PruFund Growth (US Dollar)
Fund PruFund Protected Growth (US Dollar) Fund

This document is for use by individuals who are familiar with investment terminology. If there is product information included that you would like to discuss, then please contact your financial Adviser.

**Fund aim**

Objective – The Fund aims to maximise growth over the medium to long term while helping to smooth the peaks and troughs of investment performance.

Fund investments – The Fund currently invests in US and international equities, property, fixed interest securities, index-linked securities and other specialist investments.

**Asset allocation**

- UK Equities: 7.40%
- North American Equities: 16.50%
- European Equities: 7.70%
- Japanese Equities: 3.90%
- Pacific Market Equities: 8.70%
- Global Emerging Markets Equities: 3.20%
- Property: 14.80%
- Euro Fixed Interest: 7.30%
- US Fixed Interest: 13.70%
- Asia Fixed Interest: 3.80%
- Other Fixed Interest: 1.00%
- Other Investment Assets: 9.10%
- Cash: 2.90%

Source: Prudential as at 31 December 2019. Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

**Fund manager commentary**

31 December 2019

Investor sentiment improved steadily throughout the fourth quarter of 2019 as hopes of a trade deal between the US and China grew. Risk appetite was further boosted by improving economic data and a widely anticipated cut in US interest rates. The UK reacted positively to signs that a trade deal might be agreed between the US and China. In the US a range of positive features acted as tailwinds for stockmarkets, including distinct signs of progress in trade negotiations, another cut in interest rates, improving economic data and most corporate results being better than feared. In the fourth quarter of 2019 European stockmarkets rose, Japanese equities rallied and were among the best-performing major equity markets globally in local currency terms. China was one of the best performing markets again supported by expectations of a trade agreement and signs of improving economic activity.

UK commercial property recorded a small positive total return in October and was flat in November, the overall return masks a sharp contrast between Offices and Industrial (where capital and income increased in both months) and Retail (where valuations continued to be affected by negative sentiment). UK gilts declined in the fourth quarter of 2019 with UK corporate bonds proving more resilient than gilts. US Treasury yields edged higher. Yields also ticked up in Europe, although they remained in negative territory in segments of the eurozone market.

The M&G Treasury & Investment Office (T&IO) outlook remains broadly constructive with global economic growth likely stable in 2020.

This commentary reflects the general views of individual fund managers and should not be taken as a recommendation or advice as to how any specific market is likely to perform.

**M&G Treasury & Investment Office (T&IO)**

- T&IO are our in-house investment strategists and “manager of managers”
- They are a team of over 60 that includes experienced investment professionals with specialist expertise in capital markets research, investment strategy design, liability management, and portfolio management
- T&IO are a well-established team who are entrusted with the day to day asset allocation decisions for £175 billion of policyholders’ money as at end June 2019.
The registered office of Prudential International is in Ireland at Montague House, Adelaide Road, Dublin 2. Prudential International is a marketing name of Prudential International Assurance plc. Registration No. 209956. Telephone number + 353 1 476 5000. If the Company should become unable to meet its liabilities, the Financial Services Compensation Scheme will protect eligible policyholders habitually resident in the UK when their contract starts, with effect from 1 December 2001. This protection does not extend to externally-linked investments. Prudential International Assurance plc is authorised by the Central Bank of Ireland and is subject to limited regulation by the Financial Conduct Authority for UK business. Details on the extent of our regulation by the Financial Conduct Authority are available from us on request.

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