

# SUSPENDED - M&G Feeder of Property Portfolio Sterling Class I – Accumulation shares

Monthly Fund Review as at 31 March 2024

For investment professionals only

## Highlights

- On 19 October 2023, M&G announced the suspension of dealing in the M&G Property Portfolio and its feeder fund with a view to closing the funds. The decision was made in the best interests of all investors. The closure of the funds began on 29th December 2023.
- The closure of the M&G Property Portfolio and its feeder fund began on 29 December 2023. As cash becomes available from the sales programme, it will be returned to customers. The first capital repayment was made in February 2024 and totaled £91 million, representing approximately 17% of the value of customer holdings as at 8 February 2024.
- An orderly sales programme is under way with the objective of ensuring that fair market prices are achieved. In the current market conditions, M&G expects it will take until approximately mid-2025 for the majority of the M&G Property Portfolio's holdings to be sold. During the month we sold one property, Parc Trostre, Llanelli, South Wales, a retail warehouse park.
- As at end-March, the M&G Property Portfolio's cash balance was 19.2% of net asset value (NAV), compared to 5.8% of NAV as at end-February.

## 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.

The price of units in the M&G Feeder of Property Portfolio is largely based on the price of shares in M&G Property Portfolio. Any movement in the price of shares in M&G Property Portfolio, which can be significant, will result in a similar change in the price of units of M&G Feeder of Property Portfolio

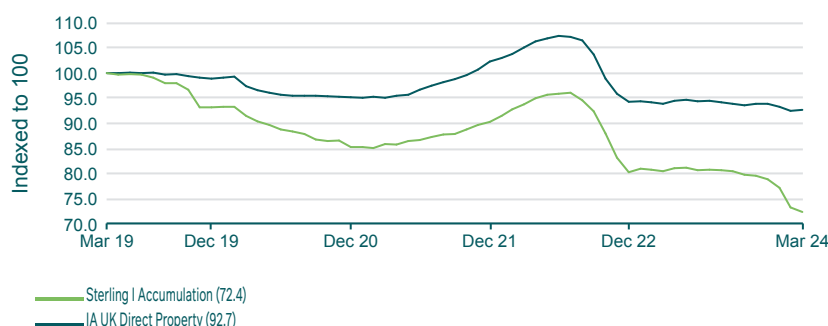
Following are the risks that apply to the M&G Property Portfolio:

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	-1.7%	-11.1%	5.9%	-8.5%	-7.5%
IA UK Direct Property sector	-0.4%	-7.8%	7.4%	-3.8%	-0.8%

## Performance over 5 years



## Fund performance

	1 month	3 months	YTD	1 year	3 years p.a.	5 years p.a.
Sterling I Accumulation	-1.3%	-8.3%	-8.3%	-10.0%	-5.5%	-6.3%
IA UK Direct Property sector	0.2%	-1.2%	-1.2%	-1.2%	-0.9%	-1.5%

Past performance is not a guide to future performance.

**Performance comparison:** The M&G Property Portfolio, in which the trust solely invests, is actively managed. The benchmark is a comparator against which the trust's performance can be measured. The sector has been chosen as the trust's comparator benchmark as it is the M&G Property Portfolio's comparator benchmark. Both the M&G Property Portfolio and the trust are constituents of the sector. The comparator benchmark does not constrain the portfolio construction of the M&G Property Portfolio or the trust.

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

**Performance charts** © 2024 Morningstar Inc., All Rights Reserved. The information contained within: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

## Key information

Fund manager(s)	Michael Wood
Fund manager tenure from	19 October 2022
ISIN	GB00B7SX7S61
Launch date of fund	18 January 2013
Launch of share class	18 January 2013
Fund size (millions)	£ 337.01
Benchmark(s)	IA UK Direct Property sector
Benchmark type	Comparator
Number of properties	20
Historic yield	3.79%
Cash and near cash	19.24%
Voids	12.7%
Average lease length (years)	10.9
Initial yield	6.2%
Number of tenants	146
Payment dates	Feb, May, Aug, Nov
Ex-dividend dates	Jan, Apr, Jul, Oct

In the Key Information table, figures for 'Number of Properties', 'Cash & near cash', 'Voids', 'Average lease length (years)', 'Initial Yield' and 'Number of Tenants' refer to the underlying fund i.e. the M&G Property Portfolio. The tables titled - 'Largest holdings', 'Allocation', 'Largest tenants', 'Geographical breakdown' and 'Industry breakdown' also refer to the underlying fund i.e. the M&G Property Portfolio.

## Charges

Maximum entry charge	0.00%
Ongoing charge	0.75%

## Things you should know

M&G Feeder of Property Portfolio invests in assets that may at times be hard to sell. This means that there may be occasions when you experience a delay or receive less than you might otherwise expect when selling your investment. For more information on risks, see the prospectus and key investor information document.

## Fund ratings as at 31 March 2024

GRESB Rating



Past performance is not a guide to future performance.

Ratings should not be taken as a recommendation.

Largest holdings

	Town	Sector
Portland & Riding Estate	London	Office
Medway Valley Leisure Park	Rochester	Other
3 Temple Quay	Bristol	Office
Fremlin Walk	Maidstone	Shopping Centre
Selly Oak Student Quarter	Birmingham	Other
Sites A1 - A29 Altens Industrial Estate	Aberdeen	Industrial
Orbital One Trading Estate	Dartford	Industrial
8 Greenwich View Place	London	Other
Southwater Square	Telford	Other
Leatherhead Trade Park	Leatherhead	Industrial
Largest 10 assets, as a proportion of the portfolio: 76.58%		

Largest tenants (%)

	Fund
Saba Infra UK	7.8
Premier Inn Hotels	6.6
London Think Tank	5.4
Bloomberg L.P.	5.3
Womble Bond Dickinson (UK)	5.0
Whitbread Group	3.6
Cineworld Estates	2.5
Cine-Uk	2.5
Weatherford UK	2.3
Nuffield Health	2.0

Allocation (%)

	Fund
Property	72.1
Cash	19.2
Equities	8.7

Industry breakdown (%)

	Fund
Other	36.8
Office	29.3
Industrial	23.1
Shopping Centre	7.4
Supermarket	1.7
Mixed Commercial	1.5
Designer outlet	0.1
Standard Retail	0.1
Retail Warehouse	0.0

Industry breakdown is net of cash and near cash, and reflects the fund's direct and indirect investments in property. It includes shares in UK real estate investment trusts (REITs), which invest in property and are listed on the London Stock Exchange.

Geographical breakdown (%)

	Fund
South East	41.4
Scotland	15.1
South West	13.5
Midlands	12.7
Central London	12.3
Wales, N.Ireland & offshore	4.1
The North	1.0
Other	0.0

Fund codes and charges

Share class	ISIN	Bloomberg	Currency	Ongoing charge	Historic yield	Minimum initial investment	Minimum top up investment
Sterling A Acc	GB00B8FSZ434	MGFPAAG LN	GBP	1.03%*	3.47%	£500	£100
Sterling A Inc	GB00B8FWH509	MGFPAIG LN	GBP	1.03%*	4.88%	£500	£100
Sterling D Acc	GB00B7KL5730	MGFPDAG LN	GBP	0.57%*	3.99%	£500,000	£10,000
Sterling D Inc	GB00B8FT5571	MGFPDIG LN	GBP	0.57%*	4.72%	£500,000	£10,000
Sterling I Acc	GB00B7SX7S61	MGFPIAG LN	GBP	0.75%*	3.79%	£500,000	£10,000
Sterling I Inc	GB00B842HT59	MGFPIIG LN	GBP	0.75%*	4.78%	£500,000	£10,000
Sterling R Acc	GB00B8FVGB64	MGFPRAG LN	GBP	0.92%*	3.59%	£500	£100
Sterling R Inc	GB00B8FXSK59	MGFPRIG LN	GBP	0.92%*	4.84%	£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. The ongoing charges figures does not take into account the property operating expenses (PER) incurred indirectly via the M&G Property Portfolio. Included in the PER are repairs and maintenance, insurance, letting costs but not improvements. 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. The fund is dual-priced, meaning that its Shares have different buying (offer) and selling (bid) prices. Shares will ordinarily be issued at the offer price and redeemed at the bid price. Each day the assets of the fund are valued on both an 'offer' basis (how much they would cost to buy) and a 'bid' basis (how much the fund would receive if they were sold). The difference between the two prices is known as the "spread" and reflects the costs of buying and selling properties, in particular Stamp Duty Land Tax paid on purchases which can account for up to 5% of the property value. The spread is significant and can be in excess of 6%, meaning you may see an drop in the value of your investment immediately after buying share. This spread is generally larger than for funds not investing in Property Assets and therefore the risk of an investment being worth less than when originally purchased is greater, particularly in the short-term.

Approach to responsible investment

	Yes	No	N/A
ESG integration	✓		
Additional ESG specifications		✓	
Exclusions	✓		
Cluster munitions & anti personnel landmines	✓		
Other exclusions or restrictions		✓	
Voting		✓	
Engagement	✓		

Please see glossary for further explanation of these terms.

ESG Standard Glossary

**Additional ESG specifications:** In the context of M&G, these are funds managed with an explicit ESG objective, outcome or in accordance with specific ESG criteria, and will have a number of minimum exclusions in place.

**Engagement:** Interaction with company management on various financial and non-financial, including ESG, issues. Engagement allows investors to better understand how a company is undertaking its operations and how it is interacting with its stakeholders, as well as advising on and influencing company behaviour and disclosures where appropriate.

**ESG integration:** Describes the explicit and systematic inclusion of Environmental, Social and Governance factors in investment analysis and investment decisions. It underpins a responsible investment approach, and allows investors to better manage risk and generate sustainable, long-term returns.

**Exclusions:** The exclusion or restriction of investments based on the sector in which they operate, the products or services they provide or for other specific criteria, i.e. they are deemed to be in breach of the United Nations Global Compact principles on human rights, labour the environment and anti-corruption.

**Voting:** As the partial owners of a company, shareholders have the right to vote on resolutions put forward at a company's annual general meeting. These resolutions include the re-election of directors, executive remuneration and business strategy, among others, and may include resolutions put forward by shareholders.

# Important information

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 18 January 2013, the M&G Property Portfolio converted to a property authorised investment fund (PAIF) with the same name, investment strategy, approach and fund manager as the existing unit trust, which was launched on 8 November 2005. The PAIF is compliant with HMRC's Property Authorised Investment Fund regime and, as a result, eligible investors can receive gross income if invested directly in the PAIF. A feeder fund, the M&G Feeder of Property Portfolio, was also established to cater for those investors unable to administer a PAIF or corporate investors that would otherwise own more than 8% of the fund.

The M&G Property Portfolio (unit trust) launched on 8 November 2005.

Past performance is not a guide to future performance. We are unable to give financial advice. If you are unsure about the suitability of your investment, speak to your financial adviser.

The historic yield expresses the last four quarters' distributions as a percentage of the current net asset value per share (NAV). The proportion of the distribution comprising income from property and interest on cash is calculated gross of the basic rate of tax, as per AREF standard practice. Expenses are charged to capital.

Industry breakdown is net of cash and near cash.

For financial advisers only. Not for onward distribution. No other persons should rely on any information contained within.

This financial promotion is issued by M&G Securities Limited which is authorised and regulated by the Financial Conduct Authority in the UK and provides ISAs and other investment products. The company's registered office is 10 Fenchurch Avenue, London EC3M 5AG. Registered in England No. 90776.

## Contact M&G

**Private Investors**  
[www.mandg.com/investments/private-investor/en-gb](http://www.mandg.com/investments/private-investor/en-gb)  
0800 390 390

**Charities**  
[www.mandg.com/investments/charities/en-gb](http://www.mandg.com/investments/charities/en-gb)

**Professional investor**  
[www.mandg.com/investments/professional-investor/en-gb](http://www.mandg.com/investments/professional-investor/en-gb)

**Institutional**  
[www.mandg.com/investments/institutional/en-gb](http://www.mandg.com/investments/institutional/en-gb)

For your protection calls may be recorded or monitored.