

M&G North American Dividend Fund Sterling Class I – Income shares

Monthly Fund Review as at 31 May 2024

For investment professionals only

Highlights

- The fund underperformed the S&P 500 Index in a narrow market led higher by large-cap technology and new economy bellwethers. The shortfall was exacerbated by market timing differences, with the fund priced at mid-day and the benchmark at the close of the US business day.
- Not owning NVIDIA and Apple provided the biggest drag on performance relative to the benchmark. Mastercard and Visa underperformed in digital payments. NextEra Energy added the most value in a resurgent utilities sector. American Tower and Equinix, which are structured as real estate investment trusts (REITs), rose among companies sensitive to changes in interest rates. Qualcomm climbed to an all-time high in semiconductors.
- We bought McKesson in healthcare and sold Trane Technologies in industrials. Dividends continued on a positive footing, with solid increases from Pool Corp and Lowe's in consumer discretionary.

The main risks associated with this fund

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

The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested.

The fund holds a small number of investments, and therefore a fall in the value of a single investment may have a greater impact than if it held a larger number of investments.

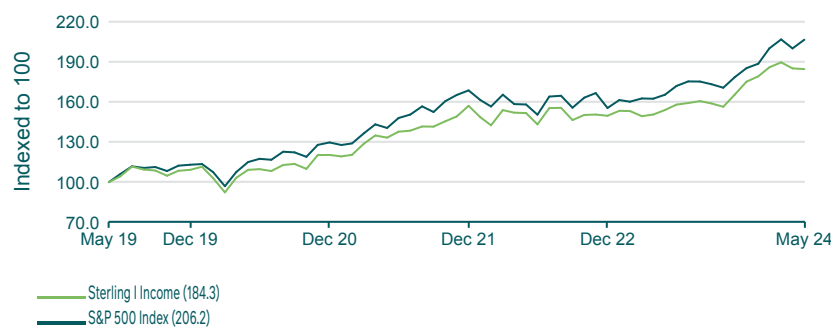
The fund can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.

Further risk factors that apply to the fund can be found in the fund's Prospectus.

Single year performance (5 years)

	2023	2022	2021	2020	2019
Sterling I Income	17.0%	-4.7%	30.5%	10.1%	26.1%
S&P 500 Index	19.2%	-7.8%	29.9%	14.7%	26.4%
Sector	16.7%	-10.1%	25.3%	16.5%	24.6%

Performance over 5 years



Fund performance

	1 month	3 months	YTD	1 year	3 years p.a.	5 years p.a.
Sterling I Income	-0.2%	-0.7%	5.4%	19.9%	11.4%	13.0%
S&P 500 Index	3.2%	3.2%	11.4%	24.8%	13.7%	15.6%
Sector	1.4%	1.8%	8.8%	21.4%	9.8%	12.9%

Past performance is not a guide to future performance.

Performance comparison: The benchmark is a target which the Fund seeks to outperform. The index has been chosen as the fund's target benchmark as it best reflects the scope of the fund's investment policy. The benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction. The fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The fund's holdings may deviate significantly from the benchmark's constituents.

Source: Morningstar, Inc and M&G, as at 31 May 2024. Returns are calculated on a price to price basis. Benchmark returns stated in GBP terms.

Performance charts © 2024 Morningstar Inc., All Rights Reserved. The information contained within: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Key information

Fund manager(s)	John Weavers
Fund manager tenure from	28 April 2015
Deputy fund manager(s)	Stuart Rhodes
ISIN	GB00B7F5Y731
Launch date of fund	28 April 2015
Launch of share class	03 August 2012
Fund size (millions)	£ 739.81
Benchmark(s)	S&P 500 Index
Target	Target
Sector	IA North America sector
Number of companies	45
Historic yield	1.43%
Portfolio turnover over 12 months	34.53%
VaR	8.55%
Payment dates	Jan, Apr, Jul, Oct
Ex-dividend dates	Mar, Jun, Sep, Dec

Charges

Maximum entry charge	0.00%
Ongoing charge	0.61%

Risk characteristics

As at 31/05/2024	Fund
Alpha (%)	0.40
Information ratio	-0.32
Sharpe Ratio	0.75
Historic tracking error (%)	7.00
Beta	0.77
Standard deviation (%)	11.76
Forecast tracking error (active risk, %)	4.11
Active share (%)	77.53

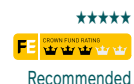
Things you should know

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.

Fund ratings as at 31 May 2024

Morningstar Medalist Rating™	Analyst-Driven %
	10
	Data Coverage %
	96

Overall Morningstar rating
Financial Express Crown Rating



The Adviser Centre Rating
Source of Morningstar ratings: Morningstar
Source: Financial Express
Source: Embark Investments Limited

Ratings should not be taken as a recommendation.

Industry breakdown (%)

	Fund	Index	Relative weight
Financials	27.9	12.9	15.0
Information technology	24.8	30.6	-5.8
Health care	15.4	12.0	3.5
Real Estate	7.0	2.2	4.9
Communication services	5.6	9.3	-3.7
Consumer discretionary	4.3	9.9	-5.6
Energy	4.1	3.8	0.3
Utilities	3.7	2.5	1.2
Materials	3.4	2.3	1.1
Industrials	3.4	8.5	-5.2
Consumer staples	0.0	6.0	-6.0
Other	0.0	0.1	-0.1
Cash	0.5	0.0	0.5

Largest overweights (%)

	Fund	Index	Relative weight
Broadcom	7.5	1.3	6.2
Mastercard	6.6	0.8	5.8
Visa	5.7	1.0	4.7
Unitedhealth Group	5.1	1.0	4.1
Blackrock	3.6	0.2	3.4
Nextera Energy	3.7	0.4	3.4
Anthem	3.1	0.3	2.8
Rexford Industrial Realty	2.5	0.0	2.5
Equinix	2.5	0.2	2.3
Arthur J Gallagher	2.4	0.1	2.3

Capitalisation breakdown (%)

	Fund	Index	Relative weight
Mega cap (> \$50bn)	84.4	82.8	1.6
Large cap (\$10 - \$50bn)	7.5	16.6	-9.2
Mid cap (\$2 - \$10bn)	7.7	0.6	7.1
Small cap (< \$2bn)	0.0	0.0	0.0
Cash	0.5	0.0	0.5

Country breakdown (%)

	Fund	Index	Relative weight
US	94.3	99.8	-5.5
Canada	4.2	0.0	4.2
China	1.1	0.2	0.9
Cash	0.5	0.0	0.5

Largest underweights (%)

	Fund	Index	Relative weight
Apple	0.0	6.3	-6.3
Nvidia Corporation	0.0	6.1	-6.1
Alphabet	0.0	4.2	-4.2
Amazon	0.0	3.6	-3.6
Berkshire Hathaway	0.0	1.7	-1.7
ELI Lilly and Company	0.0	1.5	-1.5
Exxon Mobil	0.0	1.2	-1.2
Tesla	0.0	1.1	-1.1
Procter & Gamble	0.0	0.9	-0.9
Costco Wholesale Corporation	0.0	0.8	-0.8

Largest holdings (%)

	Fund	Index	Relative weight
Microsoft	8.6	7.0	1.6
Broadcom	7.5	1.3	6.2
Mastercard	6.6	0.8	5.8
Visa	5.7	1.0	4.7
Unitedhealth Group	5.1	1.0	4.1
Nextera Energy	3.7	0.4	3.4
Facebook	3.7	2.3	1.3
Blackrock	3.6	0.2	3.4
Anthem	3.1	0.3	2.8
JP Morgan	2.9	1.3	1.6

Currency breakdown (%)

	Fund	Index	Relative weight
US dollar	98.3	100.0	-1.7
Canadian dollar	1.7	0.0	1.7
British pound	0.1	0.0	0.1
Euro	0.0	0.0	0.0
Japanese yen	0.0	0.0	0.0

Fund codes and charges

Share class	ISIN	Bloomberg	Currency	Share class launch date	Ongoing charge	Historic yield	Minimum initial investment	Minimum top up investment
Sterling A Acc	GB0030926843	MGSAGNA LN	GBP	18/12/1972	1.01%	0.64%	£500	£100
Sterling A Inc	GB0030926736	MGSAGNI LN	GBP	28/03/1977	1.01%	1.44%	£500	£100
Sterling I Acc	GB00B7565G26	MGAMSA LN	GBP	03/08/2012	0.61%	0.96%	£500,000	£10,000
Sterling I Inc	GB00B7F5Y731	MGAMSII LN	GBP	03/08/2012	0.61%	1.43%	£500,000	£10,000
Sterling I-H Acc	GB00BJXT4930	MGNAGIH LN	GBP	06/12/2019	0.64%	0.93%	£500,000	£10,000
Sterling I-H Inc	GB00BJXT6X13	MGNAGIH LN	GBP	06/12/2019	0.64%	1.43%	£500,000	£10,000
Sterling R Acc	GB00B57X0X93	MGAMSRA LN	GBP	03/08/2012	0.86%	0.76%	£500	£100
Sterling R Inc	GB00B6SK8985	MGAMSRI LN	GBP	03/08/2012	0.86%	1.44%	£500	£100

Any ongoing charge figure with * indicates an estimate. The ongoing charge figure may vary from year to year and excludes portfolio transaction costs. The charges are mostly, if not exclusively, the Annual Charge which may be discounted depending on the size of the fund. For further details, please see the fund's Key Investor Information Document (KIID). The fund's annual report for each financial year will include details on the exact charges made. Please go to www.mandg.co.uk/literature to view the Costs and charges illustration which contains information on the costs and charges applicable to your chosen fund and share class.

Please note that not all of the share classes listed above might be available in your country. Please see the Important Information for Investors document and the relevant fund's Prospectus for more information on the risks associated with this fund and which share classes are available for which product and which investor type.

Important information

The fund originally launched on 18 December 1972 as the M&G American Fund. On 28 April 2015, the fund's name and objective changed and it is now called the M&G North American Dividend Fund and we are choosing to use this date as the launch date for this fund. Therefore the past performance shown before this change was achieved under circumstances that no longer apply.

The Fund changed its name and objective on 28 April 2015.

The M&G North American Dividend Fund is a sub-fund of M&G Investment Funds (1).

The Morningstar Overall Rating based on the fund's Sterling Class I shares. Copyright © 2024 Morningstar UK Limited. All Rights Reserved. Ratings should not be taken as recommendation.

The value of investments will fluctuate, which will cause fund prices to fall as well as rise and investors may not get back the original amount invested. **For financial advisers only. Not for onward distribution. No other persons should rely on any information contained within.**

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