Transport	17.6
Communications	12.3
Royalty	7.7
Transactional	3.9
Education	3.9
Health	1.8
Other	5.1
Cash and near cash	0.9

Largest holdings (%)

	Fund	Index	Relative weight
Orsted	4.7	0.0	4.7
Edison International	4.4	0.0	4.3
Vinci	3.9	0.1	3.8
Enel	3.9	0.1	3.8
Franco-Nevada	3.9	0.0	3.8
Prairiesky Royalty	3.8	0.0	3.8
Gibson Energy	3.6	0.0	3.6
Unite Group	3.4	0.0	3.4
TransCanada Corp	3.3	0.1	3.3
Enbridge Inc	3.2	0.1	3.1

Country breakdown (%)

	Fund	Index	Relative weight
US	39.3	55.4	-16.1
UK	14.6	5.4	9.2
Canada	13.9	3.0	10.9
Spain	4.8	0.9	3.9
Italy	4.8	0.7	4.1
Denmark	4.7	0.5	4.2
Australia	4.3	2.1	2.2
France	3.9	3.3	0.5
Other	8.9	28.7	-19.8
Cash	0.9	0.0	0.9

Fund codes and charges

Share class	ISIN	Bloomberg	Annual management charge	Ongoing charge	Minimum initial investment	Minimum top up investment
Sterling A Acc	GB00BF00RC53	MGLIGAA LN	0.95%	1.30% *	£ 500	£ 100
Sterling A Inc	GB00BF00RB47	MGLIGAI LN	0.95%	1.30% *	£ 500	£ 100
Sterling I Acc	GB00BF00R928	MGLIGIA LN	0.75%	1.10% *	£ 500,000	£ 10,000
Sterling I Inc	GB00BF00R811	MGLIGII LN	0.75%	1.10% *	£ 500,000	£ 10,000
Sterling L Acc	GB00BF00R696	MGLIGLA LN	0.50%	0.85% *	£ 20,000,000	£ 50,000
Sterling L Inc	GB00BF00R704	MGLIGLI LN	0.50%	0.85% *	£ 20,000,000	£ 50,000

The ongoing charge figures disclosed above include direct costs to the fund, such as the annual management charge (AMC), administration charge and custodian charge, but does not include portfolio transaction costs. They are based on expenses for the period ending 10 April 2018.

* The ongoing charge figure shown here is an estimate. The Fund's annual report for each financial year will include details of the exact charges made.

Important information

Cash and near cash may be held on deposit and/or in the Northern Trust Cash Funds (a range of collective investment schemes) and/or in short-dated government bonds.

All statistics from M&G internal sources, as at 30 September 2018 unless indicated otherwise.

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Contact M&G

Financial advisers

www.mandg.co.uk/advisers
0345 600 4125*

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