

M&G Index Tracker Fund

Sterling Class A – Accumulation shares



Monthly Fund Review as at 29 February 2024
For investment professionals only

Fund description

The fund is designed to track the performance of the FTSE All-Share Index, gross of the Ongoing Charge Figure. The return received by shareholders will be reduced by the effects of charges. The index represents a broad spread of small, medium and large companies listed on the London Stock Exchange. The fund seeks to hold all the companies in the index and matches closely the weight that each stock represents in the index.

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. 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 A Accumulation	7.4%	0.4%	17.2%	-9.9%	18.3%
FTSE All-Share Index	7.9%	0.3%	18.3%	-9.8%	19.2%
Sector	7.3%	-9.2%	17.1%	-6.2%	22.4%

Performance over 5 years



Fund performance

	1 month	3 months	YTD	1 year	3 years p.a.	5 years p.a.
Sterling A Accumulation	0.0%	4.1%	-0.3%	0.4%	7.5%	4.8%
FTSE All-Share Index	0.2%	3.3%	-1.1%	0.6%	7.8%	5.0%
Sector	-0.1%	4.4%	-1.0%	0.1%	3.5%	3.9%

Past performance is not a guide to future performance.

Performance comparison: The fund is passively managed. The index is a constraining benchmark for the fund. The fund aims to track the return of the index. The fund's portfolio holdings are therefore unlikely to significantly deviate from the index's constituent parts.

Source: Morningstar, Inc and M&G, as at 29 February 2024. Returns are calculated on a price to price basis with income reinvested. Benchmark returns stated in GBP terms.

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Key information

Fund manager(s)	BlackRock Investment Management (UK)
Fund manager tenure from	12 December 2023
ISIN	GB0031110959
Launch date of fund	27 February 1998
Launch of share class	27 February 1998
Fund size (millions)	£ 552.82
Benchmark(s)	FTSE All-Share Index
Benchmark type	Target
Sector	IA UK All Companies sector
Number of companies	507
Historic yield	3.37%
Portfolio turnover over 12 months	0.00%
VaR	8.52%
Product availability	ISA, Junior ISA, OEIC, Savings Plan
Payment dates	Jan, Jul
Ex-dividend dates	Jun, Dec

Charges

Maximum entry charge	0.00%
Ongoing charge	0.54%

Risk characteristics

As at 29/02/2024	Fund
Alpha (%)	-0.02
Information ratio	-0.11
Sharpe Ratio	0.51
Historic tracking error (%)	2.61
Beta	0.96
Standard deviation (%)	10.70
Forecast tracking error (active risk, %)	0.08
Active share (%)	1.91

Things you should know

The fund invests mainly in company shares and is therefore likely to experience larger price fluctuations than funds that invest in bonds and/or cash.

Fund ratings as at 29 February 2024

Morningstar Medalist Rating™	Analyst-Driven %	★★★
Bronze	90	
	Data Coverage %	
	96	
Overall Morningstar rating		
Source of Morningstar ratings: Morningstar		
Ratings should not be taken as a recommendation.		

Industry breakdown (%)

	Fund
Financials	23.3
Consumer goods	8.4
Industrials	13.9
Consumer services	14.8
Health care	10.3
Basic materials	7.4
Oil & gas	10.7
Utilities	3.7
Telecommunications	2.7
Technology	1.7
Cash and near cash	3.1

Capitalisation breakdown (%)

	Fund	Index	Relative weight
Mega cap (> \$50bn)	43.5	43.8	-0.3
Large cap (\$10 - \$50bn)	30.3	30.6	-0.3
Mid cap (\$2 - \$10bn)	17.5	17.6	0.0
Small cap (< \$2bn)	8.0	8.1	-0.1
Cash	0.8	0.0	0.8

Currency breakdown (%)

	Fund	Index	Relative weight
British pound	99.9	100.0	-0.1
Canadian dollar	0.0	0.0	0.0
Euro	0.0	0.0	0.0

Largest holdings (%)

	Fund
Shell	7.1
Astrazeneca	6.5
Hsbc Holdings	5.2
Unilever	4.2
Bp	3.4
Gsk	2.9
Relx	2.9
Diageo	2.9
Rio Tinto	2.4
British American Tobacco	2.3

Largest overweights (%)

	Fund	Index	Relative weight
Bank Of Georgia Group	0.1	0.1	0.0
Vietnam Enterprise Investments	0.1	0.1	0.0
Wizz Air Holdings	0.1	0.1	0.0
Murray Income Trust	0.1	0.0	0.0
Jpmorgan American Investment Trust	0.1	0.1	0.0
Bytes Technology Group	0.1	0.1	0.0
Jpmorgan Indian Investment Trust	0.0	0.0	0.0
Foresight Solar Fund	0.0	0.0	0.0
The Edinburgh Investment Trust	0.1	0.1	0.0
Martin Currie Global Portfolio Tru	0.0	0.0	0.0

Country breakdown (%)

	Fund	Index	Relative weight
UK	87.5	87.6	-0.2
Australia	2.4	2.4	0.0
Netherlands	0.0	0.0	0.0
Ireland	3.5	3.5	0.0
US	0.2	0.1	0.1
South Africa	0.9	0.9	0.0
Guernsey	0.0	0.0	0.0
Russia	0.0	0.0	0.0
Other	4.8	4.7	0.1
Cash	0.8	0.8	0.0

Largest underweights (%)

	Fund	Index	Relative weight
National Grid	1.6	1.7	-0.1
Shell	7.1	7.2	-0.1
Astrazeneca	6.5	6.5	-0.1
Hsbc Holdings	5.2	5.3	0.0
Unilever	4.2	4.3	0.0
Bp	3.4	3.4	0.0
Glaxosmithkline	2.9	3.0	0.0
Relx	2.9	2.9	0.0
Diageo	2.9	2.9	0.0
London Stock Exchange Group	1.7	1.8	0.0

Fund codes and charges

Share class	ISIN	Bloomberg	Currency	Share class launch date	Ongoing charge	Historic yield	Minimum initial investment	Minimum top up investment
Sterling A Acc	GB0031110959	MGSINTA LN	GBP	27/02/1998	0.54%	3.37%	£500	£100
Sterling A Inc	GB0031110843	MGSINTI LN	GBP	27/02/1998	0.54%	3.92%	£500	£100
Sterling I Acc	GB00BJXT7941	MGINTGI LN	GBP	29/11/2019	0.19%	3.70%	£500,000	£10,000
Sterling I Inc	GB00BMWBJN01	MGINTRI LN	GBP	04/05/2023	0.19%*	3.37%	£500,000	£10,000
Sterling R Acc	GB00BN4Q7W50	MGMITSR LN	GBP	21/04/2022	0.44%	3.46%	£500	£100
Sterling R Inc	GB00BN4Q9Z22	MGMITSI LN	GBP	21/04/2022	0.44%	3.92%	£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. 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 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.

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.

Climate Metrics

	Weighted Average Carbon Intensity	Coverage by portfolio weight (%)
Sterling A Accumulation	81.14	98.97%
Benchmark	81.13	98.80%

Source: MSCI

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.

Explanation of our climate metrics

The Weighted Average Carbon Intensity (WACI) is the metric used to report our funds' carbon emissions. It is a measure of how much CO2 is being emitted per US\$ million of sales by each company that the fund invests in. This can be used to determine the likely effect a company is having on the environment. It can also help to compare the impact different companies have on the environment, and to compare companies against the broad market or the financial benchmark for the fund. However, this metric does not take into account the difference in carbon characteristics among sectors.

The WACI metric is one of many greenhouse gas emissions data points, each offering a different aspect of analysis on climate impact. M&G have selected this metric as it is applicable to multi-asset, equity and fixed income funds and it is aligned to the recommendations from the Taskforce for Climate Related Financial Disclosures (TCFD). It has also been chosen to align with M&G's groupwide target of transparency when it comes to the disclosure of climate emissions.

At M&G we currently use MSCI as our main third-party data provider for carbon intensity data as we consider its coverage to be the broadest of the current providers. As with any mass data collection, there are methodology limitations; this also applies to MSCI. We make every effort to check its data and are currently building our own tools which will use a variety of data sources to gather and map the carbon emissions of our funds.

For the avoidance of doubt, this fund is not managed to a carbon emission objective and, the benchmark WACI (should funds have a benchmark) has been included for information purposes only.

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 12 December 2023, BlackRock Investment Management (UK) was appointed Sub-Investment Manager for the Fund. This means that BlackRock is now responsible for making investment decisions on behalf of the Fund. The Fund's Investment Objective and Policy remain the same.

The M&G Index Tracker Fund is a sub-fund of M&G Investment Funds (2).

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

The value of investments will fluctuate, which will cause fund prices to fall as well as rise and investors may not get back the original amount invested. **For financial advisers only. Not for onward distribution. No other persons should rely on any information contained within.**

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