LF Prudential Risk Managed Passive 5 Class R Acc

PRUDENTIAL

Benchmark

Benchmark	IA Flexible Investment
Benchmark Category	Comparator
Sector	IA Volatility Managed

Identification Codes

Sedol Code	BVYV094
Mex Code	-
Isin Code	GB00BVYV0945
Citi Code	MEMF

Fund Overview

Mid (07/07/2020)	139.75p
Historic yield	1.74%
Fund size (31/05/2020)	£63.57m
Number of holdings	15971
Ongoing Charges	0.50%
Launch date	09/09/2015

Fund Charges

Entry Charge	0.00%
Ongoing Charges	0.50%

Fund Background

Valuation frequency	Daily
Valuation point	12:00
Fund type	OEIC
Launch price	£1.00
Fund currency	Pound Sterling
Fund domicile	United Kingdom
Nisa allowable	Yes
Sipp allowable	Yes

Dealing

Minimum Investment	£500
Minimum Top Up	£250
Minimum Regular Saving	£50
Settlement Period: Buy	4 days
Settlement Period: Sell	4 days
Pricing Basis	Forward
Dealing Decimals	2

Distribution Dates

Ex dividend date(s)	Income payment date(s)
01 November	31 December

Aims

The Sub-fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 17%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 17%. Capital invested is at risk. There is no guarantee that the volatility target will be met and at any time the actual volatility may be higher or lower than the long-term target.

Performance

Discrete performance - to last month end

	30/06/15 to 30/06/16	30/06/16 to 30/06/17	30/06/17 to 30/06/18	30/06/18 to 30/06/19	30/06/19 to 30/06/20
Fund	n/a	19.2%	4.2%	4.3%	-0.1%
Benchmark	1.2%	17.9%	5.0%	3.0%	0.3%

Annualised performance

		Annualised		
		3 Years to 30/06/20	5 Years to 30/06/20	10 Years to 30/06/20
Fund		2.8%	n/a	n/a
Benchmark		2.7%	5.3%	6.6%

Fund Managers

Name: Philip Butler
Manager for: 3 years, 8 months

Ratings

FE Crown	

Group Details

Group name	Link Fund Solutions Limited
Group address	PO Box 389, DARLINGTON, DL1 9UF
Group telephone	0345 9220044
Dealing telephone	0344 3358936
Email	investorservices@linkgroup.co.uk
Homepage	w w w.linkfundsolutions.co.uk
Fax number	0113 2246001

LF Prudential Risk Managed Passive 5 Class R Acc

PRUDENTIAL

Portfolio data accurate as at: **31/05/20**

Top 10 Fund Holdings

Name	% Weight
1 Legal & General UK Index Trust C	11.81%
2 BlackRock iShares Pacific ex Japan Equity Index Class X	11.02%
3 Legal & General European Index Trust C	9.53%
4 BlackRock iShares UK Equity Index Class X	9.50%
5 BlackRock iShares US Equity Index Class X	8.69%
6 BlackRock iShares Corporate Bond Index Class X	8.02%
7 BlackRock (Dublin) iShares US Corporate Bond Index Flex Hedged	6.78%
8 BlackRock iShares Japan Equity Index Class X	4.88%
9 BlackRock iShares Emerging Markets Equity Index Class X	4.38%
10 M&G Strategic Corporate Bond Class A GBP	3.54%

Top 10 Holdings

Name	% Weight
1 ASTRAZENECA	1.21%
2 TAIWAN SEMICONDUCTOR MANUFACTURING	1.08%
3 FTSE 100 IDX FUT JUN20	0.97%
4 HSBC HLDGS	0.93%
5 GLAXOSMITHKLINE	0.92%
6 BRITISH AMERICAN TOBACCO	0.76%
7 NASDAQ 100 E-MINI JUN20	0.72%
8 BP	0.70%
9 DIAGEO	0.70%
10 EURO STOXX 50 JUN20	0.70%

Asset Allocation

International Equities	38.03%
International Bonds	18.09%
UK Equities	17.92%
Cash and Equivalents	10.23%
UK Corporate Bonds	5.61%
Investment Trusts	2.01%
Other Assets	8.09%

Regional Allocation

UK	23.82%
Developed Europe - Excl UK	17.97%
North America	17.55%
Cash and Equivalents	9.28%
Emerging Asia	7.75%
Non-Classified	10.02%
Other Regions	13.61%

Sector Breakdown

Bonds	23.99%
Financials	11.38%
Cash and Equivalents	9.06%
Technology	7.32%
Industrials	7.01%
Consumer Discretionary	7.01%
Health Care	6.87%
Other Sectors	27.35%

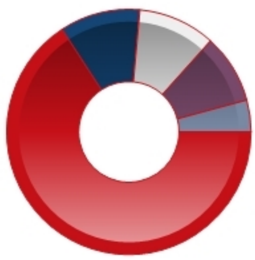
Top Country Breakdown

United Kingdom	23.82%
United States	17.05%
Cash and Equivalents	9.28%
Non-Classified	10.02%
Japan	5.01%
France	3.69%
Australia	3.03%
Other Countries	28.11%

Breakdown By Market Cap (%)

Mega	31.55%
Large	14.99%
Medium	6.90%
Small	0.80%
Micro	0.09%
Non-Classified	12.63%
Bonds	23.99%
Cash	9.06%

Fixed Interest Currencies



Non-Fixed Interest Assets	65.79%
Pound Sterling	10.65%
Cash	10.22%
US Dollar	9.14%
Euro	4.14%
Swedish Krona	0.02%
Other Currencies	0.03%

Fixed Interest Quality Profile

BBB	8.73%
A	6.02%
AAA	2.71%
AA	2.45%
Sub-Investment Grade	1.84%
Unknown Quality	2.24%
Cash and Equivalents	9.06%
Other Asset Types	66.95%

Fixed Interest Maturity Profile

Cash And Equivalents	9.06%
< 5Yr Maturity	8.07%
5Yr - 10Yr Maturity	7.55%
> 15Yr Maturity	6.51%
Unknown Maturity	3.25%
10Yr - 15Yr Maturity	1.85%
Other Asset Types	63.72%

Performance comment

Economic Summary - June 2020

The Covid-19 pandemic continues to dominate news headlines with the focus shifting from lockdown concerns to the challenges presented through easing lockdown measures.

Equities continued their upward trajectory in May but at a more moderate pace reminding us of the challenging backdrop. Sentiment was buoyed by optimism about potential vaccines and the significant fall in infection rate across major European economies. The UK infection rate remains high, however.

The UK, Q1 GDP fell 2% (quarter on quarter) the worst outcome since 2008 but plans are in place to gradually open more sectors of the economy. However, daily infection rates will need to be monitored very closely over the next couple of weeks. Over the month the FTSE All Share returned 3.4% and the 10-year gilt is around 0.2%.

In the US, April unemployment rate reached 14.7%, the highest in post-war history and is expected to continue to worsen with the second quarter GDP expected to be worse than Q1, which registered a drop of 5%. Consensus estimates indicate a 34% annualised drop in GDP next quarter, according to Bloomberg. The were no adjustments to policy by the Fed this month but the Fed Chair signalled reluctance to using negative rates given downside effects on the banking sector.

In Europe, an EU wide recovery plan was announced which will allow the European commission to borrow an equivalent of 5.4% of EU GDP, funded by EU budgetary resources. This should help countries to access funding without having to issue more of their own debt (especially for counties with high debt such as Italy).

Significant uncertainty remains over the path of the economy and asset markets. It is still unclear when economies can fully and sustainably reopen.

Risk Managed Passive - Tactical asset allocation activity

At the end of May the portfolio manager retains a small overweight position in equities, focused primarily in US equities and in particular the information technology focused index, the Nasdaq 100, due to its attractive defensive characteristics at present. The neutral position in global high yield was gradually moved to overweight as the combination of Federal Reserve support and well compensated spreads. UK and European investment grade bonds remain a small underweight and the cash position continues to reduce but remains positive.

Source: Prudential

Important Information