

**Aims**

Objective: The investment strategy of the fund is to purchase units in the BlackRock Aquila Life UK Equity Index Fund - the underlying fund.

Underlying Fund Objective: The fund invests in the shares of UK companies and aims to achieve a return that is consistent with the return of the FTSE All-Share Index.

**Benchmark**

Benchmark FTSE All-Share Index  
Sector ABI UK All Companies

**Identification Codes**

Sedol Code B08ZTQ5  
Mex Code PUGIU  
Isin Code GB00B08ZTQ53  
Citi Code UO47

**Fund Overview**

Daily price (11/08/2022) 1244.80  
Fund size (30/06/2022) £6.39m  
Underlying Fund size £3042.29m  
Number of holdings 2869  
Launch date 07/06/2001

**Fund Charges**

Annual Management Charge (AMC) Please refer to the "Fund Guide" for your specific pension plan

**Performance**



**Discrete performance - to latest available quarter end**

	30/06/17 to 30/06/18	30/06/18 to 30/06/19	30/06/19 to 30/06/20	30/06/20 to 30/06/21	30/06/21 to 30/06/22
Fund	8.6%	2.3%	-12.8%	21.0%	1.6%
Benchmark	9.0%	0.6%	-13.0%	21.5%	1.6%

**Performance - to latest available quarter end**

	Annualised			
	Quarter 2 2022	3 Years to 30/06/22	5 Years to 30/06/22	10 Years to 30/06/22
Fund	-4.4%	2.3%	3.6%	6.8%
Benchmark	-5.0%	2.4%	3.3%	6.9%

**Prudential Risk Rating**

**Higher Risk**  
These are specialist equity funds that focus on set geographical regions or a particular type of share e.g. shares of smaller companies or those that conform to certain criteria.

These risk ratings have been developed by Prudential to help provide an indication of a fund's potential level of risk and reward based on the type of assets which may be held by the fund. Other companies may use different descriptions and as such these risk ratings should not be considered as generic across the fund management industry.

We regularly review our fund risk ratings, so they may change in the future. If, in our view, there is a material change in the fund's level of risk, for example due to a significant change to the assets held by the fund or in the way the fund is managed, we will provide information on the new risk rating. We recommend that you make sure you understand the risk rating of any fund before you invest.

You should also consider discussing your decision and the appropriateness of a fund's risk rating with an adviser.

**Fund Managers**

**BLACKROCK**

Name: Team Managed  
Manager of the underlying fund for: 27 years, 10 months

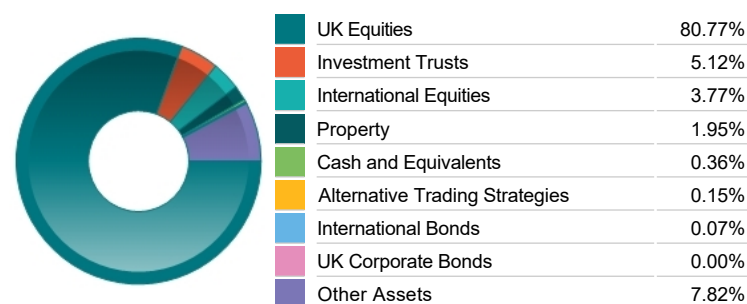
**Important Information**

- Some funds may invest in 'underlying' funds or other investment vehicles. The performance of our fund, compared to what it's invested in won't be exactly the same. That can be due to additional charges, cash management (needed to help people to enter and leave our fund when they want), tax and the timing of investments (this is known as a fund's dealing cycle, it varies between managers and can be several days).
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- Source of portfolio data: Broadridge. Source of performance data: FE fundinfo. We can't predict the future. Past performance isn't a guide to future performance. The figures shown are intended only to demonstrate performance history of the fund, after allowing for the impact of fund charges and further costs, but take no account of any Annual Management Charge paid for by the deduction of units. Charges and further costs may vary in the future and may be higher than they are now. Fund performance is based upon the movement of the daily price and is shown as total return in GBP with gross income reinvested. The value of your investment can go down as well as up so you might get back less than you put in.
- This factsheet is intended for the trustees, sponsors, advisers and members of occupational pension schemes using Prudential group pension contracts and Prudential grouped personal pensions and Stakeholder pension contracts. Its purpose is to provide an insight into how investment markets and funds have performed over the period and is provided for information only. If you are not familiar with any of the investment terminology included, then please contact an adviser. Investors should refer to their scheme documentation (e.g. Fund Guide) for fund availability, investment strategy, any scheme information and charges. Every care has been taken in populating this output, however it must be appreciated that neither Broadridge, Prudential nor their sources guarantee the accuracy, adequacy or completeness of this information or make any warranties regarding results from its usage.

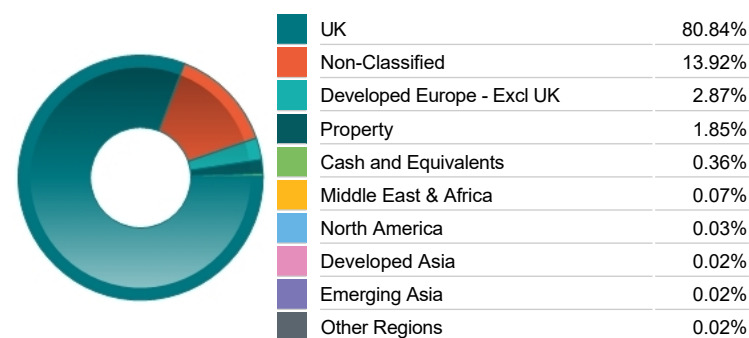
Top 10 Holdings

Name	% Weight	Sector	Country
1 ASTRAZENECA	7.32%	Pharmaceuticals & Biotechnology	United Kingdom
2 SHELL	6.95%	Non-Renewable Energy	Non-Classified
3 HSBC HLDGS	4.72%	Banks	United Kingdom
4 UNILEVER	4.13%	Personal Care, Drug & Grocery Stores	United Kingdom
5 GLAXOSMITHKLINE	3.86%	Pharmaceuticals & Biotechnology	United Kingdom
6 BRITISH AMERICAN TOBACCO	3.49%	Tobacco	United Kingdom
7 DIAGEO	3.49%	Beverages	United Kingdom
8 BP	3.25%	Non-Renewable Energy	United Kingdom
9 GLENCORE	2.55%	Industrial Metals & Mining	United Kingdom
10 RIO TINTO	2.35%	Industrial Metals & Mining	United Kingdom

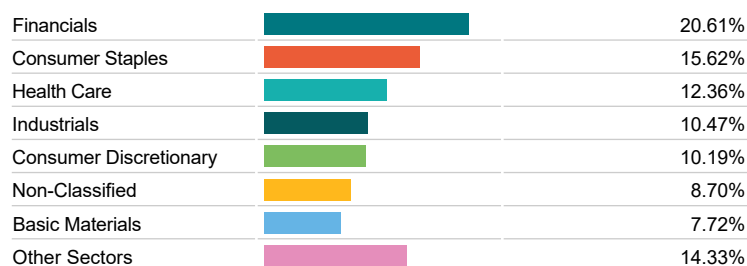
Asset Allocation



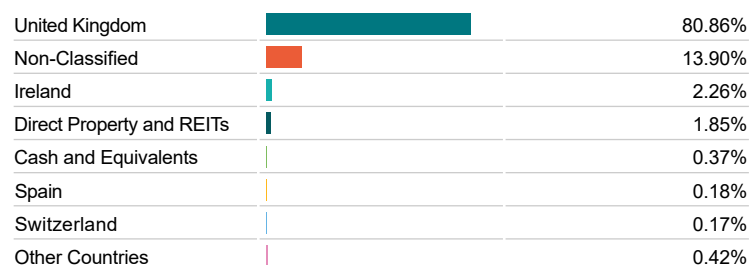
Regional Allocation



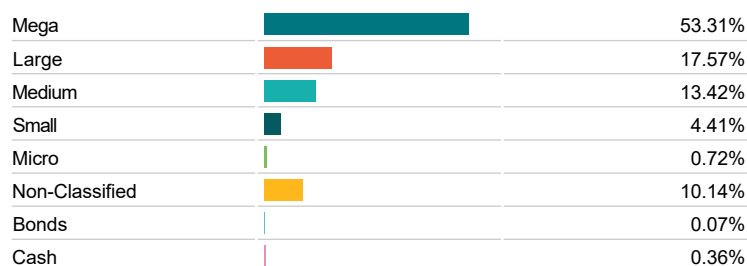
Equity Sector Breakdown



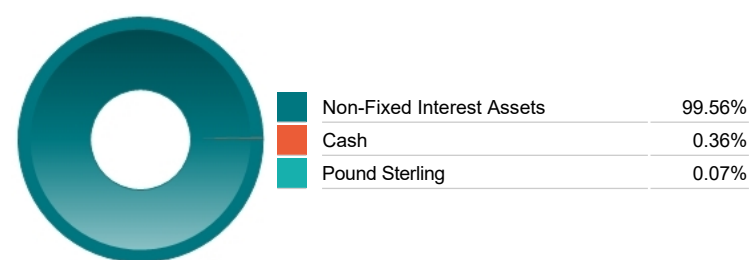
Top Country Breakdown



Breakdown By Market Cap (%)



Fixed Interest Currencies



Important Information

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## Commentary

Performance as at Q1 2022 - Inflation was the large global risk to monitor closely over the period. Commodity prices skyrocketed and whilst the UK is less energy dependent than many European nations, lacking energy and fuel supply from Russia has placed upward pressure on inflation. In this environment, UK Government bond yields continued to rise following another interest rate increase of 25 bps in March, but yield moves were less pronounced than its last base rate increase. Bank of England (BoE) officials noted that the impact from the war in Ukraine is potentially large and made a consistent policy direction difficult to determine in the near term as bifurcation between weaker economic growth and higher inflation expectations accelerated.

The geopolitical crises in Ukraine propelled the phenomena of supply driven inflation and has posed a dilemma to central banks to choose between economic growth or controlling inflation as the risk of de-anchored expectations looms. BoE Governor, Andrew Bailey, acknowledged growth risks from the war in Ukraine but has been wary on implications for monetary policy given elevated uncertainty. Yet, the BoE has so far placed inflation as a priority and has led the normalization path of developed market central banks, a trend it continued in March as it increased the base rate for the second time by 0.25% to 0.75%. UK government bond yields increased across the curve particularly at the shorter end as UK 2-year yields increased 31 bps, accompanied by a 20 bps rise in 10-year yields. However, whilst the Monetary Policy Committee (MPC) voted 9-1 for the 25bps hike, a majority of the committee stating they raised rates to reduce the risk that recent upward trends in pay growth and inflation become embedded in expectations. Such comments likely reduce the necessity to hike aggressively in order to curtail inflation and caused volatility in intramonth bond yields.

Inflationary pressure continues to mount as UK Headline CPI increased from 5.5% to 6.2% in the 12 months to February 2022, remaining at a 30-year high. Key drivers of the mounting pressure were spurred by the war in Ukraine which has led to soaring commodity price increases, most pronounced in food and energy. The largest upward contributions came from housing and household services (+1.39%), derived principally from electricity, gas and other fuels in addition to and transport (+1.26%) percentage points. Most recently, the BoE forecasts inflation to peak this Spring at 8%, but implied inflation could overshoot as global inflationary pressures will likely strengthen considerably further over coming months while growth in economies that are net energy importers such as the UK, is likely to slow.

The release of UK Composite PMI reflected a marginal decline from 59.9 to 59.7, signaling strong economic growth. Despite persistence in high output, firms are currently faced with looming energy cost increases in conjunction with renewed disruptions to supply chains as non-energy imports from Ukraine and Russia are restricted. Against this backdrop, input cost have increased in addition the steepest price rise since the survey began. Further, escalating inflationary pressure related to the Russia/Ukraine conflict led to a sharp decrease in business optimism. The UK labour market further tightened as UK unemployment fell to 3.9% whilst average weekly earnings continued an upward trajectory. Despite wages increasing at a high rate, in light of increasing cost pressure on both household and businesses, decreasing consumer spending power remains a key trend to monitor over the coming months.

Source: BlackRock

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