

M&G (Lux) Global Floating Rate High Yield Fund USD Class A – Distribution shares



Fund Factsheet as at 31 March 2024

Marketing Communication

Fund description

The fund aims to provide a combination of capital growth and income to deliver a return that is higher than that of the global floating rate high yield bond market (as measured by the BofA Merrill Lynch Global Floating Rate High Yield Index (3% constrained) USD Hedged) over any five-year period. At least 70% of the fund is invested in high yield floating rate notes (FRNs), focusing on FRNs issued by companies with a low credit rating, which typically pay higher levels of interest to compensate investors for the greater risk of default. Part of the fund may be invested in other fixed income assets, such as government bonds. Asset exposure is gained through physical holdings and the use of derivatives.

The main risks associated with this fund

The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested.

Derivatives instruments risk. Derivative instruments can be highly volatile and expose investors to a high risk of loss. Depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited.

Exposure greater than net asset value. Derivative instruments may be used to generate exposure to investments exceeding the Net Asset Value of the Fund, thereby exposing the Fund to a higher degree of risk.

Short sales. Short positions reflect an investment view that the price of the underlying asset is expected to fall in value. Accordingly, the short position could involve losses of the Fund's capital due to the theoretical possibility of an unlimited rise in their market price.

Please note that the Fund is not listed and you can redeem only on Singapore business days which are also Dealing Days.

For any further information about the key risks that may affect your investment please refer to the Product Highlight Sheet (PHS) and to the "Main Risks" section of the Singapore Fund Supplement available at

www.mandg.com/investments/private-investor/en-sg

Key information

Fund manager(s)	James Tomlins, Lu Yu, Stefan Isaacs
Fund manager tenure from	11 September 2014
ISIN	LU1670723219
Launch date of fund	13 September 2018
Launch of share class	21 September 2018
Fund size (millions)	\$ 2,141.72
Fund Base Currency	USD
Fund type	SICAV
Benchmark	ICE BofAML Global Floating Rate High Yield Index (3% constrained) USD Hedged
Sector	Morningstar Global High Yield Bond sector
Number of issuers	68
Modified duration (years)	0.12
Payment dates	Jan, Apr, Jul, Oct
Ex-dividend dates	Jan, Apr, Jul, Oct
SFDR Article Classification	6

'Manager tenure' includes the period when managing an equivalent UK-authorised OEIC. Please see 'Important information' at the end of this document for further details.

Charges

Maximum entry charge	4.00%
Ongoing charge	1.19%

Things you should know

The fund allows for the extensive use of derivatives.

Fund ratings as at 31 March 2024

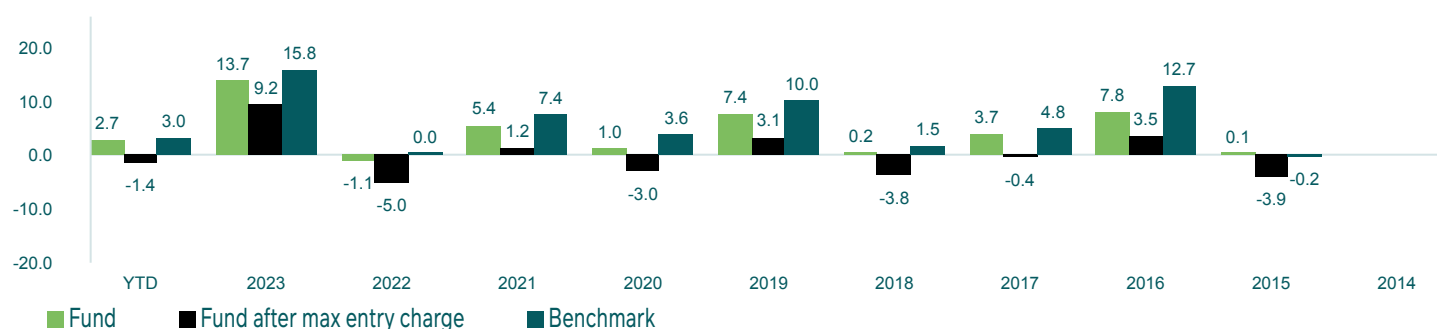
Morningstar Medalist Rating™	Analyst-Driven %
Neutral	55
	Data Coverage %
	98

Overall Morningstar rating **★★★★★**
Source of Morningstar ratings: Morningstar

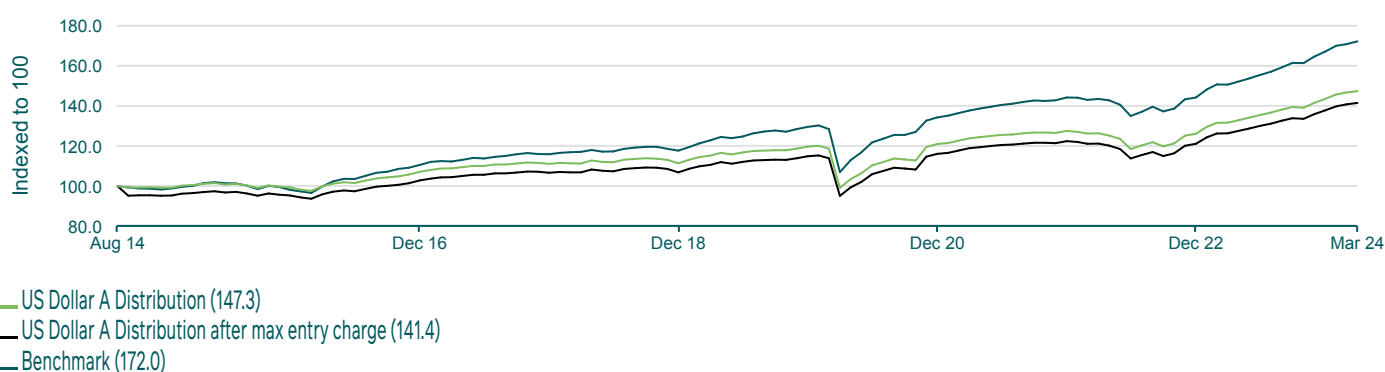
Ratings should not be taken as a recommendation.

Past performance is not a guide to future performance.

Annual performance (%)



Performance since launch



Fund performance (10 years)

	1 month	3 months	YTD to QTR end	YTD	1 year	3 years p.a.	5 years p.a.	10 years p.a.
US Dollar A Distribution	0.5%	2.7%	2.7%	2.7%	11.9%	6.0%	5.0%	-
US Dollar A Distribution after max entry charge	-3.5%	-1.4%	-1.4%	-1.4%	7.5%	4.5%	4.2%	-
Benchmark	0.8%	3.0%	3.0%	3.0%	14.3%	7.7%	7.0%	-
Sector	0.9%	1.3%	1.3%	1.3%	9.9%	0.6%	2.7%	-

The benchmark is a comparator against which the fund's performance can be measured. The index has been chosen as the fund's 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 investment 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.

Fund performance prior to 21 September 2018 is that of the USD Class A Income of the M&G Global Floating Rate High Yield Fund (a UK-authorized OEIC), which merged into this fund on 7 December 2018. Tax rates and charges may differ.

Benchmark prior to 01 April 2016 is the ICE BofAML Global Floating Rate High Yield (USD Hedged) Index. Thereafter it is the ICE BofAML Global Floating Rate High Yield 3% Constrained (USD Hedged) Index.

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

Fund Codes and Charges

Share class	ISIN	Currency	Share class launch date	Ongoing charge	Minimum initial investment	Minimum top up investment	Distribution frequency
USD A Acc	LU1670723136	USD	21/09/2018	1.19%	\$1,000	\$75	-
USD A Inc	LU1670723219	USD	21/09/2018	1.19%	\$1,000	\$75	Quarterly
USD A M F10 Inc	LU2751576609	USD	-	1.20%*	\$1,000	\$75	Monthly
USD A M Inc	LU1670723300	USD	21/09/2018	1.19%	\$1,000	\$75	Monthly
USD C M F10 Inc	LU2751579371	USD	-	0.60%*	\$500,000	\$50,000	Monthly

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 do not include portfolio transaction costs. They are based on expenses for the period ending 01 January 2023. Any ongoing charge figure with * indicates an estimate. The fund's annual report for each financial year will include details of the exact charges.

Largest issuers (excluding government bonds and CDS indices, %)

	Fund
Evoca	4.0
Teamsystem	3.4
Cedacri Mergeco	3.2
Paganini Bidco	3.1
Castor	2.7
Lion/Polaris Lux 4	2.6
Kapla Holding	2.1
Gamenet Group	2.1
Sisalpay Group	2.0
888 Acquisitions	1.9

Credit rating breakdown (%)

	Physical	Short (via CDS)	Long (via CDS)	Net
AAA	0.0	0.0	0.0	0.0
AA	3.3	0.0	0.0	3.3
A	0.0	0.0	0.0	0.0
BBB	0.0	0.0	0.0	0.0
BB	9.5	0.0	0.0	9.5
B	71.2	0.0	10.4	81.6
CCC	1.2	0.0	0.0	1.2
CC	0.0	0.0	0.0	0.0
C	0.0	0.0	0.0	0.0
D	0.0	0.0	0.0	0.0
No rating	0.0	0.0	0.0	0.0
Cash	14.8	0.0	0.0	14.8

Country breakdown (%)

	Physical	Short (via CDS)	Long (via CDS)	Net
Italy	37.0	0.0	0.0	37.0
US	13.3	0.0	0.0	13.3
UK	10.2	0.0	0.0	10.2
France	9.1	0.0	0.0	9.1
Germany	4.9	0.0	0.0	4.9
Luxembourg	4.5	0.0	0.0	4.5
Netherlands	2.6	0.0	0.0	2.6
Sweden	2.3	0.0	0.0	2.3
Other	6.1	0.0	0.0	6.1
High Yield indices	0.8	0.0	10.4	11.2
Cash	9.5	0.0	0.0	9.5

Industry breakdown (%)

	Physical	Short (via CDS)	Long (via CDS)	Net
Services	17.5	0.0	0.0	17.5
Leisure	10.3	0.0	0.0	10.3
Retail	9.2	0.0	0.0	9.2
Financial services	9.0	0.0	0.0	9.0
Sovereign	8.7	0.0	0.0	8.7
Capital goods	7.8	0.0	0.0	7.8
Basic industry	7.7	0.0	0.0	7.7
Technology & electronics	6.0	0.0	0.0	6.0
Healthcare	3.4	0.0	0.0	3.4
Automotive	2.9	0.0	0.0	2.9
Telecommunications	2.4	0.0	0.0	2.4
Transportation	1.9	0.0	0.0	1.9
Consumer goods	1.5	0.0	0.0	1.5
Energy	1.4	0.0	0.0	1.4
Insurance	0.4	0.0	0.0	0.4
Real Estate	0.0	0.0	0.0	0.0
High Yield indices	0.8	0.0	10.4	11.2
Cash	9.5	0.0	0.0	9.5

Maturity breakdown (%)

	Physical
0 - 1 years	42.6
1 - 3 years	24.2
3 - 5 years	17.6
5 - 7 years	3.8
7 - 10 years	0.0
10 - 15 years	0.0
15+ years	1.4
Cash	9.5
Other	1.0

Asset breakdown (%)

	Net
Corporate floating rate notes	75.6
Fixed rate bonds + Swaps	5.6
Credit default swaps	0.0
Credit default indices	11.2
Other	8.7
Cash	9.5

Duration by currency and asset class (years)

	Fund	Futures	Swaps	Net
Euro	0.0	0.0	0.0	0.0
British pound	0.0	0.0	0.0	0.0
US dollar	0.1	0.0	0.0	0.1
Other	0.0	0.0	0.0	0.0
Total	0.1	0.0	0.0	0.1

Currency breakdown (%)

	Fund
US dollar	99.5
Euro	0.5
British pound	0.0
Singapore dollar	0.0
Swiss franc	0.0
Australian dollar	0.0
Hong Kong dollar	0.0

Important information

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With effect from November 2023, we are reporting using our internal accounting book of record (ABOR) moving away from the investment book of record (IBOR) used for reporting up to October 2023.

On 7 December 2018, the non-sterling assets of the M&G Global Floating Rate High Yield Fund, a UK-authorised OEIC which launched on 11 September 2014, merged into the M&G (Lux) Global Floating Rate High Yield Fund, a Luxembourg-authorised SICAV, which launched on 13 September 2018. The SICAV is run by the same fund manager, applying the same investment strategy, as the UK-authorised OEIC.

The duration figure shown in this document is calculated using an external system, which does not adjust for EURIBOR floors (a common feature in European high yield floating rate notes) in the duration calculation. This figure will therefore be overstated when EURIBOR is negative. The fund's duration is expected to be closely in line with the benchmark index, which will be close to zero, given the floating rate properties of the assets held.

The way we report our FRN's has changed to categorise the coupon more accurately, which may result in changes to the percentage allocation.

Glossary of key terms: Modified duration (years):

A measure of the sensitivity of a bond, or bond fund, to changes in interest rates, expressed in years. The longer a bond or bond fund's duration, the more sensitive it is to interest rate movements.

SFDR article classification:

The Sustainable Finance Disclosure Regulation (SFDR) is a European Union (EU) regulation that came into force on the 12 July 2020. SFDR was designed to ensure consumers and investors are fully informed, via sustainability disclosures, about the ESG credentials of funds and their investment managers, prior to and throughout the investment period. The regulation aims to improve transparency in the market for sustainable investment products through consistent templated disclosure requirements.

The M&G (Lux) Global Floating Rate High Yield Fund is a sub-fund of M&G (Lux) Investment Funds 1.

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

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Contact us:

www.mandg.com/investments/private-investor/en-sg

Tel: +65 6982 7770