

# M&G Sustainable Multi Asset Fund Sterling Class I – Accumulation shares

Monthly Fund Review as at 31 May 2024

For investment professionals only

## Highlights

- Equity markets registered positive returns in May as falling US inflation and cooling economic growth data helped to allay fears that the US economy was overheating. In Europe, there was mounting anticipation that the ECB would be the first major central bank to cut rates at its June meeting.
- Fund performance was boosted by its broad-based exposure to equities, and particularly from its exposure to Europe. The fund's recent additions in the clean energy space contributed strongly, as did the listed green infrastructure basket, as investors became more optimistic on expectations of stronger demand and lower interest rates. We sold some China equity exposure following recent strength, reducing the tactical capital we added in January to lock in profits.
- The fund's government bond exposure, and US Treasuries in particular, also contributed positively as US Treasury yields fell (and prices rose). By contrast, stronger economic data out of Europe towards the end of the month meant that yields on German bonds climbed higher.

## 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.

Investments in bonds are affected by interest rates, inflation and credit ratings. It is possible that bond issuers will not pay interest or return the capital. All of these events can reduce the value of bonds held by the fund.

The fund is exposed to different currencies. Derivatives are used to minimise, but may not always eliminate, the impact of movements in currency exchange rates.

The fund may use derivatives to profit from an expected rise or fall in the value of an asset. Should the asset's value vary in an unexpected way, the fund will incur a loss. The fund's use of derivatives may be extensive and exceed the value of its assets (leverage). This has the effect of magnifying the size of losses and gains, resulting in greater fluctuations in the value of the fund.

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 Accumulation	9.1%	-13.3%	8.7%	4.0%	-
Sector	6.9%	-9.6%	6.3%	3.5%	-

## Performance over 5 years



## Fund performance

	1 month	3 months	YTD	1 year	3 years p.a.	5 years p.a.
Sterling I Accumulation	0.5%	1.0%	-0.5%	4.5%	0.1%	3.2%
Sector	0.9%	2.6%	2.7%	8.5%	0.8%	2.9%

Past performance is not a guide to future performance.

**Performance comparison:** The fund is actively managed and it has no benchmark. Investors can assess the performance of the fund by its objective to provide a total return of 4-8% per annum over any five-year period.

**Source:** Morningstar, Inc and M&G, as at 31 May 2024. Returns are calculated on a price to price basis with income reinvested.

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## Key information

Fund manager(s)	Maria Municchi
Fund manager tenure from	14 February 2019
Deputy fund manager(s)	Steven Andrew
ISIN	GB00BHR43049
Launch date of fund	14 February 2019
Launch of share class	20 February 2019
Fund size (millions)	£ 49.61
Benchmark(s)	None
Benchmark type	N/A
Sector	IA Mixed Investment 20-60% Shares sector
Number of holdings	134
Historic yield	2.82%
Modified duration (years)	3.32
VaR	4.33%
Payment dates	Mar, Jun, Sep, Dec
Ex-dividend dates	Feb, May, Aug, Nov

## Charges

Maximum entry charge	0.00%
Ongoing charge	0.72%

## Things you should know

The fund allows for the extensive use of derivatives.

## Fund ratings as at 31 May 2024

3D Investing (Square Mile) Rating  
Defaqto Risk Rating



5 - Low Medium Risk



Dynamic Planner Rating  
Financial Express Crown Rating

Source: Square Mile  
Source: Defaqto  
Source: Distribution Technology  
Source: Financial Express

Ratings should not be taken as a recommendation.

## Asset breakdown (%)

	Fund
<b>Equity</b>	<b>37.7</b>
UK	2.2
Europe	9.5
North America	16.1
Japan	2.4
Asia Pacific ex Japan	2.2
Other Developed Markets	0.0
Emerging markets	5.3
Equity options (nominal)	0.0
<b>Government bonds</b>	<b>20.1</b>
UK	6.9
Europe	5.5
North America	4.3
Japan	0.0
Asia Pacific ex Japan	0.0
Other Developed Markets	0.0
Emerging markets	3.4
<b>Corporate bonds</b>	<b>23.7</b>
Investment grade bonds	20.9
High yield bonds	2.9
<b>Convertible bonds</b>	<b>0.0</b>
Bond options (nominal)	0.0
<b>Infrastructure</b>	<b>5.9</b>
<b>Property</b>	<b>0.0</b>
<b>Other</b>	<b>0.0</b>
<b>Cash</b>	<b>12.6</b>

## Currency breakdown (%)

	Fund
British pound	78.1
US dollar	10.0
Japanese yen	2.4
Mexican peso	1.9
Brazilian real	1.8
Indonesian rupiah	1.7
Chilean peso	1.0
South African rand	1.0
Indian rupee	0.9
Other	1.2

## MSCI ESG rating (%)

	Fund
AAA	8.1
AA	10.1
A	7.4
BBB	2.3
BB	0.5
Lower than BB	0.0
No rating	0.7
Positive impact holdings	58.3
Residual Cash	12.6
<b>Total</b>	<b>100.0</b>

## Sustainable Development Goal breakdown (%)

	Fund
SDG1: No Poverty	1.0
SDG3: Good Health and Wellbeing	3.9
SDG4: Quality Education	0.0
SDG5: Gender Equality	0.5
SDG6: Clean Water and Sanitation	1.5
SDG7: Affordable and Clean Energy	32.3
SDG8: Decent Work and Economic Growth	6.3
SDG9: Industry, Innovation and Infrastructure	6.5
SDG10: Reduced Inequalities	0.5
SDG11: Sustainable Cities and Communities	3.4
SDG12: Responsible Production and Consumption	2.4

## Largest exposures (excl. cash, %)

	Fund
US Equity	15.6
Supranational Fixed	13.1
UK Government 10Y	4.8
UK Equity	3.7
US Fixed	3.5
Germany Government 10Y	3.3
Taiwan Equity	2.5
US Government 10Y	2.4
Japan Equity	2.4
Germany Equity	2.1

## MSCI ESG score

	Fund
Corporate holdings score (0-10)	7.9
Portfolio score (0-10)	7.7
Government bonds score (0-10)	5.4
Weighted average carbon intensity (corporate only)	40.8
Weighted average carbon intensity (MSCI ACWI)	123.0

## Positive impact holdings by asset class (%)

	Fund
<b>Equity</b>	<b>16.0</b>
<b>Corporate bonds</b>	<b>20.4</b>
<b>Infrastructure</b>	<b>6.7</b>
Government	15.2
<b>Total</b>	<b>58.3</b>

## 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	GB00BHR41H73	MV2LP03 LN	GBP	20/02/2019	1.12%	2.51%	£500	£100
Sterling A Inc	GB00BHR42X07	MV2LNY1 LN	GBP	20/02/2019	1.12%	3.61%	£500	£100
Sterling I Acc	GB00BHR43049	MV2LP76 LN	GBP	20/02/2019	0.72%	2.82%	£500,000	£10,000
Sterling I Inc	GB00BHR43155	MV2LP21 LN	GBP	20/02/2019	0.72%	3.52%	£500,000	£10,000
Sterling L Acc	GB00BD2PHY60	MV2LP67 LN	GBP	20/02/2019	0.52%	2.97%	£20,000,000	£50,000
Sterling L Inc	GB00BD2PGP05	MV2LP58 LN	GBP	20/02/2019	0.52%	3.49%	£20,000,000	£50,000
Sterling R Acc	GB00BHR42Y14	MV2LP30 LN	GBP	20/02/2019	0.97%	2.63%	£500	£100
Sterling R Inc	GB00BHR42Z21	MV2LNZ0 LN	GBP	20/02/2019	0.97%	3.58%	£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](http://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

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Carbon Intensity allows comparison of emissions across companies of different sizes and in different industries. At a company level, MSCI ESG Research calculates Carbon Intensity as carbon emissions per dollar of sales. The portfolio-level Weighted Average Carbon Intensity is the sum product of the constituent weights and intensities.

The M&G Sustainable Multi Asset Fund is a sub-fund of M&G Investment Funds (4).

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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