

M&G (Lux) Investment Funds 1

Annual Report and audited Financial Statements
for the year ended 31 March 2020

M&G (Lux) Investment Funds 1 is a Société d'investissement à capital variable (SICAV) under Luxembourg Law



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With respect to the following sub-funds no registration notification has been filed with the German regulator BaFin and consequently Shares in the following sub-funds must not be distributed in Germany:

- **M&G (Lux) Fixed Maturity Floating Rate Credit Fund**
- **M&G (Lux) Fixed Maturity Global Bond Fund**
- **M&G (Lux) Fixed Maturity Global Corporate ESG Bond Fund**
- **M&G (Lux) Fixed Maturity Global High Yield Bond Fund (EUR)**
- **M&G (Lux) Fixed Maturity Global High Yield Bond Fund (USD)**
- **M&G (Lux) Fixed Maturity Investment Grade Bond Fund**
- **M&G (Lux) Fixed Maturity Multi Asset Fund**
- **M&G (Lux) Multi Asset 2023 Fund**
- **M&G (Lux) Sterling Corporate Bond Fund**

M&G (Lux) Investment Funds 1

Management and administration

The Board of Directors of M&G (Lux) Investment Funds 1 (the 'Board' or its 'Directors') presents its Annual Report and audited Financial Statements for the year ended 31 March 2020.

Please note that we have included an explanation of key investment terminology in the 'Glossary' (at the back of this report).

Company information

M&G (Lux) Investment Funds 1 (the 'Company') is an Open-Ended Investment Company incorporated under the laws of Luxembourg as a Société d'investissement à capital variable (SICAV) in accordance with the provision of part 1 of the UCI Law of 17 December 2010, as amended.

The Company is authorised and regulated by the 'Commission de Surveillance du Secteur Financier' ('CSSF') under the laws of the Grand-Duchy of Luxembourg. The Company was incorporated on 29 November 2016 and is a UCITS (Undertaking for Collective Investment in Transferable Securities) scheme under part 1 of the law dated 17 December 2010 on undertakings for Collective Investment, as amended.

The Company is an umbrella fund designed to offer investors access to a variety of investment strategies through a range of separate funds. Each sub-fund, hereinafter referred to as 'funds' in the rest of this report, represents a separate portfolio of assets.

The Company's principal activity is to carry on business as a SICAV. The Company is structured as an umbrella fund, and different sub-funds may be established by the Board from time to time with the approval of the CSSF.

Under Luxembourg law, the Company is itself a legal entity, and the assets and liabilities of each sub-fund are segregated from one another and invested in accordance with the investment objectives and investment policies applicable to each sub-fund. Shareholders are not liable for the debts of the respective fund. A Shareholder is not liable to make any further payment to the respective sub-fund after payment has been made in full for the purchase of shares.

Each sub-fund may offer more than one class of shares. Each share class may have different features with respect to its criteria for subscription (including eligibility requirements), redemption, minimum holding, fee structure, currency, hedging policy and distribution policy (further information on share classes is fully described in the Company's Prospectus).

Board of Directors of M&G (Lux) Investment Funds 1 (the 'Board')

P R Jelfs, L J Mumford, S Van Dootinh*, Y Wagner*, Gary Cotton**

* Independent Directors

**At the start of the review period Gary Cotton was Director. He resigned on 30 September 2019.

Sub-funds, sub-fund managers and launch dates

At the financial year end 31 March 2020, the following funds are available for investment. Please note the sub-fund managers are employed by M&G FA Limited (formerly M&G Limited).

M&G (Lux) Absolute Return Bond Fund

Launched: 21 December 2016

Co-sub-fund managers: Jim Leaviss and Wolfgang Bauer

M&G (Lux) Asian Fund

Launched: 26 October 2018

Sub-fund manager: David Perrett

At the start of the review period Alastair Bruce was the sub-fund manager. He was replaced on 2 December 2019 by David Perrett.

M&G (Lux) Conservative Allocation Fund

Launched: 16 January 2018

Co-sub-fund managers: Juan Nevado and Craig Moran

M&G (Lux) Dynamic Allocation Fund

Launched: 16 January 2018

Co-sub-fund managers: Juan Nevado and Craig Moran

M&G (Lux) Emerging Markets Bond Fund

Launched: 17 September 2018

Sub-fund manager: Claudia Calich

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Launched: 25 July 2019

Sub-fund manager: Charles de Quinsonas

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Launched: 22 May 2017

Sub-fund manager: Claudia Calich

M&G (Lux) Emerging Markets Income Opportunities Fund

Launched: 22 May 2017

Co-sub-fund managers: Michael Bourke and Charles de Quinsonas

M&G (Lux) Episode Macro Fund

Launched: 26 October 2018

Co-sub-fund managers: David Fishwick and Eric Lonergan

M&G (Lux) Investment Funds 1

Management and administration

Sub-funds, sub-fund managers and launch dates (continued)

M&G (Lux) Euro Corporate Bond Fund

Launched: 9 November 2018

Sub-fund manager: Stefan Isaacs

M&G (Lux) European Inflation Linked Corporate Bond Fund

Launched: 16 March 2018

Sub-fund manager: Wolfgang Bauer

M&G (Lux) European Strategic Value Fund

Launched: 18 September 2018

Sub-fund manager: Richard Halle

M&G (Lux) Floating Rate High Yield Solution

Launched: 24 August 2017

Co-sub-fund managers: Stefan Isaacs and James Tomlins

M&G (Lux) Global Convertibles Fund

Launched: 9 November 2018

Sub-fund manager: Léonard Vinville

M&G (Lux) Global Corporate Bond Fund

Launched: 7 December 2018

Sub-fund manager: Ben Lord

M&G (Lux) Global Dividend Fund

Launched: 18 September 2018

Sub-fund manager: Stuart Rhodes

M&G (Lux) Global Emerging Markets Fund

Launched: 26 October 2018

Sub-fund manager: Michael Bourke

M&G (Lux) Global Enhanced Equity Premia Fund

Launched: 10 December 2019

Sub-fund manager: Gautam Samarth

M&G (Lux) Global Floating Rate High Yield Fund

Launched: 13 September 2018

Sub-fund manager: James Tomlins

M&G (Lux) Global High Yield Bond Fund

Launched: 9 November 2018

Co-sub-fund managers: Stefan Isaacs and James Tomlins

M&G (Lux) Global High Yield ESG Bond Fund

Launched: 5 October 2017

Co-sub-fund managers: James Tomlins and Stefan Isaacs

M&G (Lux) Global Listed Infrastructure Fund

Launched: 5 October 2017

Sub-fund manager: Alex Araujo

M&G (Lux) Global Macro Bond Fund

Launched: 26 October 2018

Sub-fund manager: Jim Leaviss

M&G (Lux) Global Maxima Fund

Launched: 11 December 2019

Sub-fund manager: Marc Beckenstrater

M&G (Lux) Global Select Fund

Launched: 9 November 2018

Sub-fund manager: John William Olsen

M&G (Lux) Global Strategic Value Fund

Launched: 18 July 2018

Co-sub-fund managers: Richard Halle, Daniel White and Shane Kelly

At the start of the review period David Williams was the sub-fund manager. He was replaced on 5 July 2019 by Richard Halle, Daniel White and Shane Kelly.

At the start of the review period the sub-fund name was M&G (Lux) Global Recovery Fund which changed its name to M&G (Lux) Global Strategic Value Fund on 12 February 2020. Please note that the sub-fund also changed its investment objective, investment policy and investment approach.

M&G (Lux) Global Target Return Fund

Launched: 21 December 2016

Sub-fund manager: Tristan Hanson

M&G (Lux) Global Themes Fund

Launched: 19 March 2019

Sub-fund manager: Alex Araujo

M&G (Lux) Income Allocation Fund

Launched: 16 January 2018

Sub-fund manager: Steven Andrew

M&G (Lux) Japan Fund

Launched: 26 October 2018

Sub-fund manager: Carl Vine

During the review period until 4 September 2019, Shane Kelly replaced Johan Du Preez as interim sub-fund manager. On 20 September 2019 Carl Vine replaced Shane Kelly as sub-fund manager.

M&G (Lux) Japan Smaller Companies Fund

Launched: 26 October 2018

Sub-fund manager: Carl Vine

During the review period until 4 September 2019, Shane Kelly replaced Johan Du Preez as interim sub-fund manager. On 20 September 2019 Carl Vine replaced Shane Kelly as sub-fund manager.

M&G (Lux) Multi Asset 2023 Fund

Launched: 14 December 2017

Sub-fund manager: Craig Moran

M&G (Lux) North American Dividend Fund

Launched: 9 November 2018

Sub-fund manager: John Weavers

M&G (Lux) Investment Funds 1

Management and administration

Sub-funds, sub-fund managers and launch dates (continued)

M&G (Lux) North American Value Fund

Launched: 9 November 2018

Sub-fund manager: Daniel White

M&G (Lux) Optimal Income Fund

Launched: 5 September 2018

Sub-fund manager: Richard Woolnough

M&G (Lux) Pan European Dividend Fund

Launched: 7 December 2018

Sub-fund manager: Richard Halle

On 6 December 2019 the M&G (Lux) Pan European Dividend Fund merged into the M&G (Lux) European Strategic Value Fund.

M&G (Lux) Pan European Select Fund

Launched: 9 November 2018

Sub-fund manager: John William Olsen

M&G (Lux) Positive Impact Fund

Launched: 29 November 2018

Sub-fund manager: John William Olsen

M&G (Lux) Short Dated Corporate Bond Fund

Launched: 26 October 2018

Sub-fund manager: Matthew Russell

M&G (Lux) Sustainable Allocation Fund

Launched: 29 November 2018

Sub-fund manager: Maria Municchi

Management company

M&G Luxembourg S.A.

16, boulevard Royal, L-2449 Luxembourg, Luxembourg

(Authorised and regulated by the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg)

The Company has appointed M&G Luxembourg S.A. to serve as its management company within the meaning of the UCI Law. The Management Company is responsible for the provision of investment management services, administrative services and marketing services to the Company.

In accordance with the CSSF Rules and with the prior consent of the Directors, the Management Company may delegate all or part of its duties and powers to any person or entity, provided such duties and powers remain under the supervision and responsibility of the Management Company.

Investment manager

M&G Investment Management Limited,

10, Fenchurch Avenue, London EC3M 5AG, UK*

* On 24 April 2019 the address has changed from, Laurence Pountney Hill, London C4R 0HH, UK to 10, Fenchurch Avenue, London EC3M 5AG, UK.

The Management Company has appointed M&G Investment Management Limited as investment manager to manage and invest the assets of the funds pursuant to their respective investment objectives and policies.

Registrar and transfer agent

RBC Investor Services Bank S.A. (Luxembourg),
14, Porte de France, 4360 Esch-sur-Alzette, Luxembourg

The Management Company in conjunction with the Board of Directors has appointed RBC Investor Services Bank S.A. as registrar and transfer agent of the Company.

Depositary and administrator

State Street Bank International GmbH, Luxembourg Branch*
49, avenue John F. Kennedy, 1855 Luxembourg, Luxembourg

* On 4 November 2019 the entity changed from, State Street Bank Luxembourg S.C.A. to State Street Bank International GmbH, Luxembourg Branch.

The Management Company in conjunction with the Board of Directors has appointed State Street Bank International GmbH, Luxembourg Branch as administrator of the Company.

Independent auditor

Ernst & Young S.A.,
35E, avenue John F. Kennedy, 1855 Luxembourg, Luxembourg

Legal Adviser

Elvinger Hoss Prussen, *société anonyme*
2, Place Winston Churchill, 1340 Luxembourg, Luxembourg

M&G (Lux) Investment Funds 1

Management and administration

Important information

As at the year end date of this report the most recent Visa Stamped Prospectus was approved by the CSSF on 31 January 2020. Objective and policies for the following sub-funds have been updated.

The sub-funds below are launched and available for investment:

M&G (Lux) Absolute Return Bond Fund
M&G (Lux) Asian Fund
M&G (Lux) Conservative Allocation Fund
M&G (Lux) Dynamic Allocation Fund
M&G (Lux) Emerging Markets Bond Fund
M&G (Lux) Emerging Markets Corporate ESG Bond Fund
M&G (Lux) Emerging Markets Hard Currency Bond Fund
M&G (Lux) Emerging Markets Income Opportunities Fund
M&G (Lux) Episode Macro Fund
M&G (Lux) Euro Corporate Bond Fund
M&G (Lux) European Inflation Linked Corporate Bond Fund
M&G (Lux) European Strategic Value Fund
M&G (Lux) Floating Rate High Yield Solution
M&G (Lux) Global Convertibles Fund
M&G (Lux) Global Corporate Bond Fund
M&G (Lux) Global Dividend Fund
M&G (Lux) Global Emerging Markets Fund
M&G (Lux) Global Enhanced Equity Premia Fund
M&G (Lux) Global Floating Rate High Yield Fund
M&G (Lux) Global High Yield Bond Fund
M&G (Lux) Global High Yield ESG Bond Fund
M&G (Lux) Global Listed Infrastructure Fund
M&G (Lux) Global Macro Bond Fund
M&G (Lux) Global Maxima Fund
M&G (Lux) Global Select Fund
M&G (Lux) Global Strategic Value Fund
 (formerly: M&G (Lux) Global Recovery Fund)
M&G (Lux) Global Target Return Fund

M&G (Lux) Global Themes Fund

M&G (Lux) Income Allocation Fund

M&G (Lux) Japan Fund

M&G (Lux) Japan Smaller Companies Fund

M&G (Lux) Multi Asset 2023 Fund

M&G (Lux) North American Dividend Fund

M&G (Lux) North American Value Fund

M&G (Lux) Optimal Income Fund

M&G (Lux) Pan European Select Fund

M&G (Lux) Positive Impact Fund

M&G (Lux) Short Dated Corporate Bond Fund

M&G (Lux) Sustainable Allocation Fund

The sub-funds below are not launched and will be launched following a decision by the Directors:

M&G (Lux) Fixed Maturity Floating Rate Credit Fund

M&G (Lux) Fixed Maturity Global Corporate ESG Bond Fund

M&G (Lux) Fixed Maturity Multi Asset 2027 Fund

M&G (Lux) Sterling Corporate Bond Fund

Please note there have been share class launches during the year for numerous sub-funds in the M&G (Lux) Investment Funds 1. Please see the Shares in Issue table on pages 360 to 378 for the share class launch details.

As per shareholder letter 28 October 2019 M&G (Lux) Pan European Dividend Fund has been merged into M&G (Lux) European Strategic Value Fund (the "Merger"). M&G has chosen the M&G (Lux) European Strategic Value Fund as it provides the closest match to the M&G (Lux) Pan European Dividend Fund's investment objective and investment policy. The effective date of the Merger was 6 December 2019. Details of the Merger can be found below or on our website www.mandg.com.

Merging sub-fund	Receiving sub-fund	Conversion Ratio	NAV per share at date of merger
M&G (Lux) Pan European Dividend Fund	M&G (Lux) European Strategic Value Fund		M&G (Lux) Pan European Dividend Fund
Euro	Euro		
Class 'A' Accumulation	Class 'A' Accumulation	1.748844516	17.3676
Class 'A' Distribution	Class 'A' Distribution	1.321170000	13.2117
Class 'B' Accumulation	Class 'B' Accumulation	1.076090000	10.7609
Class 'B' Distribution	Class 'B' Accumulation	0.930160000	9.3016
Class 'C' Accumulation	Class 'C' Accumulation	1.885735334	18.9424
Class 'C' Distribution	Class 'C' Distribution	1.525870000	15.2587
Class 'CI' Accumulation	Class 'CI' Accumulation	1.144127795	11.4740
Class 'CI' Distribution	Class 'CI' Distribution	1.104240000	11.0424
US dollar	US dollar		
Class 'A' Accumulation	Class 'A' Accumulation	1.122680133	9.5155

M&G (Lux) Investment Funds 1

Management and administration

Important information (continued)

Merging sub-fund	Receiving sub-fund	Conversion Ratio	NAV per share at date of merger
Class 'A' Distribution	Class 'A' Accumulation	0.903264627	7.6558

Investor information

The Prospectus, Articles of Incorporation, Key Investor Information Documents, latest annual or interim report and financial statements are available free of charge on request from the following addresses. Alternatively, you can obtain a copy of the latest annual or interim report and financial statements from our website at www.mandg.lu/literature

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current Prospectus, the current Key Investor Information Document, accompanied by the latest audited annual report or unaudited interim report if published thereafter.

A detailed list of investments purchased and sold for any fund during the period is available upon request, free of charge, from the following address:

Customer services and administration

M&G Luxembourg S.A., c/o RBC I&TS,
14, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg
Telephone: +352 2605 9944
Email: csmandg@rbc.com

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

For security purposes and to improve the quality of our service, telephone calls may be recorded and monitored.

Austrian paying and information agent

Société Générale, Vienna Branch,
Prinz Eugen-Strasse 8-10/5/Top 11, 1040 Wien, Austria

Belgian financial agent

ABN AMRO Bank N.V., Belgium branch,
Riderveldlaan 5 bus 4, 2600 Berchem, Belgium

Danish representative agent

Nordea Bank Danmark A/S,
Client Relations DK, Investor Services & Solutions,
Postbox 850, Reg.no.6428. HH. 6.1., 0900 Copenhagen C,
Denmark

French centralising agent

RBC Investor Services, Bank France S.A.,
105 rue Réaumur, 75002 Paris, France

German information agent

M&G International Investments S.A.,
mainBuilding, Taunusanlage 19, 60325 Frankfurt am Main,
Germany

Greek paying agents and distributors

Eurobank Ergasias S.A.,
8, Othonos Street, 10557 Athens, Greece
Alpha Bank A.E.,
40 Stadiou Street, 10252 Athens, Greece
Piraeus Bank S.A.
4 Amerikis Street, 10564 Athens, Greece

Irish facilities agent

Société Générale S.A., Dublin Branch,
3rd Floor IFSC House – IFSC, Dublin 1, Ireland

Italian paying agents

Allfunds Bank, S.A.,
Via Bocchetto, 6, 20123 Milano MI, Italy
Banca Monte dei Paschi di Siena S.p.A.,
Piazza Salimbeni 3, 53100 Siena, Italy
Banca Sella Holding S.p.A.,
Piazza Gaudenzio Sella 1, 13900 Biella, Italy
BNP PARIBAS Securities Services,
Piazza Lina Bo Bardi 3, 20124 Milano, Italy
CACEIS Bank Luxembourg,
Milan Branch, Piazza Cavour 2, 20121 Milano, Italy
RBC Investor Services Bank S.A.,
Via Vittor Pisani 26, 20124 Milano, Italy
State Street Bank S.p.A.,
Via Ferrante Aporti 10, 20125 Milano, Italy
Société Générale Securities Services S.A.,
Via Benigno Crespi 19A - MAC 2, 20159 Milano, Italy

Liechtenstein paying agent

VP Bank AG,
9490 Vaduz, Liechtenstein

Portuguese distributor

Best - Banco Electrónico de Serviço Total, S.A.,
Praça Marquês de Pombal, no. 3 - 3º, 1250-161 Lisboa, Portugal

Spanish representative

Allfunds Bank, S.A.,
Calle Estafeta, No 6 Complejo Plaza de la Fuente,
La Moraleja 28109, Alcobendas, Madrid, Spain

Swedish paying agent

Nordea Bank AB (publ),
Smålandsgatan 17, 105 71 Stockholm, Sweden

M&G (Lux) Investment Funds 1

Management and administration

Investor information (continued)

Swiss paying agent and representative

Société Générale, Paris, Zurich Branch,
Talacker 50, P.O. Box 5070, 8021 Zurich, Switzerland

M&G (Lux) Investment Funds 1

Directors' Report

Directors of the SICAV

Phillip Jelfs

Mr Jelfs has been a director of the Company since inception. He joined M&G in 2006 and is responsible for products throughout the product life-cycle. He is also a Director of M&G Securities, a UK based Authorised Corporate Director (ACD). Phil has an honours degree in Geography & War Studies from Kings College, London University and an MBA.

Laurence Mumford

Mr Mumford has been a director of the Company since inception and is chair of the Fund Board. He is Funds Services Director for M&G and has been a Board member of M&G Securities Limited (MGSL) since 2004 and currently Chair.

Mr Mumford has previously been Chair of the Investment Association's Investment Funds Operations Committee which aimed to facilitate understanding and issue resolution across the industry of relevant operational matters.

Mr Mumford is a chartered accountant and joined M&G in 2000 having previously worked at PricewaterhouseCoopers.

Susanne van Dootingham - Independent Director

Ms van Dootingham has been an independent non-executive director of the Company since 12 February 2019.

Ms van Dootingham is an independent non-executive director of several Luxembourg domiciled investment funds and management companies.

Ms van Dootingham was previously at State Street Global Advisors from 2002 to 2017 with her final position being Senior Managing Director, Head of European Governance and Regulatory Strategy EMEA. Prior to this she held various senior positions at State Street Global Advisors in Global Product Development and Global Fixed Income Strategy. Before joining SSGA in 2002 she was a fixed income strategist and portfolio manager at Fortis Investment Management, Barclays Global Investors, and ABN AMRO Asset Management.

Yves Wagner - Independent Director

Dr. Wagner has been an independent non-executive director of the Company since inception.

Dr. Wagner started his non-academic career with Banque Générale du Luxembourg where he became Director of Asset Management, before becoming the Chief Executive Officer and Board member of Fortis Investments, Luxembourg.

He founded "The Directors' Office" and is today an independent director for several financial institutions. He has been an advisor to the Luxembourg School of Finance (LSF), a business school of the University of Luxembourg.

Dr. Wagner holds a "Doctorat ès Sciences Economiques" (PhD) from the University of Aix-Marseille III, France.

Dr Wagner was for many years the Chairman of the Luxembourg Society of Financial Analysts (ALGAFI) and Board Member of the European Federation of Financial Analysts Societies (EFFAS).

Directors' responsibilities

The Directors are responsible for the overall management and control of the Company in accordance with the Articles. The Directors are further responsible for the implementation of each fund's investment objective and policies, as well as for oversight of the administration and operations of each fund.

The Directors shall have the broadest powers to act in any circumstances on behalf of the Company, subject to the powers reserved by law to the Shareholders.

The following persons have been appointed as Directors of the Company:

Gary Cotton, Director.*

Philip Jelfs, Director.

Laurence Mumford, Director.

Susanne Van Dootingham, is an Independent Director.

Yves Wagner, is an Independent Director.

* At the start of the review period Gary Cotton was the Director. He resigned on 30 September 2019.

The Directors may appoint one or more committees, authorised delegates or agents to act on their behalf.

Delegation of functions

Management Company

The Company has appointed M&G Luxembourg S.A. pursuant to the Management Agreement to serve as its management company within the meaning of the UCI Law.

The Management Company performs certain functions, subject to the overall supervision of the Directors, for the provision of investment management services, administrative services and marketing services to the Company.

The Management Company acts as the management company of the Company under the freedom to provide services organised by the UCITS Directive. In accordance with the relevant provisions of the UCI Law, the Management Company will be required to comply with the CSSF Rules (being the rules of the Management Company's 'home member state' for the purposes of the UCI Law) in relation to the organisation of the Management Company, including its delegation arrangements, risk management procedures, prudential rules and supervision, applicable prudential rules regarding the Management Company's management of UCITS authorised under the UCITS Directive and the Management Company's reporting requirements. The Management Company shall comply with the UCI Law as regards the constitution and functioning of the Company.

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Directors' Report

Directors' responsibilities (continued)

Distributor

The Company is also the principal distributor of shares under the terms of the Management Agreement.

The Management Company has appointed M&G International Investments S.A. as Distributor. Under the Distribution Agreement, M&G International Investments S.A. will provide services relating to the distribution of the Investment Vehicles and the marketing of the Discretionary Investment Management Services.

Investment manager

The Company has appointed M&G Investment Management Limited as investment manager to manage and invest the assets of the funds pursuant to their respective investment objectives and policies.

The Investment manager was appointed pursuant to the Investment Management Agreement. Under the Investment Management Agreement, the Investment manager has full discretion, subject to the overall review and control of the Management Company and the Directors, to purchase and sell securities and otherwise to manage the assets of the Company on a discretionary basis. The Investment Manager is also entitled to delegate investment management under the terms set out in the Investment Management Agreement.

Registrar and transfer agent

The Management Company has appointed RBC Investor Services Bank S.A. as registrar and transfer agent of the Company on behalf of the Board of Directors.

Under the Registrar and Transfer Agency Agreement, the registrar and transfer agent is responsible for processing the issue, redemption and transfer of shares, as well as for the keeping of the register of Shareholders, subject to the overall review and control of the Management Company and the Directors.

Administrator

The Management Company has appointed State Street Bank International GmbH, Luxembourg Branch as the Administrator of the Company on behalf of the Board of Directors. The Administrator will carry out certain administrative duties related to the administration of the Company, including the calculation of the Net Asset Value of the shares and the provision of accounting services to the Company, subject to the overall review and control of the Management Company and the Directors.

The Company has appointed the Administrator as its domiciliary agent. The Administrator will be responsible for the domiciliation of the Company and will perform, inter alia, the functions as foreseen in the Luxembourg law of 31 May 1999 on the domiciliation of companies, as amended from time to time, and, in particular, allow the Company to establish its registered office at the registered office of the Administrator and provide facilities necessary for the meetings of the Company's officers, Directors and/or of the Shareholders of the Company.

Hedging services

The Management Company has appointed Street Bank International GmbH, Luxembourg Branch to undertake certain currency hedging functions in respect of the Hedged Share Classes.

Depository

The Management Company in conjunction with the Board of Directors has appointed State Street Bank International GmbH, Luxembourg Branch as the Depository.

The Depository shall perform all of the duties and obligations of a depository under the UCITS Directive and the Luxembourg implementing laws and regulations with respect to each fund.

The Depository has been entrusted with the following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with applicable law and the Articles;
- ensuring that the value of the shares is calculated in accordance with applicable law and the Articles;
- carrying out the instructions of the Management Company or the Company (as the case may be), unless such instructions conflict with applicable law or the Articles;
- ensuring that, in transactions involving the assets of the Company, any consideration is remitted to the Company within the usual time limits;
- ensuring that the income of the Company is applied in accordance with applicable law and the Articles;
- monitoring and oversight of the Company's cash and cashflows in accordance with the UCITS Directive and the Luxembourg implementing laws and regulations; and
- safe-keeping of the Company's assets, including the safe-keeping of financial instruments that can be held in custody and ownership verification and record-keeping in relation to other assets.

M&G (Lux) Investment Funds 1

Directors' Report

Directors' responsibilities (continued)

Going concern

The company holds mainly liquid assets and can cover its liabilities. On reviewing the overall net asset values of the company since 31 March 2020 year-end, the NAV/shares are largely positive mainly as a result of a bounce back following the market lows resulting from uncertainty in relation to COVID-19.

The Directors believe that the funds remain a going concern.

Directors' statement

This report has been prepared in accordance with the requirements of the UCITS Directive 2009/65/EC of the European Parliament and Council of 13 July 2009.

P R JELFS
L J MUMFORD } Directors



8 July 2020



M&G (Lux) Investment Funds 1

Independent Auditor's Report

Independent Auditor's Report to the shareholders of M&G (Lux) Investment Funds 1

Opinion

We have audited the financial statements of M&G (Lux) Investment Funds 1 (the "Fund") and of each of its sub-funds, which comprise the statement of net assets and portfolio statement as at 31 March 2020, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at 31 March 2020, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the "responsibilities of the 'réviseur d'entreprises agréé' for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the

audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the 'réviseur d'entreprises agréé' for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

M&G (Lux) Investment Funds 1

Independent Auditor's Report

Independent Auditor's Report to the shareholders of M&G (Lux) Investment Funds 1 (continued)

Responsibilities of the 'réviseur d'entreprises agréé' for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Robert White

Luxembourg
8 July 2020

Ernst & Young
Société anonyme
Cabinet de révision agréé

M&G (Lux) Investment Funds 1

Market review

During the 12 months under review, global investors experienced some impressive investment returns across a variety of financial markets during the first part of the period. This was followed by a complete reversal of fortune in early 2020, as the deadly Covid-19 pandemic took hold around the world.

The easing in global economic conditions at the start of 2019 and the sharp bounce-back seen in many stock markets led to expectations of interest rate rises and the removal of central bank stimulus measures. However, as the year progressed, it became clear that global growth remained fragile and that many consumers and businesses (and indeed investors) were very sensitive to any abrupt change in policy outlook.

Despite this, share prices remained buoyant as investors seemed willing to ignore deteriorating global economic data in the hope that central bank support would eventually help the world economy to avoid falling into a prolonged slowdown. By the summer, weak economic data and an uncertain global trade outlook – due to the ongoing trade dispute between the US and China – led both the US Federal Reserve (Fed) and European Central Bank (ECB) to indicate their readiness to provide stimulus measures to avert a recession. In Europe, the ECB announced a raft of new stimulus measures at its September meeting, including a cut in interest rates and a resumption of its quantitative easing programme. In the US, the Fed cut interest rates in July and September.

Other positive news included the agreement of a “phase one” US/China trade deal and the avoidance of a no-deal Brexit between the UK and Europe. Tight labour markets and rising wages remained supportive of consumer confidence and household spending as fears of a recession in Europe and the US gradually faded. Global stock markets delivered strong returns to investors during this period. Many regions recorded double-digit growth, led by US equities and other developed markets. Despite this strong showing from equities, bonds also delivered good returns. Interest rate cuts and persistently mixed global economic data saw government bonds rally. The promise of further central bank support aided underlying corporate sentiment, helping global credit markets to post very impressive returns during this period.

However, market gains were wiped out as the Covid-19 outbreak took hold, devastating financial markets from mid-February onwards. The virus meant most nations had to adopt strict population lockdowns, causing demand for many goods and services to slump. Governments and central banks scrambled to provide huge levels of monetary and fiscal support. A sharp oil price decline as a result of an OPEC disagreement amplified

levels of distress in the markets. Demand for risk-free Western government bonds spiked, before later cooling off again. In the foreign exchange markets, the US dollar strengthened against most major currencies, fulfilling its role as a safe-haven currency in times of market stress.

M&G Investment Management Limited

31 March 2020

Source of market performance data: Datastream, as at 31 March 2020.

M&G (Lux) Absolute Return Bond Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of income and capital growth) of at least cash* plus 2.5% a year, before any charges are taken, in any market conditions and over any three-year period.

The Fund aims to achieve this while seeking to minimise the degree to which the value of the Fund fluctuates over time (volatility), while also seeking to limit monthly losses. Managing the Fund's volatility in this way reduces its ability to achieve returns significantly above 3-month Euribor plus 2.5%.

* As based on 3-month Euribor, the rate at which banks borrow money from each other.

Investment policy

The Fund will invest at least 70% of its Net Asset Value in the following asset classes: bonds, currencies, cash, near cash and deposits. These may be issued anywhere in the world and denominated in any currency.

The Fund's exposure to these investments may also be gained by investing in other collective investment schemes, or through the use of derivative instruments. The Fund may take short positions (holding derivative instruments with the aim of delivering a positive return when the assets they are linked to fall in value) in markets, currencies, securities, and groups of securities. The Fund also has the flexibility to gain exposure to investments exceeding the net asset value of the Fund in order to increase potential returns in both rising and falling markets.

Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options, and Total Return Swaps.

The bonds that the Fund may invest in include the following:

- bonds which are rated above investment grade by a recognised rating agency, bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies, bonds from issuers located in emerging markets;
- Chinese onshore bonds denominated in CNY traded on the China Interbank Bond Market; and
- a maximum of 60% of the Fund's Net Asset Value combined in unrated bonds and sub-investment grade bonds.

The Fund may invest up to 20% of its Net Asset Value in Asset-Backed Securities and up to 20% of its Net Asset Value in Contingent Convertibles Debt Securities.

Investment approach

The Investment Manager takes a flexible approach, investing across a broad range of fixed income and currency markets according to where they identify value. A dynamic investment approach is followed, allowing the Investment Manager to change the blend of duration, credit and currency exposures based on their outlook.

The Fund will typically aim to have a high level of diversification in individual credit selection and across investment themes and sources of return. The managers will aim to achieve the performance objective while managing the fund's volatility and limiting losses during difficult market conditions.

Performance Comparator

The performance comparator is set out as below:

- for EUR Share class the performance comparator is the 3-month Euribor + 2.5%
- for CHF Hedged Share class the performance comparator is the 3-month CHF LIBOR + 2.5%
- for GBP Hedged Share class the performance comparator is the 3-month GBP LIBOR + 2.5%
- for USD Hedged Share class the performance comparator is the 3-month USD LIBOR + 2.5%

The Fund is actively managed. The index is a point of reference against which the performance of the fund may be measured.

M&G (Lux) Absolute Return Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

Fixed income markets delivered mixed returns in the review period against a turbulent market backdrop. Following largely supportive conditions throughout 2019 and into the beginning of 2020, markets experienced a dramatic reversal as the spread of the new coronavirus around the world began to dominate headlines from late February onwards.

The change of tone contrasted markedly with the relatively upbeat market conditions which had prevailed before the onset of the crisis. Signs of a tentative pick-up in global economic activity, coupled with the supportive actions of the world's central banks, had helped drive solid returns across fixed income markets during 2019.

Over the course of 2019, both the European Central Bank (ECB) and the US Federal Reserve implemented a range of stimulus measures to help boost growth, including a series of interest rate cuts and the resumption of their bond purchase programmes. This helped drive government bonds yields to record lows by the middle of 2019.

Towards the end of 2019, markets were buoyed by signs of progress in the US/China trade negotiations, along with the avoidance of a no-deal Brexit scenario between the UK and Europe. With healthy labour markets providing further support to consumer confidence, earlier fears of a recession in Europe and the US had largely faded as we moved into 2020.

However, sentiment turned abruptly as the Covid-19 outbreak took hold, devastating financial markets from late February onwards. The virus meant most nations had to adopt strict population lockdowns, causing demand for many goods and services to slump. Governments and central banks scrambled to provide huge levels of monetary and fiscal support. A sharp oil price decline as a result of a slump in demand, coupled with a failure to agree supply cuts, only added to levels of distress in the markets.

Most areas of the corporate bond market sold off heavily in March, with the asset class more than reversing its earlier gains over the past year. Lower-rated bonds generally experienced the largest declines as investors began to price in the likelihood of a rise in company defaults. However, highly rated government bonds offered some respite as investors sought refuge in their perceived safe-haven qualities, with US Treasuries and gilts (UK government bonds) delivering positive returns in March.

The sub-fund delivered a negative total return (the combination of income and capital growth) across most of its share classes and lagged behind its benchmark over the 12 months under review. Losses were partly mitigated by our earlier decision to reduce our corporate bond exposure on the basis that valuations had become extended, as well as by our decision to increase our interest rate duration.

Investment activities

Following the strong performance in corporate bond markets throughout 2019, we gradually reduced credit risk over the review period. In our view, valuations were starting to look excessive and we took the opportunity to switch into more defensive assets which we would expect to hold up better in the event of a market downturn. On this basis, we sold or reduced several of our bank positions following strong performance, while purchasing corporate bond issues from less cyclical businesses.

As a result of earlier defensive measures taken, we believe the sub-fund was relatively well positioned to withstand the market sell-off which began in late February. However, given the unprecedented speed of the sell-off, the sub-fund breached its volatility and drawdown triggers. The sub-fund's stringent risk management process means we are not permitted to add any more risk to the portfolio at an aggregate level. However, given that we expect our cash bond positions to ultimately recover, we do not consider it to be in the best interests of investors to crystallise losses by selling these bonds at very depressed levels.

Activity in the final month of the review period was relatively limited, although we did take the opportunity to purchase several newly issued corporate bonds as a number of high quality companies issued debt at what we considered to be highly attractive levels.

Outlook

Coronavirus will clearly cause some major economic disruption in the short term, and there is little doubt that many developed economies will enter recession in the coming months. On the other hand, we believe record stimulus from both governments and central banks should help to alleviate some of the pain. While investor sentiment is likely to remain fragile for some time, if markets start to sense the arrival of more positive news and a return to normality, we think conditions may be ripe for an eventual strong rebound.

Corporate bond valuations are now at highly attractive levels, in our opinion, presenting a wealth of opportunities for investors willing to weather some volatility and uncertainty in the months ahead. While corporate defaults are expected to rise, markets are pricing in default rates four-to-five times larger than anything seen previously. The ability to carefully select high-quality, attractively priced credit exposure will be crucial over the coming weeks and months.

Jim Leaviss and Wolfgang Bauer

Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					62,171	94.18
Debt securities					62,284	94.35
'AAA' credit rated bonds					10,675	16.17
Australia (Commonwealth of) 3%	940,000	AU\$	21.03.2047		678	1.03
Avoca CLO XVII Designated Activity FRN ^[a]	500,000	€	15.10.2032		456	0.69
Barings Euro CLO FRN	400,000	€	15.10.2030		384	0.58
Brass NO 7 FRN	236,100	£	16.10.2059		262	0.40
Carlyle Global Market Strategicgmse FRN	400,000	€	15.07.2030		385	0.58
Clydesdale Bank FRN	129,000	£	22.03.2024		143	0.22
Dukinfield II FRN	234,025	£	20.12.2052		255	0.39
Finsbury Square FRN	129,149	£	12.09.2065		145	0.22
Finsbury Square FRN	328,000	£	16.03.2070		362	0.55
Friary No. 6 FRN	567,958	£	21.11.2067		624	0.94
Harvest CLO VIII FRN	503,000	€	15.01.2031		480	0.73
Harvest CLO VII FRN	250,000	€	12.04.2031		242	0.37
IDB Trust Services 0.037%	200,000	€	04.12.2024		200	0.30
Jubilee CLO XVIII FRN	400,000	€	15.01.2030		387	0.59
Lanark Master Issuer FRN	92,660	£	22.12.2069		104	0.16
Lloyds Bank FRN	193,000	£	16.05.2024		213	0.32
Norway (Kingdom of) 2%	6,800,000	NOK	24.05.2023		622	0.94
Oat Hill No 1 FRN	407,764	£	25.02.2046		460	0.70
Paragon Mortgages No 11 FRN	333,633	€	15.10.2041		309	0.47
Paragon Mortgages No 15 FRN	364,218	€	15.12.2039		338	0.51
Polaris Holdings FRN	131,438	£	27.04.2057		140	0.21
Precise Mortgage Funding FRN	99,368	£	16.10.2056		109	0.16
Residential Mortgage Securities FRN	173,538	£	20.12.2046		182	0.27
RIN II FRN ^[a]	300,000	US\$	10.09.2030		258	0.39
Shamrock Residential FRN	93,291	€	24.11.2057		93	0.14
Sound Point Euro CLO III Funding FRN ^[a]	387,000	€	15.04.2033		354	0.54
Temasek Financial I 0.5%	150,000	€	20.11.2031		146	0.22
Towd Point Mortgage Funding FRN	124,649	£	20.02.2054		138	0.21
Tower Bridge Funding No 3 FRN	107,772	£	20.12.2061		116	0.17
US Treasury I/I 0.125%	150,000	US\$	15.04.2021		146	0.22
US Treasury I/I 0.125%	600,000	US\$	15.07.2026		598	0.91
US Treasury I/I 0.375%	500,000	US\$	15.07.2023		510	0.77
US Treasury I/I 0.625%	400,000	US\$	15.01.2024		412	0.62
US Treasury Note 1.375%	350,000	US\$	31.05.2020		321	0.49
Warwick Finance Residential Mortgages No Two FRN	91,761	£	21.09.2049		103	0.16
'AA' credit rated bonds					4,187	6.34
AutoFlorence 1 FRN	400,000	€	25.12.2042		398	0.60
Banco Santander 0.25%	200,000	€	10.07.2029		201	0.30
E-MAC NL I FRN	178,538	€	25.04.2038		172	0.26
Euroclear Bank 0.25%	250,000	€	07.09.2022		247	0.37
Euroclear Bank 1.25%	127,000	£	30.09.2024		136	0.21
Exxon Mobil 2.992%	300,000	US\$	19.03.2025		283	0.43
First Abu Dhabi Bank 1.375%	223,000	£	19.02.2023		246	0.37
MassMutual Global Funding II 1.375%	373,000	£	15.12.2026		389	0.59
Metropolitan Life Global Funding I 0.375%	304,000	€	09.04.2024		289	0.44
New York Life Global Funding 0.25%	321,000	€	23.01.2027		301	0.46
New York Life Global Funding 1.25%	182,000	£	17.12.2026		189	0.29
Paragon Mortgages No 13 FRN	424,412	€	15.01.2039		390	0.59
US Bank 2.05%	750,000	US\$	21.01.2025		675	1.02
Walmart 7.55%	200,000	US\$	15.02.2030		271	0.41
'A' credit rated bonds					13,272	20.11
Aegon Bank 0.625%	100,000	€	21.06.2024		94	0.14
Air Liquide Finance 2.25%	200,000	US\$	10.09.2029		174	0.26
Alba FRN	254,996	€	15.12.2038		215	0.33
Allianz FRN	200,000	€	31.12.2099		205	0.31
Argentum Netherlands for Zurich Insurance FRN	100,000	€	19.02.2049		100	0.15
Banco Santander 2.706%	200,000	US\$	27.06.2024		178	0.27
BNP Paribas 1.875%	300,000	£	14.12.2027		311	0.47
Boubyan Sukuk 2.593%	214,000	US\$	18.02.2025		187	0.28
BP Capital Markets 1.104%	500,000	€	15.11.2034		413	0.63
BP Capital Markets 1.526%	250,000	€	26.09.2022		251	0.38
BPCE 1.375%	300,000	£	23.12.2026		309	0.47
BPCE 3.5%	250,000	US\$	23.10.2027		227	0.34
Bristol-Myers Squibb 4.125%	97,000	US\$	15.06.2039		106	0.16
Chubb INA Holdings 0.875%	289,000	€	15.12.2029		254	0.38

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
Chubb INA Holdings 1.55%	127,000	€	15.03.2028		122	0.19
Cigna 4.8%	100,000	US\$	15.07.2046		105	0.16
Comcast 1.5%	181,000	£	20.02.2029		194	0.29
Comcast 3.1%	65,000	US\$	01.04.2025		62	0.09
Comcast 4.95%	76,000	US\$	15.10.2058		95	0.14
Coventry Building Society 1.5%	288,000	£	23.01.2023		314	0.48
Deutsche Pfandbriefbank 1.75%	400,000	£	21.11.2022		437	0.66
Eli Lilly 1.7%	400,000	€	01.11.2049		340	0.52
Engie 1.25%	300,000	€	24.10.2041		266	0.40
Engie 5.95%	62,000	€	16.03.2111		127	0.19
Groupe Bruxelles Lambert 1.375%	500,000	€	23.05.2024		496	0.75
Henkel 1.25%	200,000	£	30.09.2026		209	0.32
HSBC Holdings FRN	100,000	€	05.10.2023		93	0.14
HSBC Holdings FRN	126,000	£	22.07.2028		140	0.21
HSBC Holdings FRN	173,000	£	29.05.2030		188	0.29
Japan (Kingdom of) 0.1% ^[a]	108,000,000	¥	10.03.2029		912	1.38
John Deere Capital 1.75%	125,000	US\$	09.03.2027		109	0.17
JPMorgan Chase FRN	300,000	€	24.02.2028		268	0.41
JPMorgan Chase FRN	111,000	€	25.07.2031		100	0.15
JPMorgan Chase FRN	400,000	€	04.11.2032		359	0.54
Landesbank Baden-Württemberg 1.5%	200,000	£	03.02.2025		211	0.32
Landmark Mortgage Securities No 2 FRN	265,541	€	17.06.2039		215	0.33
Ludgate Funding FRN	243,570	€	01.12.2060		202	0.31
Malaysia (Federation of) 3.882% ^[a]	1,350,000	MYR	10.03.2022		292	0.44
Medtronic Global Holdings 1.75%	250,000	€	02.07.2049		218	0.33
Newgate Funding FRN	498,243	€	15.12.2050		421	0.64
Project Silver 3.967% ^[a]	237,158	US\$	15.07.2044		152	0.23
Santander Consumer Finance 0.375%	100,000	€	27.06.2024		95	0.14
S-Jets 3.967% ^[a]	576,963	US\$	15.08.2042		375	0.57
State Grid Overseas Investment 1.375%	200,000	€	02.05.2025		203	0.31
State Street FRN	86,000	US\$	30.03.2023		79	0.12
Sumitomo Mitsui Financial Group 2.448%	250,000	US\$	27.09.2024		225	0.34
Swiss Re Finance Luxembourg FRN	100,000	€	30.04.2050		93	0.14
Total Capital International 2.829%	200,000	US\$	10.01.2030		184	0.28
Toyota Motor Credit 3%	400,000	US\$	01.04.2025		366	0.55
UBS Group 1.75%	250,000	€	16.11.2022		249	0.38
UBS Group FRN	200,000	US\$	13.08.2030		175	0.27
Unibail-Rodamco-Westfield 0.875%	400,000	€	29.03.2032		345	0.52
US Bancorp 3%	275,000	US\$	30.07.2029		248	0.38
Walt Disney 2%	300,000	US\$	01.09.2029		259	0.39
Wells Fargo 1.375%	100,000	£	30.06.2022		109	0.17
Wells Fargo 2.125%	224,000	£	24.09.2031		227	0.34
Wells Fargo 2.5%	110,000	£	02.05.2029		119	0.18
Yorkshire Building Society 1.25%	250,000	€	17.03.2022		250	0.38
'BBB' credit rated bonds					23,164	35.09
AA Bond 2.875%	71,000	£	31.01.2022		76	0.11
AA Bond 5.5%	129,000	£	31.07.2050		125	0.19
AbbVie 3.2%	100,000	US\$	21.11.2029		91	0.14
AbbVie 4.05%	184,000	US\$	21.11.2039		174	0.26
Allergan Funding 4.55%	200,000	US\$	15.03.2035		208	0.31
Altarea 1.875%	100,000	€	17.01.2028		96	0.15
Altria Group 5.8%	152,000	US\$	14.02.2039		153	0.23
American International Group FRN	150,000	€	15.03.2037		123	0.19
Anglo American Capital 3.375%	151,000	£	11.03.2029		153	0.23
Anglo American Capital 4.5%	200,000	US\$	15.03.2028		181	0.27
Arion Banki 1%	132,000	€	20.03.2023		129	0.20
ASR Nederland FRN	150,000	€	30.09.2049		149	0.23
Assicurazioni Generali FRN	200,000	€	12.12.2042		219	0.33
AT&T 4.875%	100,000	£	01.06.2044		132	0.20
Banco Bilbao Vizcaya Argentaria 0.5%	500,000	€	14.01.2027		443	0.67
Banco Bilbao Vizcaya Argentaria FRN	400,000	€	16.01.2030		340	0.51
Banco Santander Mexico FRN	300,000	US\$	01.10.2028		251	0.38
Bayer US Finance II 4.375%	200,000	US\$	15.12.2028		196	0.30
Bayer US Finance II FRN	200,000	US\$	15.12.2023		165	0.25
Boeing 3.25%	275,000	US\$	01.02.2035		217	0.33
Bogota Distrito Capital 9.75%	200,000,000	COP	26.07.2028		48	0.07

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Boston Scientific 0.625%	241,000	€	01.12.2027		221	0.33
Bunge Finance 4.35%	250,000	US\$	15.03.2024		236	0.36
Bureau Veritas 1.125%	100,000	€	18.01.2027		93	0.14
Canadian Imperial Bank of Commerce 1.625%	149,000	£	25.09.2025		158	0.24
Channel Link Enterprises Finance FRN	350,000	€	30.06.2050		347	0.53
Cigna 4.375%	53,000	US\$	15.10.2028		52	0.08
Cigna 4.8%	68,000	US\$	15.08.2038		70	0.11
Citigroup FRN	144,000	€	08.10.2027		129	0.20
CK Hutchison Group Telecom Finance 1.5%	376,000	€	17.10.2031		343	0.52
CK Hutchison Group Telecom Finance 2%	200,000	£	17.10.2027		214	0.32
Conagra Brands FRN	16,000	US\$	22.10.2020		14	0.02
CVS Health 4.3%	100,000	US\$	25.03.2028		96	0.15
Daimler 1.125%	600,000	€	06.11.2031		493	0.75
Deutsche Telekom International Finance 8.75%	300,000	US\$	15.06.2030		369	0.56
DH Europe Finance II 0.2%	111,000	€	18.03.2026		103	0.16
DH Europe Finance II 1.8%	110,000	€	18.09.2049		88	0.13
Digital Dutch Finco 1.5%	100,000	€	15.03.2030		87	0.13
Digital Euro Finco 1.125%	200,000	€	09.04.2028		174	0.26
DP World 4.25%	256,000	£	25.09.2030		266	0.40
DP World 6.85%	100,000	US\$	02.07.2037		91	0.14
DuPont de Nemours 5.319%	216,000	US\$	15.11.2038		224	0.34
Eastern Power Networks 2.125%	200,000	£	25.11.2033		217	0.33
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	250,000	€	29.09.2047		249	0.38
Energy Transfer Operating 4.5%	16,000	US\$	15.04.2024		13	0.02
Energy Transfer Operating 5.8%	79,000	US\$	15.06.2038		63	0.10
Energy Transfer Operating 6.125%	400,000	US\$	15.12.2045		314	0.48
Fastighets Balder 1.875%	100,000	€	23.01.2026		100	0.15
FedEx 1.3%	200,000	€	05.08.2031		174	0.26
FFP 1.875%	200,000	€	30.10.2026		192	0.29
Fidelity National Information Services 0.125%	197,000	€	03.12.2022		192	0.29
GE Capital UK Funding Unlimited 5.875%	200,000	£	18.01.2033		262	0.40
Goldman Sachs Group 3.125%	200,000	£	25.07.2029		215	0.33
Greene King Finance FRN	251,825	£	15.12.2033		283	0.43
Hammerson 6%	250,000	£	23.02.2026		282	0.43
Hastings Group Finance 3%	150,000	£	24.05.2025		165	0.25
Heathrow Funding 1.875%	241,000	€	14.03.2034		207	0.31
Hiscox FRN	150,000	£	24.11.2045		172	0.26
Imperial Brands Finance 3.875%	204,000	US\$	26.07.2029		175	0.26
Italy (Republic of) 6%	150,000	£	04.08.2028		209	0.32
JAB Holdings 1%	100,000	€	20.12.2027		94	0.14
Koninklijke KPN 5.75%	200,000	£	17.09.2029		268	0.41
Lagardere 1.625%	300,000	€	21.06.2024		266	0.40
Lagardere 2.125%	300,000	€	16.10.2026		255	0.39
Lear 4.25%	82,000	US\$	15.05.2029		69	0.10
Lear 5.25%	150,000	US\$	15.05.2049		122	0.18
Legal & General Group FRN	184,000	£	26.11.2049		189	0.29
Lloyds Banking Group FRN	372,000	€	12.11.2025		338	0.51
Lloyds Banking Group FRN	200,000	£	15.01.2026		212	0.32
Lloyds Banking Group FRN	100,000	€	07.09.2028		94	0.14
Logicor Financing 1.625%	300,000	€	15.07.2027		281	0.43
Logicor Financing 2.75%	250,000	£	15.01.2030		259	0.39
LYB International Finance II 1.625%	217,000	€	17.09.2031		188	0.28
McDonald's 0.9%	100,000	€	15.06.2026		97	0.15
McDonald's 3.625%	750,000	US\$	01.09.2049		695	1.05
Mexico (United Mexican States) 1.125%	400,000	€	17.01.2030		343	0.52
Mexico (United Mexican States) 4.5%	275,000	US\$	31.01.2050		248	0.38
Mexico (United Mexican States) 10%	5,190,000	MXN	05.12.2024		226	0.34
Mitchells & Butlers Finance FRN	57,928	US\$	15.12.2030		49	0.07
Molnlycke Holding 0.875%	100,000	€	05.09.2029		91	0.14
Morgan Stanley FRN	750,000	US\$	20.01.2023		640	0.97
Mylan 5.4%	200,000	US\$	29.11.2043		189	0.29
National Express Group 2.375%	300,000	£	20.11.2028		301	0.46
NET4GAS 2.5%	400,000	€	28.07.2021		410	0.62
NN Group FRN	200,000	€	15.07.2049		202	0.31
Orange FRN	200,000	€	29.10.2049		219	0.33
Philippines (Republic of) 0.7%	400,000	€	03.02.2029		353	0.53

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Quadiant 2.25%	300,000	€	03.02.2025		280	0.42
RCI Banque FRN	300,000	€	12.01.2023		282	0.43
Rolls-Royce 3.625%	500,000	US\$	14.10.2025		465	0.70
Romania (Republic of) 3.875%	150,000	€	29.10.2035		156	0.24
Romania (Republic of) 4.625%	126,000	€	03.04.2049		135	0.20
Royal Bank of Scotland Group FRN	158,000	€	02.03.2026		149	0.23
Royal Bank of Scotland Group FRN	150,000	£	19.09.2026		164	0.25
Royal Bank of Scotland Group FRN	200,000	US\$	18.05.2029		194	0.29
Russia (Federation of) 8.15%	17,500,000	RUB	03.02.2027		224	0.34
Samhällsbyggnadsbolaget i Norden 1%	165,000	€	12.08.2027		150	0.23
Santander UK Group Holdings FRN	259,000	€	27.03.2024		242	0.37
Santander UK Group Holdings FRN	300,000	€	28.02.2025		277	0.42
SELP Finance 1.5%	100,000	€	20.11.2025		99	0.15
Société Générale FRN	200,000	€	22.05.2024		187	0.28
SP Transmission 2%	109,000	£	13.11.2031		118	0.18
Telefonica Emisiones 1.957%	200,000	€	01.07.2039		187	0.28
Tesco 6.15%	250,000	US\$	15.11.2037		276	0.42
Thermo Fisher Scientific 1.875%	122,000	€	01.10.2049		97	0.15
UniCredit Leasing Corp IFN 0.502%	300,000	€	18.10.2022		294	0.44
Uruguay (Republic of) 9.875%	7,000,000	UYU	20.06.2022		138	0.21
Verizon Communications 2.875%	100,000	€	15.01.2038		103	0.16
Verizon Communications 3%	221,000	US\$	22.03.2027		212	0.32
Virgin Money UK FRN	149,000	£	24.04.2026		155	0.23
Vodafone Group 4.875%	107,000	US\$	19.06.2049		112	0.17
Vodafone Group 5%	28,000	US\$	30.05.2038		28	0.04
Vodafone Group 5.125%	150,000	US\$	19.06.2059		152	0.23
Volkswagen International Finance 4.125%	100,000	€	16.11.2038		105	0.16
Vonovia Finance 0.625%	100,000	€	07.10.2027		91	0.14
Vonovia Finance 1.625%	100,000	€	07.10.2039		82	0.12
WPC Eurobond 1.35%	203,000	€	15.04.2028		179	0.27
Yorkshire Building Society FRN	100,000	£	18.04.2025		112	0.17
'BB' credit rated bonds					7,817	11.84
ABN AMRO Bank FRN	400,000	€	29.12.2049		367	0.56
Arcelik 3.875%	350,000	€	16.09.2021		335	0.51
Arrow Global Finance FRN	150,000	€	01.04.2025		132	0.20
Autostrade per l'Italia 6.25%	250,000	£	09.06.2022		276	0.42
Bayer FRN	250,000	€	02.04.2075		234	0.35
Berry Global 4.875%	250,000	US\$	15.07.2026		231	0.35
Cascades Via Cascades USA 5.125%	240,000	US\$	15.01.2026		212	0.32
CCO Holdings Via CCO Holdings Capital 5.125%	100,000	US\$	01.05.2027		92	0.14
Cheniere Corpus Christi Holdings 3.7%	104,000	US\$	15.11.2029		73	0.11
CSC Holdings 5.5%	200,000	US\$	15.04.2027		186	0.28
Energy Transfer Operating FRN	50,000	US\$	01.11.2066		22	0.03
EnLink Midstream 5.375%	200,000	US\$	01.06.2029		98	0.15
FCE Bank 1.134%	250,000	€	10.02.2022		219	0.33
Ford Motor Credit 1.744%	155,000	€	19.07.2024		121	0.18
Ford Motor Credit 3.021%	200,000	€	06.03.2024		161	0.24
Ford Motor Credit 5.596%	300,000	US\$	07.01.2022		250	0.38
GKN Holdings 4.625%	200,000	£	12.05.2032		222	0.34
Heimstaden Bostad FRN	300,000	€	31.12.2099		246	0.37
Inretail Pharma 5.375%	199,000	US\$	02.05.2023		175	0.27
IQVIA 2.25%	158,000	€	15.01.2028		145	0.22
Kraft Heinz Foods 2.25%	225,000	€	25.05.2028		194	0.29
Kraft Heinz Foods 3.75%	66,000	US\$	01.04.2030		57	0.09
Kraft Heinz Foods 4.125%	300,000	£	01.07.2027		330	0.50
Kraft Heinz Foods 4.625%	65,000	US\$	01.10.2039		54	0.08
Millicom International Cellular 6.25%	200,000	US\$	25.03.2029		166	0.25
Olin 5%	200,000	US\$	01.02.2030		159	0.24
Parsley Energy Via Parsley Finance 4.125%	108,000	US\$	15.02.2028		67	0.10
Petrobras Global Finance 6.9%	156,000	US\$	19.03.2049		138	0.21
Puma International Financing 5%	400,000	US\$	24.01.2026		147	0.22
Samhällsbyggnadsbolaget i Norden FRN	133,000	€	31.12.2099		129	0.20
SES FRN	525,000	€	29.12.2049		480	0.73
Sirius XM Radio 5.5%	170,000	US\$	01.07.2029		158	0.24
Smurfit Kappa Treasury 1.5%	100,000	€	15.09.2027		93	0.14
Taylor Morrison Communities 5.875%	250,000	US\$	15.06.2027		211	0.32

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
TEGNA 4.625%	206,000	US\$	15.03.2028		169	0.26
Teva Pharmaceutical Finance Netherlands II 0.375%	745,376	€	25.07.2020		732	1.11
T-Mobile USA 6.375%	200,000	US\$	01.03.2025		187	0.28
UniCredit FRN	200,000	€	15.01.2032		160	0.24
United Rentals North America 4.875%	100,000	US\$	15.01.2028		89	0.13
Vodafone Group FRN	100,000	£	03.10.2078		110	0.17
Western Midstream Operating 4.65%	100,000	US\$	01.07.2026		46	0.07
ZF Europe Finance 3%	200,000	€	23.10.2029		144	0.22
'B' credit rated bonds					2,883	4.37
ADES International Holding 8.625%	205,000	US\$	24.04.2024		188	0.29
Albertsons Cos Via Safeway Via New Albertsons Via Albertson's 5.875%	275,000	US\$	15.02.2028		253	0.38
Cabot Financial 7.5%	170,000	£	01.10.2023		180	0.27
China Evergrande Group 7.5%	250,000	US\$	28.06.2023		165	0.25
Egypt (Republic of) 5.625%	150,000	€	16.04.2030		115	0.18
Garfunkelux Holdco 3 FRN	250,000	€	01.09.2023		175	0.27
Iceland Bondco FRN	24,910	£	15.07.2020		28	0.04
Jaguar Land Rover Automotive 6.875%	240,000	€	15.11.2026		174	0.26
Live Nation Entertainment 4.75%	375,000	US\$	15.10.2027		311	0.47
NAK Naftogaz Ukraine Via Kondor Finance 7.625%	200,000	US\$	08.11.2026		149	0.23
Panther BF Aggregator Via Panther Finance 4.375% ^[a]	200,000	€	15.05.2026		167	0.25
Post Holdings 5.5%	200,000	US\$	15.12.2029		178	0.27
Sprint 7.25%	158,000	US\$	01.02.2028		144	0.22
TransDigm 5.5%	400,000	US\$	15.11.2027		331	0.50
Ukraine 6.75%	150,000	€	20.06.2026		134	0.20
Yuzhou Properties 7.7%	250,000	US\$	20.02.2025		191	0.29
'CCC' credit rated bonds					286	0.43
Future Retail 5.6%	200,000	US\$	22.01.2025		91	0.14
Hexion 7.875%	250,000	US\$	15.07.2027		195	0.29
Debt derivatives					(113)	(0.17)
Credit default swaps					349	0.53
Amgen Jun 2023	250,000	US\$			(5)	(0.01)
Anglo American Dec 2022	100,000	€			9	0.01
Anglo American Jun 2022	250,000	€			20	0.03
Anheuser-Busch InBev Dec 2021	200,000	€			0	0.00
Glencore International Dec 2022	100,000	€			3	0.01
Glencore International Jun 2022	100,000	€			2	0.00
Glencore International Jun 2023	300,000	€			8	0.02
Italy (Republic of) Dec 2022	150,000	US\$			(1)	0.00
Markit CDX North American Investment Grade Series 33 5 Year Dec 2029	4,070,000	US\$			98	0.15
Markit CDX North American Investment Grade Series 34 5 Year Jun 2025	10,600,000	US\$			36	0.05
Markit CDX North American Investment Grade Series 34 5 Year Jun 2030	300,000	US\$			8	0.01
Markit iTraxx Europe Series 29 3 Year Jun 2028	550,000	€			(10)	(0.01)
Markit iTraxx Europe Series 32 5 Year Dec 2029	9,600,000	€			234	0.35
Markit iTraxx Europe Series 33 5 Year Jun 2025	30,240,000	€			(39)	(0.06)
Markit iTraxx Europe Series 33 5 Year Jun 2030	300,000	€			7	0.01
Markit iTraxx Europe Snr Fin Series 32 5 Year Dec 2024	1,050,000	€			4	0.01
Markit iTraxx Europe Sub Fin Series 32 5 Year Dec 2024	1,250,000	€			76	0.12
Markit iTraxx Europe Xover Series 33 5 Year Jun 2025	2,900,000	€			(97)	(0.15)
Pfizer Jun 2022	200,000	US\$			(4)	(0.01)
Interest rate swaps						
Pay 1.8045% Receive Var. Oct 2022	200,000	£			(4)	(0.01)
Interest rate futures					(458)	(0.69)
Deutscher Bobl 5 year Futures	(92)	€	08.06.2020	98	57	0.09
Deutscher Bund 10 year Futures	(5)	€	08.06.2020	8	27	0.04
Deutscher Bund 10 year Futures	(23)	€	08.06.2020	25	60	0.09
Deutscher Schatz 2 year Futures	(7)	€	08.06.2020	7	1	0.00
Euro OAT Futures	3	€	08.06.2020	3	(15)	(0.02)
Euro-Bono SP Gov Futures	(3)	€	08.06.2020	3	14	0.02
US Treasury Notes 10 year Futures	(16)	US\$	19.06.2020	16	(87)	(0.13)
US Treasury Notes 30 year Futures	(3)	US\$	19.06.2020	4	(37)	(0.05)
US Ultra Bond Futures	(5)	US\$	19.06.2020	6	(97)	(0.15)

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt derivatives (continued)						
Interest rate futures (continued)						
UK Treasury Notes Futures	(13)	£	26.06.2020	22	(33)	(0.05)
US Treasury Notes 5 year Futures	(95)	US\$	30.06.2020	90	(348)	(0.53)
CURRENCY						
Forward currency contracts					(569)	(0.86)
Bought for £ 1,001,796.46, Sold for € 1,097,325.16			08.04.2020		(569)	(0.86)
Bought for ¥ 134,239,300.00, Sold for € 1,115,550.07			08.04.2020		33	0.05
Bought for € 14,711,414.09, Sold for £ 12,852,038.46			08.04.2020		13	0.02
Bought for € 167,725.08, Sold for ¥ 19,767,268.00			08.04.2020		203	0.31
Bought for € 20,522,520.40, Sold for US\$ 23,401,870.58			08.04.2020		1	0.00
Bought for US\$ 5,254,729.14, Sold for € 4,762,270.93			08.04.2020		(847)	(1.28)
Bought for DKK 5,300,000.00, Sold for € 709,666.44			06.05.2020		36	0.05
Bought for ¥ 42,932,674.00, Sold for € 367,296.57			03.06.2020		0	0.00
Bought for € 407,201.49, Sold for ¥ 48,314,868.00			03.06.2020		(6)	(0.01)
Bought for £ 1,043,956.99, Sold for € 1,199,091.19			18.12.2020		1	0.00
Bought for € 981,241.56, Sold for £ 851,922.75			18.12.2020		(28)	(0.04)
					25	0.04
Portfolio of investments					61,602	93.32
SHARE CLASS HEDGING						
Bought for £ 3,831,668.53, Sold for € 4,407,456.41			08.04.2020		(45)	(0.07)
Bought for € 561,915.25, Sold for £ 509,231.17			08.04.2020		(83)	(0.13)
Bought for € 10,198.73, Sold for CHF 10,790.98			08.04.2020		(12)	(0.02)
Bought for € 408,233.99, Sold for US\$ 451,161.74			08.04.2020		0	0.00
Bought for CHF 103,298.51, Sold for € 97,030.64			08.04.2020		(2)	0.00
Bought for US\$ 3,749,475.34, Sold for € 3,371,074.61			08.04.2020		0	0.00
					52	0.08
Total portfolio					61,557	93.25
Net other assets/(liabilities)					4,453	6.75
NET ASSETS					66,010	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					62,284	94.35
Unrealised gains on futures contracts					159	0.24
Unrealised gains on forward currency contracts					364	0.55
Unrealised gains on swap contracts					505	0.77
Total Investment assets					63,312	95.91
Investment liabilities						
Unrealised losses on futures contracts					(617)	(0.93)
Unrealised losses on forward currency contracts					(978)	(1.48)
Unrealised losses on swap contracts					(160)	(0.25)
Total Investment liabilities					(1,755)	(2.66)
Total portfolio					61,557	93.25
Net other assets/(liabilities)					4,453	6.75
NET ASSETS					66,010	100.00

[a] Unlisted/unquoted.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures				
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000	Collateral held as deposit €'000
Bank of America Merrill Lynch	0	0	35,661	0	0
Barclays Bank London	520	0	0	2,138	0
Citigroup Global Markets Limited	49	0	0	0	0
Goldman Sachs International	20	2,419	0	0	0
HSBC Bank Plc	0	17,128	0	0	0
JP Morgan Chase	76	3,286	0	0	0
State Street Bank and Trust Company	0	8,856	0	0	0
State Street Bank London	0	1,711	0	0	0
UBS AG London	0	21,497	0	0	1,050

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Absolute Return Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-4.3	-1.2	n/a	-0.9	21/12/2016
Class 'A' Distribution	-4.3	-1.2	n/a	-0.9	21/12/2016
Class 'B' Accumulation	-4.6	n/a	n/a	-2.6	08/05/2018
Class 'B' Distribution	-4.6	n/a	n/a	-2.6	08/05/2018
Class 'C' Accumulation	-3.8	-0.7	n/a	-0.4	21/12/2016
Class 'C' Distribution	-3.8	-0.6	n/a	-0.3	21/12/2016
Class 'CI' Accumulation	-3.7	-0.6	n/a	-0.3	21/12/2016
Sterling					
Class 'C-H' Accumulation	-3.1	+0.3	n/a	+0.6	21/12/2016
Class 'C-H' Distribution	-3.1	+0.3	n/a	+0.6	21/12/2016
Swiss franc					
Class 'A-H' Accumulation	-4.7	-1.6	n/a	-1.3	21/12/2016
Class 'A-H' Distribution	-4.7	-1.6	n/a	-1.4	21/12/2016
Class 'C-H' Accumulation	-4.1	-1.0	n/a	-0.7	21/12/2016
Class 'C-H' Distribution	-4.1	-1.1	n/a	-0.8	21/12/2016
US dollar					
Class 'A-H' Accumulation	-1.5	+1.5	n/a	+1.7	21/12/2016
Class 'A-H' Distribution	-1.6	+1.4	n/a	+1.7	21/12/2016
Class 'C-H' Accumulation	-1.0	+2.0	n/a	+2.3	21/12/2016
Class 'C-H' Distribution	-0.9	+2.1	n/a	+2.3	21/12/2016

M&G (Lux) Absolute Return Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays semi-annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Semi-annual distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.09.19	18.10.19	21.10.19	24.10.19
Final	01.10.19	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'B' Distribution	Class 'C' Distribution	Class 'C-H' Distribution	Class 'A-H' Distribution
	Euro €	Euro €	Euro €	UK p	Swiss €
to 31 March 2020					
First interim	0.1143	0.1162	0.1161	0.1175	0.1077
Final	0.1410	0.1429	0.1436	0.1531	0.1382

	Class 'C-H' Distribution	Class 'A-H' Distribution	Class 'C-H' Distribution
	Swiss €	US €	US €
to 31 March 2020			
First interim	0.1093	0.1211	0.1229
Final	0.1406	0.1510	0.1541

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.28
Class 'A' Distribution	1.28
Class 'B' Accumulation	1.58
Class 'B' Distribution	1.58
Class 'C' Accumulation	0.68
Class 'C' Distribution	0.68
Class 'CI' Accumulation	0.64
Sterling	%
Class 'C-H' Accumulation	0.70
Class 'C-H' Distribution	0.70
Swiss franc	%
Class 'A-H' Accumulation	1.30
Class 'A-H' Distribution	1.30
Class 'C-H' Accumulation	0.70
Class 'C-H' Distribution	0.70
US dollar	%
Class 'A-H' Accumulation	1.30
Class 'A-H' Distribution	1.30
Class 'C-H' Accumulation	0.70
Class 'C-H' Distribution	0.70

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	9.6928	10.1324	10.1414
Class 'A' Distribution	9.0762	9.7443	10.0059
Class 'B' Accumulation	9.5144	9.9779	n/a
Class 'B' Distribution	9.1610	9.8642	n/a
Class 'C' Accumulation	9.8858	10.2716	10.2197
Class 'C' Distribution	9.2586	9.8787	10.0813
Class 'CI' Accumulation	9.9012	10.2835	10.2273
Sterling	£	£	£
Class 'C-H' Accumulation	10.1855	10.5114	10.3391
Class 'C-H' Distribution	9.5413	10.1134	10.1987
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.5699	10.0375	10.0853
Class 'A-H' Distribution	8.9622	9.6511	9.9483
Class 'C-H' Accumulation	9.7625	10.1794	10.1654
Class 'C-H' Distribution	9.1408	9.7839	10.0216
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	10.5700	10.7305	10.4239
Class 'A-H' Distribution	9.8892	10.3179	10.2811
Class 'C-H' Accumulation	10.7685	10.8780	10.5093
Class 'C-H' Distribution	10.0916	10.4583	10.3597
NAV at fund level	€'000	€'000	€'000
Net assets	66,010	51,630	37,596
Swing pricing adjustment (see note 12)	421	n/a	n/a
Swung net assets	66,431	51,630	37,596

M&G (Lux) Asian Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the Asia Pacific (excluding Japan) equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies that are domiciled in, or conducting the major part of their economic activity in, the Asia Pacific region (excluding Japan).

The investment process of the Fund is based on the fundamental analysis of companies with a specific focus on their return on capital profile, their corporate governance practices and the valuation of the shares.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund employs a bottom-up stock picking approach to identify companies whose long-term prospects are, in the Investment Manager's opinion, being undervalued. The Fund's approach incorporates three elements: return on capital, valuations and corporate governance.

It is the core belief of the Investment Manager that company-specific factors, in particular their profitability (which is measured in terms of returns on capital) drive share prices over the long run.

The Fund's country and sector exposure is not influenced by top-down views.

Performance Comparator

MSCI AC Asia Pacific ex-Japan Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Asian Fund

Investment review

For the year ended 31 March 2020

Performance review

Stock markets in Asia ex-Japan recorded a negative return over the 12-month review period ending 31 March 2020. Following an initial lacklustre phase, markets sold off sharply in August 2019, following the decision by the US to impose tariffs on some imported goods from China.

However, optimism about a trade deal between the US and China and receding fears about the global economy fuelled gains in Asian stock markets in the fourth quarter of 2019. The positive momentum continued into the new year, until share prices went into reverse after the outbreak of COVID-19.

As it became clear that the global economy could be seriously affected, investors became increasingly concerned about companies' earnings. Fears about lower demand and oversupply caused the oil price to plunge and stock markets to experience near-panic selling.

Over the 12 months, the biggest stock market falls in the region were seen in the Southeast Asian countries (Indonesia, Philippines and Thailand); Australia, India and Pakistan also lagged.

Better performing stock markets included China, which appears to be having some success controlling the spread of the virus, and Taiwan, which was supported by expectations of an increase in technology demand.

At the sector level, information technology stocks outperformed over the review period, buoyed by investors' expectations of growing demand for 5G equipment and general ongoing adoption of more technology uses. Defensive sectors, including healthcare and consumer staples were also ahead of the market. Defensive companies have earnings that tend to be relatively stable throughout the economic cycle.

Conversely, cyclicals including industrials, energy and commodities lagged the broader market on concerns over the outlook for economic activity. Bank and insurance shares were additionally hurt by the sharp fall in interest rates towards the end of the period as central banks took action. Cyclical companies have earnings that tend to be sensitive to the economic cycle.

Against this backdrop, the sub-fund underperformed its benchmark MSCI AC Asia Pacific ex-Japan Net Return Index and recorded a negative total return.

Underperformance over the past 12 months was mainly due to stock picking, with key detractors coming from the energy sector.

A sharp decline in the oil price hurt Canada-based integrated energy company Husky Energy. African-focused, Australia-listed oil and gas exploration company FAR's share price fell as investors expressed concerns about the company's ability to sub-fund its exploration project in Senegal.

Hong Kong-listed Global Brands also held back returns. The company is one of the world's leading branded fashion accessories, footwear, and apparel businesses. Sentiment towards the stock was dented by the impact that COVID-19 could have on consumer spending.

Conversely, performance was supported by holdings in China Lesso and Samsung. China Lesso's share price has been supported by robust operational performance and optimism about its building materials distribution business. Samsung's shares climbed amid confidence about rising demand for memory chips.

Investment activity

On 2 December 2019, David Perrett took over as manager of the M&G (Lux) Asia ex-Japan Fund.

Following the sub-fund manager change, we began to reposition the portfolio incrementally to reflect the opportunities we saw across Asia ex-Japan and we have made material progress in rebalancing the portfolio.

In particular, we have selectively added exposure to several global cyclical sectors. The key criteria has been to focus on industries where we are confident that the supply side, in terms of new capacity, is well controlled.

We have also reduced the sub-fund's exposure to smaller companies. There are times when, in order to access attractive investment opportunities, it is necessary to target smaller and less liquid stocks. However, in the current environment, there are numerous excellent investment opportunities in larger companies, and as a result, there is less need to make a trade-off between liquidity and returns.

Finally, and most importantly, we have added several stocks which we have followed for a long time and where we believe investing now is particularly attractive.

This accumulation of a basket of unconnected, attractively valued stocks is at the very core of the investment programme that we have developed over more than 20 years.

Outlook

Having invested in Asia for nearly 30 years – a period which includes the Asian financial crisis of 1997/98, the SARS epidemic in 2003 and the global financial crisis of 2008/09 – we would argue the current situation is not without parallels.

Of the three disruptions, SARS is the most relevant to COVID-19, in our view – not because of the medical analogy, but from a valuation and economic activity standpoint.

We would remind investors that the three to four years after SARS proved to be a golden period for Asian equities. Whilst today's backdrop is not the same – it would be unwise to ignore the debt levels across the region – there are some strong similarities. That said, it remains to be seen how the global economy will fare over the medium-to-longer term. More importantly for investors, how markets respond to developments is equally uncertain.

M&G (Lux) Asian Fund

Investment review

Outlook (continued)

Valuations are undemanding and economic policy is now extremely supportive, with global interest rates at very low levels, oil prices having recently declined sharply and countries like China, Singapore, Korea and Hong Kong, to name but a few, are ramping up government spending.

Current global uncertainty has created a rich opportunity set in Asian markets, in our view, and one we believe our investment approach should be well positioned to take advantage of.

David Perrett

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Asian Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					52,889	99.81
Canada						
Husky Energy	303,141	CA\$			684	1.29
Australia					2,812	5.31
Australia & New Zealand Banking Group	54,379	AU\$			561	1.06
BHP Group	20,779	AU\$			367	0.69
CSL	2,171	AU\$			392	0.74
Mesoblast	260,116	AU\$			217	0.41
National Australia Bank	59,821	AU\$			607	1.15
QBE Insurance Group	127,551	AU\$			668	1.26
China					14,201	26.80
Alibaba Group Holding ADR	16,175	US\$			3,095	5.84
Baidu ADR	2,985	US\$			295	0.56
CGN Power 'H'	3,228,000	HK\$			739	1.39
China Lesso Group Holdings	966,000	HK\$			1,272	2.40
China Telecom 'H'	1,952,000	HK\$			593	1.12
Chongqing Rural Commercial Bank 'H'	2,210,000	HK\$			905	1.71
CITIC Securities 'H'	171,000	HK\$			313	0.59
Fufeng Group	1,506,000	HK\$			518	0.98
GF Securities 'H'	830,200	HK\$			889	1.68
Greatview Aseptic Packaging	2,555,000	HK\$			789	1.49
Hollysys Automation Technologies	85,051	US\$			1,074	2.03
JD.com ADR	6,326	US\$			256	0.48
Ping An Insurance Group of China 'H'	26,000	HK\$			255	0.48
Tencent Holdings	43,300	HK\$			2,123	4.01
Trip.com Group ADR	27,207	US\$			612	1.15
Yum China Holdings	11,178	US\$			473	0.89
Hong Kong					14,471	27.31
AIA Group	165,600	HK\$			1,499	2.83
AMVIG Holdings	3,884,000	HK\$			749	1.41
China Mobile	130,500	HK\$			969	1.83
China Resources Power Holdings	1,412,000	HK\$			1,554	2.93
CK Hutchison Holdings	104,500	HK\$			705	1.33
COSCO Shipping Ports	2,454,000	HK\$			1,185	2.24
Far East Horizon	1,622,000	HK\$			1,309	2.47
Galaxy Entertainment Group	62,000	HK\$			330	0.62
Global Brands Group Holding	8,852,000	HK\$			233	0.44
MTR	157,500	HK\$			813	1.54
Pacific Basin Shipping	9,943,000	HK\$			1,199	2.26
Sinopec Kantons Holdings	2,408,000	HK\$			918	1.73
Sun Hung Kai Properties	74,000	HK\$			971	1.83
VTech Holdings	94,200	HK\$			681	1.29
WH Group	1,451,000	HK\$			1,356	2.56
Indonesia						
Bank Mandiri Persero	2,417,500	IDR			694	1.31
India					2,661	5.02
Housing Development Finance	18,095	INR			390	0.74
ICICI Bank ADR	84,766	US\$			713	1.35
NTPC	590,805	INR			659	1.24
Reliance Industries	49,063	INR			716	1.35
Tata Motors	195,452	INR			183	0.34
Philippines					1,444	2.72
GT Capital Holdings	93,606	PHP			744	1.40
Metro Pacific Investments	14,490,500	PHP			700	1.32
Singapore					3,482	6.57
DBS Group Holdings	110,700	SG\$			1,442	2.72
Ezion Holdings (Warrant 16.04.23) ^[a]	5,385,126	SG\$			0	0.00
Ezion Holdings (Warrant 24.04.20) ^[b]	290,009	SG\$			0	0.00
Japfa	2,116,900	SG\$			605	1.14
NetLink NBN Trust	2,267,500	SG\$			1,435	2.71
South Korea					6,406	12.09
Hana Financial Group	47,972	KRW			909	1.72
Samsung Electronics	84,769	KRW			3,327	6.28
Shinhan Financial Group	41,823	KRW			982	1.85
SK Hynix	10,385	KRW			711	1.34
WONIK IPS	23,309	KRW			477	0.90

M&G (Lux) Asian Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Taiwan					4,133	7.80
Catcher Technology	81,000	TW\$			523	0.99
Delta Electronics	210,000	TW\$			835	1.57
eMemory Technology	38,000	TW\$			297	0.56
Taiwan Semiconductor Manufacturing	274,000	TW\$			2,478	4.68
Thailand					1,901	3.59
Bangkok Bank	171,400	THB			530	1.00
Kasikornbank	293,900	THB			819	1.55
Thai Oil	586,800	THB			552	1.04
Portfolio of investments					52,889	99.81
Total portfolio					52,889	99.81
Net other assets/(liabilities)					103	0.19
NET ASSETS					52,992	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					52,889	99.81
Total Investment assets					52,889	99.81
Total portfolio					52,889	99.81
Net other assets/(liabilities)					103	0.19
NET ASSETS					52,992	100.00

[a] Unlisted/unquoted.

[b] Suspended.

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Asian Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-22.2	-7.3	-3.8	+6.6	28/11/2001	26/10/2018
Class 'C' Accumulation	-21.6	-6.6	-3.0	+7.3	28/11/2001	26/10/2018
Class 'CI' Accumulation	-21.6	-6.5	-3.0	+7.3	28/11/2001	06/11/2018
US dollar						
Class 'A' Accumulation	-24.2	-6.5	-3.4	+6.6	19/12/2008	26/10/2018
Class 'C' Accumulation	-23.6	-5.8	-2.7	+7.4	19/12/2008	26/10/2018

[a] Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Asian Fund, which includes UK taxes but excludes entry and exit charges. The M&G Asian Fund is a UK authorised fund which launched on 14 September 1973 and its non-Sterling share classes merged into M&G (Lux) Asian Fund on 26 October 2018.

M&G (Lux) Asian Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	32.3360	41.5736	n/a
Class 'C' Accumulation	36.6700	46.7889	n/a
Class 'CI' Accumulation	8.6125	10.9850	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	20.4748	27.0020	n/a
Class 'C' Accumulation	22.2712	29.1504	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	52,992	106,874	n/a
Swing pricing adjustment (see note 12)	(212)	n/a	n/a
Swung net assets	52,780	106,874	n/a
Total Expense Ratio 31.03.2020			TER
Euro			%
Class 'A' Accumulation			1.87
Class 'C' Accumulation			1.12
Class 'CI' Accumulation			1.08
US dollar			%
Class 'A' Accumulation			1.87
Class 'C' Accumulation			1.12

M&G (Lux) Conservative Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to deliver a positive total return (the combination of income and capital growth) of 3-6% p.a. in any three-year period, through investment in a range of global assets.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of assets issued anywhere in the world and denominated in any currency.

The Fund will typically use derivatives to gain exposure to these assets. The Fund may also use derivatives to take short positions (holding derivatives with the aim of delivering a positive return when the assets they are linked to fall in value) and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets.

The Fund may invest in China A-Shares via the Shanghai- Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Exchange.

The Fund may also invest directly in these assets, or indirectly through other collective investment schemes. The Fund can also invest in currencies, cash, near cash, deposits and warrants. The Investment Manager will normally seek to hold more than 60% of the Fund's Net Asset Value in euro denominated assets or in other currencies hedged back to euro.

The Fund will normally invest within the following net allocation ranges: 0-100% in fixed income, 0-35% in equities and 0-20% in other assets.

Fixed income instruments that the Fund may invest in include the following:

- derivatives whose value is derived from bonds, interest rates or credit risk;
- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies;
- bonds from issuers located in emerging markets;
- Chinese onshore bonds denominated in CNY traded on the China Interbank Bond Market;
- bonds which are rated investment grade by a recognised rating agency;
- unrated bonds and bonds which are rated sub-investment grade, up to 50% of the Fund's Net Asset Value; and
- Asset-Backed Securities up to 20% of the Fund's Net Asset Value.

Equity instruments that the Fund may invest in include:

- (a) derivatives whose value is derived from company shares and
- (b) direct company shares.

Other assets, for this purpose, include Convertible Bonds and Contingent Convertible Debt Securities. Contingent Convertible Debt Securities are subject to a maximum of 5% of the Fund's

Net Asset Value. Also included in 'other assets', mostly to provide a relatively uncorrelated source of returns to the Fund, are shares in closed-ended real estate investment trusts or investments in companies acting in real estate and/or infrastructure sector.

Derivatives can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management.

The derivative instruments that the Fund can invest in to achieve its objectives include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

Investment approach

The Investment Manager has a very flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The Fund seeks to manage risk by investing globally across multiple asset classes, sectors, currencies and countries. Where the Investment Manager believes opportunities are limited to a few areas, the portfolio may be very concentrated in certain assets or markets. The Fund will typically take investment positions at index or sector level, but it may also take positions in individual shares or bonds.

The Investment Manager believes that this approach has the potential to deliver an annualised volatility (the degree to which the value of the Fund fluctuates over any 12-month period) of between 3% and 7%.

Performance Comparator

Not applicable

M&G (Lux) Conservative Allocation Fund

Investment review

For the year ended 31 March 2020

Performance review

The investment environment changed markedly over the 12 months under review. Initially, investors were encouraged by the increasingly accommodative stance of central banks and hopes that a trade deal could be agreed between the US and China, meaning that most assets rose in price. However, in March 2020, the impact of the coronavirus and the effect of the measures being taken to contain it caused a massive reversal. All the previous gains in company shares (equities) were quickly wiped out as investors flocked into cash.

In this context, the sub-fund delivered a negative total return over the review period. The allocation to equities was the biggest detractor for the sub-fund, with the largest losses generated by positions in Asia ex-Japan and global banks; exposure to Japan and Europe also weighed on returns. The sub-fund's allocations to biotechnology and technology stocks produced a small positive return.

Mainstream government bonds rose, while high yield and emerging market government bonds weakened. However, the sub-fund's short position in mainstream government bonds (excluding the US) cost significant value as the asset class rallied. (Short positions seek to profit from asset price falls.) However, gains in long-dated US government bonds offset some of the losses, while sovereign debt from Italy also added some value. Corporate bonds detracted overall. Meanwhile, investors' risk aversion late in the period meant that the sub-fund's alternative investments cost performance as well.

Positions in emerging market government bonds detracted in aggregate, with currency weakness compounding losses, particularly in Mexican government bonds. Weaker currencies also contributed to the losses in bonds from Indonesia, South Africa and Brazil. However, exposure to Turkey produced a positive return.

Investment activity

Changes to the sub-fund over the first half of the review period were tactical rather than structural, as we remained comfortable with the portfolio's positioning relative to the economic fundamentals. The main change was an addition to the sub-fund's equity weighting in August during what we believed was an unwarranted bout of investor risk aversion.

Towards the end of 2019, the increasingly elevated equity and bond valuations – which in many cases had been rising to record highs – meant that the equity risk premium had been compressed. We therefore believed it was prudent to have less risk capital backing the equity risk premium. Accordingly, we scaled back our target short exposure to European and Japanese government and modestly added to our US Treasury Inflation-Protected Securities (TIPS) exposure. We also reduced our target equity exposure to 22.9%, the lowest level since January 2018. We increased our exposure to emerging market debt by adding

to our positions in South African and Indonesian government bonds, as well as adding modest exposure to infrastructure for the high potential yield and diversification properties.

During the main period of market instability, we made a number of meaningful changes to the portfolio, adding to risk in general, as well as enhancing potential diversification, and by being long duration at the portfolio level. Following large price declines in equities, we increased the portfolio's allocation – first by adding to mining stocks, then by increasing our broad equity exposure – to around halfway to the maximum (27.4%). With prices at record lows, we believed this was likely to offer attractive entry points from a medium-term perspective.

Within government bonds, we closed the short position in 10-year French government bonds after yields rose sharply. Meanwhile, we reduced the holding in US TIPS mid-month after they rallied aggressively. After these assets subsequently sold off, we built up the position. In light of extreme widening of corporate bond spreads, we added 10% to our target exposure, as we consider that yields offered very good compensation for the risk taken.

Outlook

In attempting to analyse today's challenging environment, our sense is that this phase is very different from previous recessions. We believe because it represents an enforced, temporary shutdown in economic activity rather than a 'traditional' recession, this should hasten the return of normal economic conditions.

We are watching markets very closely and stand ready to make more changes as necessary while staying consistent with the philosophy the team has always adopted in the past. While the current macroeconomic situation is highly uncertain, the extreme nature of the price moves and shifts in valuation lead us to think that the current disruption is not all fundamental. There are therefore some very significant opportunities for those able to tolerate the short-term volatility. As medium-term investors, we will aim to take advantage of any such opportunities. Although these are challenging times for all of us and short-term sub-fund performance has been very disappointing, we believe the portfolio looks very compelling over the medium term.

Juan Nevado and Craig Moran

Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					352,509	20.44
Software & Computer Services					5,870	0.34
Autodesk	1,813	US\$			258	0.02
Booking Holdings	149	US\$			178	0.01
Citrix Systems	7,641	US\$			1,019	0.06
Cognizant Technology Solutions 'A'	8,383	US\$			363	0.02
Constellation Software	526	CA\$			430	0.03
eBay	11,255	US\$			320	0.02
GoDaddy 'A'	7,766	US\$			419	0.02
Gridsum Holding ADR	94,359	US\$			55	0.00
JD.com ADR	11,153	US\$			411	0.02
Meituan Dianping 'B'	11,000	HK\$			121	0.01
Microsoft	8,140	US\$			1,192	0.07
Nutanix 'A'	5,742	US\$			84	0.00
Software	11,404	€			307	0.02
Trip.com Group ADR	25,413	US\$			522	0.03
Vmware 'A'	1,736	US\$			191	0.01
Technology Hardware & Equipment					1,977	0.11
ams	5,562	CHF			51	0.00
ams (Right 2020)	5,562	CHF			5	0.00
CK Hutchison Holdings	58,550	HK\$			361	0.02
IQE	277,187	£			85	0.01
KLA	2,418	US\$			330	0.02
NXP Semiconductors	5,282	US\$			409	0.02
Samsung Electronics	15,070	KRW			540	0.03
Tower Semiconductor	13,927	US\$			196	0.01
Telecommunications Equipment						
Arista Networks	1,363	US\$			256	0.01
Telecommunications Service Providers					1,359	0.08
China Mobile	154,500	HK\$			1,048	0.06
China Telecom 'H'	1,122,000	HK\$			311	0.02
Health Care Providers					2,994	0.17
Anthem	3,675	US\$			774	0.05
Cigna Holding	4,463	US\$			727	0.04
Humana	2,605	US\$			741	0.04
UnitedHealth Group	3,277	US\$			752	0.04
Pharmaceuticals & Biotechnology					7,798	0.45
AbbVie	7,502	US\$			516	0.03
Alexion Pharmaceuticals	2,306	US\$			184	0.01
Amgen	2,785	US\$			531	0.03
Biogen	2,194	US\$			633	0.04
Bristol-Myers Squibb	22,480	US\$			1,117	0.06
Bristol-Myers Squibb (Right 31.03.21)	11,749	US\$			34	0.00
Eli Lilly	7,550	US\$			954	0.06
Gilead Sciences	9,689	US\$			671	0.04
Incyte	2,736	US\$			180	0.01
Johnson & Johnson	6,462	US\$			785	0.05
Merck	10,233	US\$			719	0.04
Pfizer	23,692	US\$			707	0.04
Regeneron Pharmaceuticals	1,774	US\$			767	0.04
Banks					69,364	4.02
Banco Bilbao Vizcaya Argentaria	566,119	€			1,630	0.09
Bank of America	307,361	US\$			6,186	0.36
BNP Paribas	57,694	€			1,583	0.09
BOC Hong Kong Holdings	51,500	HK\$			130	0.01
CaixaBank	1,018,741	€			1,703	0.10
China Construction Bank 'H'	2,090,460	HK\$			1,560	0.09
Chongqing Rural Commercial Bank 'H'	1,652,000	HK\$			618	0.03
Citigroup	153,590	US\$			6,185	0.36
Commerzbank	515,386	€			1,668	0.10
Industrial & Commercial Bank of China 'H'	1,191,000	HK\$			744	0.04
ING Groep	279,548	€			1,340	0.08
Intesa Sanpaolo	1,206,830	€			1,744	0.10
JPMorgan Chase	70,700	US\$			6,035	0.35
Lloyds Banking Group	16,688,850	£			6,160	0.36
Mitsubishi UFJ Financial Group	1,596,800	¥			5,413	0.31
Sberbank of Russia ADR	756,339	US\$			6,546	0.38

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Banks (continued)						
Société Générale	99,867	€			1,524	0.09
Sumitomo Mitsui Financial Group	233,600	¥			5,151	0.30
Sumitomo Mitsui Trust Holdings	222,300	¥			5,818	0.34
UniCredit	212,517	€			1,507	0.09
Wells Fargo	223,864	US\$			6,119	0.35
Finance & Credit Services					7,264	0.42
American Express	71,923	US\$			5,925	0.34
Escrow Alteryx ^[a]	3,804	US\$			68	0.00
Mastercard 'A'	2,019	US\$			467	0.03
Visa 'A'	5,317	US\$			804	0.05
Investment Banking & Brokerage Services					88,956	5.16
3i Infrastructure	6,001,910	£			17,431	1.01
Baidu ADR	6,128	US\$			554	0.03
Bank of New York Mellon	204,972	US\$			6,364	0.37
CITIC Securities 'H'	333,500	HK\$			558	0.03
Far East Horizon	783,600	HK\$			577	0.03
First Pacific	1,740,000	HK\$			295	0.02
GF Securities 'H'	601,800	HK\$			589	0.03
International Public Partnerships	6,272,135	£			11,110	0.65
Octopus Renewables Infrastructure Trust	7,450,452	£			8,748	0.51
Equity portfolios					42,730	2.48
M&G (Lux) Global Emerging Markets Fund Euro Class 'CI' (Accumulation) ^[b]	2,125,150	€			17,256	1.00
M&G Japan Fund GBP Class 'I' (Income) ^[c]	1,202,231	£			25,474	1.48
Life Insurance						
AIA Group	60,000	HK\$			496	0.03
Non-life Insurance					1,161	0.07
PICC Property & Casualty 'H'	300,200	HK\$			265	0.02
Ping An Insurance Group of China 'A'	23,300	CNY			208	0.01
Ping An Insurance Group of China 'H'	76,750	HK\$			688	0.04
Real Estate Investment & Services						
Sun Hung Kai Properties	59,000	HK\$			707	0.04
Real Estate Investment Trusts					17,511	1.02
CapitalLand Retail China Trust	270,994	SG\$			211	0.02
Equinix	925	US\$			545	0.03
Unibail-Rodamco-Westfield	335,168	€			16,755	0.97
Consumer Services					2,469	0.14
Alibaba Group Holding ADR	13,355	US\$			2,334	0.13
New Oriental Education & Technology Group ADR	1,358	US\$			135	0.01
Personal Goods						
Samsonite International	182,700	HK\$			158	0.01
Media					4,259	0.25
Alphabet 'A'	386	US\$			404	0.02
Autohome ADR	9,272	US\$			589	0.03
Comcast 'A'	18,574	US\$			602	0.04
Electronic Arts	3,178	US\$			284	0.02
NetEase ADR	472	US\$			132	0.01
Tencent Holdings	50,200	HK\$			2,248	0.13
Travel & Leisure					521	0.03
Galaxy Entertainment Group	28,000	HK\$			136	0.01
Yum China Holdings	9,956	US\$			385	0.02
Food Producers						
WH Group	827,500	HK\$			706	0.04
Construction & Materials					1,220	0.07
China Communications Services 'H'	984,000	HK\$			655	0.04
China State Construction International Holdings	246,000	HK\$			166	0.01
Sinopec Engineering Group 'H'	1,037,200	HK\$			399	0.02
Electronic & Electrical Equipment					1,205	0.07
China Railway Signal & Communication 'H'	337,200	HK\$			155	0.01
Goldcard Smart Group	157,900	CNY			293	0.02
Hollysys Automation Technologies	41,195	US\$			475	0.03
IPG Photonics	2,832	US\$			282	0.01

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
General Industrials						
AMVIG Holdings	2,840,200	HK\$			1,479	0.09
China Lesso Group Holdings	617,200	HK\$			500	0.03
Greatview Aseptic Packaging	838,200	HK\$			742	0.04
					237	0.02
Industrial Engineering						
TK Group Holdings	1,322,000	HK\$			414	0.02
Industrial Support Services						
51job ADR	6,456	US\$			743	0.04
A-Living Services 'H'	88,500	HK\$			351	0.02
					392	0.02
Industrial Transportation						
COSCO Shipping Energy Transportation 'H'	1,287,600	HK\$			2,449	0.14
COSCO Shipping Ports	1,454,000	HK\$			632	0.04
MTR	123,500	HK\$			642	0.04
Pacific Basin Shipping	5,384,000	HK\$			582	0.03
					593	0.03
Industrial Metals & Mining						
Anglo American	710,062	£			47,540	2.76
BHP Group	959,740	£			10,890	0.63
Glencore	6,989,878	£			13,417	0.78
MMG	1,068,000	HK\$			9,499	0.55
Rio Tinto	328,303	£			140	0.01
					13,594	0.79
Chemicals						
Daqo New Energy ADR	4,671	US\$			518	0.03
Fufeng Group	895,600	HK\$			237	0.01
					281	0.02
Non-Renewable Energy						
Husky Energy	162,733	CA\$			7,503	0.44
LUKOIL ADR	121,128	US\$			335	0.02
Sinopec Kantons Holdings	1,740,000	HK\$			6,562	0.38
					606	0.04
Renewable Energy						
CGN Power 'H'	2,086,000	HK\$			65,989	3.83
China Resources Power Holdings	936,000	HK\$			436	0.03
Greencoat Renewables	24,922,366	€			941	0.05
Greencoat UK Wind	23,527,911	£			29,284	1.70
					35,328	2.05
Equity derivatives						
Equity index futures						
CAC40 Index Futures	190	€	17.04.2020	8,296	9,623	0.56
IBEX 35 Index Futures	566	€	17.04.2020	37,873	1,160	0.07
Hang Seng China Enterprises Index Futures	78	HK\$	28.04.2020	4,409	3,764	0.22
MSCI Singapore Index Futures	932	SG\$	29.04.2020	16,870	79	0.00
BIST 30 Index Futures	3,789	TRY	30.04.2020	5,616	73	0.00
Korean Stock Exchange Futures	780	KRW	11.06.2020	34,648	(1,759)	(0.10)
Topix Index Futures	614	¥	11.06.2020	72,429	(4,312)	(0.25)
Dax Index Futures	83	€	19.06.2020	20,471	2,371	0.14
FTSE 100 Index Futures	481	£	19.06.2020	30,451	2,558	0.15
FTSE MIB Index Futures	90	€	19.06.2020	7,624	3,241	0.19
S&P MINI 500 Futures	166	US\$	19.06.2020	19,594	1,029	0.06
					1,419	0.08
FIXED INCOME						
Bond portfolios						
M&G (Lux) Emerging Markets Bond Fund Euro Class 'CI-H'					1,139,945	66.12
(Accumulation) ^[b]					121,106	7.03
M&G (Lux) Emerging Markets Corporate ESG Bond Fund Euro						
Class 'CI-H' (Accumulation) ^[b]	1,862,777	€			17,539	1.02
M&G (Lux) Emerging Markets Hard Currency Bond Fund USD						
Class 'CI' (Accumulation) ^[b]	500,000	€			4,202	0.24
M&G (Lux) Global Convertibles Fund Euro Class C-H						
(Accumulation) ^[b]	1,382,689	US\$			12,168	0.71
M&G (Lux) Global Corporate Bond Fund Euro Class 'C-H'						
(Accumulation) ^[b]	2,753,013	€			36,556	2.12
M&G Emerging Markets Bond Fund GBP Class 'I'						
(Accumulation) ^[c]	358,894	€			4,388	0.25
M&G Global High Yield Bond Fund GBP Class 'X'						
(Accumulation) ^[c]	4,894,252	£			9,013	0.52
M&G Total Return Credit Investment Fund Euro Class 'A'						
(Accumulation) ^[c]	19,969,285	£			26,803	1.56
SPDR® Barclays 10+ Year US Corporate Bond ETF						
	46,432	€			5,102	0.30
	172,905	US\$			5,335	0.31

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities					1,026,721	59.55
'AAA' credit rated bonds					323,608	18.77
Germany (Federal Republic of) 0%	26,200,000	€	17.04.2020		26,208	1.52
Germany (Federal Republic of) 0%	106,500,000	€	12.06.2020		106,645	6.18
Germany (Federal Republic of) 0.25%	44,068,000	€	16.10.2020		44,293	2.57
Microsoft 2.7%	4,000,000	US\$	12.02.2025		3,909	0.23
Microsoft 4%	8,296,000	US\$	12.02.2055		9,640	0.56
US Treasury I/I 0.25%	27,200,000	US\$	15.02.2050		26,329	1.53
US Treasury I/I 0.875%	24,800,000	US\$	15.02.2047		29,432	1.71
US Treasury I/I 1%	38,819,400	US\$	15.02.2046		47,816	2.77
US Treasury I/I 1%	24,400,000	US\$	15.02.2048		29,336	1.70
'AA' credit rated bonds					214,868	12.46
France (Republic of) 0%	70,000,000	€	22.04.2020		70,023	4.06
France (Republic of) 0%	74,000,000	€	15.07.2020		74,114	4.30
France (Republic of) 0%	70,600,000	€	12.08.2020		70,731	4.10
'A' credit rated bonds					7,730	0.45
Cigna 4.8%	5,735,000	US\$	15.07.2046		6,002	0.35
Ooredoo International Finance 3.25%	1,000,000	US\$	21.02.2023		890	0.05
Saudi Electricity Global 5.06%	925,000	US\$	08.04.2043		838	0.05
'BBB' credit rated bonds					367,677	21.32
Banco General 4.125%	635,000	US\$	07.08.2027		531	0.03
Banco Inbursa Institución de Banca Múltiple 4.375%	750,000	US\$	11.04.2027		611	0.04
Bank of China 5%	625,000	US\$	13.11.2024		613	0.04
BAT Capital 4.54%	4,082,000	US\$	15.08.2047		3,428	0.20
Bayer US Finance II 4.625%	9,226,000	US\$	25.06.2038		9,162	0.53
Corporación Financiera de Desarrollo 4.75%	925,000	US\$	15.07.2025		824	0.05
Development Bank of Kazakhstan 8.95%	141,000,000	KZT	04.05.2023		273	0.02
DP World 5.625%	600,000	US\$	25.09.2048		465	0.03
DP World Crescent 4.848%	775,000	US\$	26.09.2028		650	0.04
Enel Finance International 6.8%	2,024,000	US\$	15.09.2037		2,327	0.13
Energy Transfer Operating 6.125%	5,708,000	US\$	15.12.2045		4,480	0.26
Fufeng Group 5.875%	625,000	US\$	28.08.2021		595	0.03
GE Capital International Funding Unlimited 4.418%	10,500,000	US\$	15.11.2035		10,265	0.60
Indonesia (Republic of) 6.125%	142,754,000,000	IDR	15.05.2028		7,091	0.41
Indonesia (Republic of) 8.125%	61,000,000,000	IDR	15.05.2024		3,510	0.20
Indonesia (Republic of) 8.25%	261,595,000,000	IDR	15.05.2029		14,856	0.86
Indonesia (Republic of) 8.375%	518,817,000,000	IDR	15.03.2024		29,993	1.74
Indonesia (Republic of) 8.375%	59,071,000,000	IDR	15.03.2034		3,316	0.19
Italy (Republic of) 1.75%	78,850,000	€	01.07.2024		81,925	4.75
Mexico (United Mexican States) 5.625%	275,000	€	19.03.2114		325	0.02
Mexico (United Mexican States) 5.75%	820,417,400	MXN	05.03.2026		29,979	1.74
Mexico (United Mexican States) 7.5%	744,690,000	MXN	03.06.2027		29,223	1.69
Mexico (United Mexican States) 7.75%	836,474,900	MXN	13.11.2042		31,546	1.83
Mexico (United Mexican States) 8.5%	420,000,000	MXN	31.05.2029		17,499	1.01
Mylan 5.25%	2,339,000	US\$	15.06.2046		2,194	0.13
Mylan 5.4%	4,931,000	US\$	29.11.2043		4,672	0.27
NBK Tier 1 Financing FRN	600,000	US\$	31.12.2099		521	0.03
Petróleos Mexicanos 4.5%	725,000	US\$	23.01.2026		484	0.03
Petróleos Mexicanos 6.75%	660,000	US\$	21.09.2047		396	0.02
Portugal (Republic of) 4.8%	66,177,000	€	15.06.2020		66,868	3.88
Prosus 3.68%	500,000	US\$	21.01.2030		393	0.02
Tengizchevroil Finance International 4%	640,000	US\$	15.08.2026		556	0.03
Trust Fibra Uno 4.869%	675,000	US\$	15.01.2030		531	0.03
Volkswagen International Finance 4.125%	7,200,000	€	16.11.2038		7,575	0.44
'BB' credit rated bonds					88,192	5.12
Arcelik 5%	650,000	US\$	03.04.2023		551	0.03
Axtel 6.375%	625,000	US\$	14.11.2024		465	0.03
Banco do Brasil 4.625%	970,000	US\$	15.01.2025		852	0.05
Banco Mercantil del Norte FRN	600,000	US\$	31.12.2099		415	0.02
BBVA Bancomer 6.75%	300,000	US\$	30.09.2022		270	0.02
Bioceanico Sovereign Certificate 0%	975,000	US\$	05.06.2034		501	0.03
Brazil (Federal Republic of) 10%	85,312,000	BRL	01.01.2029		16,993	0.99
Cemex 5.45%	675,000	US\$	19.11.2029		503	0.03
CIFI Holdings Group 6.55%	675,000	US\$	28.03.2024		573	0.03
Delhi International Airport 6.45%	625,000	US\$	04.06.2029		473	0.03
Ford Motor 6.625%	5,086,000	US\$	01.10.2028		3,446	0.20
Ford Motor Credit 4.375%	3,800,000	US\$	06.08.2023		3,206	0.19

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Greenko Solar Mauritius 5.95%	1,000,000	US\$	29.07.2026		749	0.04
Grupo Aval 4.375%	650,000	US\$	04.02.2030		484	0.03
Grupo KUO 5.75%	675,000	US\$	07.07.2027		452	0.03
Gtlk Europe Capital 5.95%	975,000	US\$	17.04.2025		853	0.05
Indo Energy Finance II 6.375%	712,500	US\$	24.01.2023		459	0.03
Inretail Pharma 5.375%	400,000	US\$	02.05.2023		352	0.02
Jasa Marga Persero 7.5%	7,600,000,000	IDR	11.12.2020		422	0.02
JSW Steel 5.95%	670,000	US\$	18.04.2024		463	0.03
Kosmos Energy 7.125%	1,050,000	US\$	04.04.2026		496	0.03
Logan Property Holdings 6.5%	670,000	US\$	16.07.2023		576	0.03
MAF Global Securities FRN	1,000,000	US\$	31.12.2099		702	0.04
MARB BondCo 6.875%	1,150,000	US\$	19.01.2025		933	0.05
Melco Resorts Finance 4.875%	670,000	US\$	06.06.2025		553	0.03
Millicom International Cellular 5.125%	900,000	US\$	15.01.2028		720	0.04
Millicom International Cellular 6.25%	400,000	US\$	25.03.2029		331	0.02
Muthoot Finance 6.125%	200,000	US\$	31.10.2022		158	0.01
Network i2i FRN	1,266,000	US\$	31.12.2099		920	0.05
Oman (Sultanate of) 4.875%	200,000	US\$	01.02.2025		142	0.01
Oman (Sultanate of) 6.5%	785,000	US\$	08.03.2047		476	0.03
Petrobras Global Finance 6.9%	1,050,000	US\$	19.03.2049		927	0.05
Puma International Financing 5%	1,000,000	US\$	24.01.2026		368	0.02
Rede D'or Finance 4.95%	675,000	US\$	17.01.2028		562	0.03
Royal Capital 5.875%	450,000	US\$	31.12.2099		389	0.02
Sable International Finance 5.75%	750,000	US\$	07.09.2027		622	0.04
SASOL Financing USA 6.5%	750,000	US\$	27.09.2028		302	0.02
South Africa (Republic of) 4.85%	785,000	US\$	30.09.2029		592	0.03
South Africa (Republic of) 8%	67,105,264	ZAR	31.01.2030		2,823	0.16
South Africa (Republic of) 8.875%	263,705,263	ZAR	28.02.2035		10,851	0.63
South Africa (Republic of) 9%	67,105,263	ZAR	31.01.2040		2,699	0.16
South Africa (Republic of) 10.5%	329,742,445	ZAR	21.12.2026		17,373	1.01
Southern Gas Corridor 6.875%	850,000	US\$	24.03.2026		788	0.05
Sovcombank Via SovCom Capital FRN	960,000	US\$	07.04.2030		722	0.04
Telefónica Celular del Paraguay 5.875%	500,000	US\$	15.04.2027		411	0.02
Teva Pharmaceuticals 6.75%	575,000	US\$	01.03.2028		508	0.03
Time Warner Cable 7.3%	4,908,000	US\$	01.07.2038		6,315	0.37
TMB Bank FRN	1,200,000	US\$	31.12.2099		939	0.05
Türk Telekomünikasyon 6.875%	940,000	US\$	28.02.2025		811	0.05
Ultrapar International 5.25%	500,000	US\$	06.06.2029		370	0.02
Uzbek Industrial and Construction Bank 5.75%	600,000	US\$	02.12.2024		491	0.03
Woori Bank FRN	975,000	US\$	31.12.2099		840	0.05
'B' credit rated bonds					22,641	1.31
ABJA Investment 5.45%	900,000	US\$	24.01.2028		602	0.03
ADES International Holding 8.625%	675,000	US\$	24.04.2024		619	0.04
Alpha Holding 9%	550,000	US\$	10.02.2025		352	0.02
Belarus (Republic of) 6.75%	950,000	US\$	02.05.2024		823	0.05
CAR 8.875%	600,000	US\$	10.05.2022		343	0.02
China Evergrande Group 7.5%	725,000	US\$	28.06.2023		477	0.03
Dar Al-Arkan Sukuk 6.875%	850,000	US\$	21.03.2023		603	0.04
Georgia Capital Issued International Bonds 6.125%	250,000	US\$	09.03.2024		221	0.01
GFH Sukuk 7.5%	875,000	US\$	28.01.2025		645	0.04
IHS Netherlands Holdco 8%	646,000	US\$	18.09.2027		495	0.03
Kernel Holding 8.75%	600,000	US\$	31.01.2022		487	0.03
Latam Finance 7%	875,000	US\$	01.03.2026		347	0.02
MHP Lux 6.95%	675,000	US\$	03.04.2026		494	0.03
Mongolia (Republic of) 8.75%	400,000	US\$	09.03.2024		347	0.02
QNB Finansbank 4.875%	1,000,000	US\$	19.05.2022		853	0.05
Sunac China Holdings 6.5%	460,000	US\$	10.01.2025		369	0.02
Sunac China Holdings 7.95%	225,000	US\$	08.08.2022		196	0.01
Times China Holdings 6.75%	670,000	US\$	16.07.2023		556	0.03
Tüpraş Türkiye Petrol Rafinerileri 4.5%	725,000	US\$	18.10.2024		575	0.03
Turkey (Republic of) 10.5%	82,823,460	TRY	11.08.2027		10,153	0.59
VTR Finance 6.875%	640,000	US\$	15.01.2024		537	0.03
Walnut Bidco 6.75%	779,000	€	01.08.2024		583	0.03
Wanda Properties International 7.25%	675,000	US\$	29.01.2024		456	0.03
Wynn Macau 5.125%	285,000	US\$	15.12.2029		214	0.01
Yapı ve Kredi Bankası 8.25%	600,000	US\$	15.10.2024		521	0.03

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
Yuzhou Properties 6%	692,000	US\$	25.10.2023		528	0.03
Yuzhou Properties 7.7%	320,000	US\$	20.02.2025		245	0.01
'CCC' credit rated bonds						
Future Retail 5.6%	675,000	US\$	22.01.2025		309	0.02
YPF 8.5%	500,000	US\$	28.07.2025		238	0.01
'CC' credit rated bonds						
Argentina (Republic of) 5.875%	405,000	US\$	11.01.2028		98	0.01
Bonds with no credit rating						
Burgan Bank FRN	640,000	US\$	31.12.2099		517	0.03
Jollibee Worldwide FRN	400,000	US\$	31.12.2099		291	0.02
Lenovo Group 4.75%	325,000	US\$	29.03.2023		307	0.02
Tower Bersama Infrastructure 4.25%	300,000	US\$	21.01.2025		245	0.01
Debt derivatives						
Credit default swaps						
Markit iTraxx Europe Series 32 5 Year Dec 2024	122,000,000	€			209	0.01
Markit iTraxx Europe Xover Series 32 5 Year Dec 2024	55,050,000	€			(1,294)	(0.07)
Interest rate swaps						
Pay 0.627% Receive Var. Sep 2049	82,360,000	£			(8,041)	(0.47)
Interest rate futures						
Deutscher Bund 10 year Futures	(326)	€	08.06.2020	536	1,786	0.10
Deutscher Bund 10 year Futures	(583)	€	08.06.2020	625	790	0.05
UK Treasury Notes Futures	(528)	£	26.06.2020	872	(1,332)	(0.08)
CURRENCY						
Forward currency contracts						
Bought for € 251,967.86, Sold for US\$ 277,668.76			08.04.2020		(2)	0.00
Bought for £ 62,200.60, Sold for US\$ 74,751.71			08.04.2020		2	0.00
Bought for US\$ 949,073.60, Sold for € 832,416.83			08.04.2020		34	0.00
Bought for US\$ 470,259.16, Sold for £ 360,702.93			08.04.2020		23	0.00
Bought for € 161,668,476.98, Sold for £ 138,799,824.24			17.04.2020		5,007	0.29
Bought for € 7,841,122.13, Sold for ¥ 926,777,980.00			17.04.2020		48	0.00
Bought for € 496,291,483.78, Sold for US\$ 556,310,490.47			17.04.2020		(11,552)	(0.67)
Bought for £ 11,331,790.23, Sold for € 13,360,376.33			17.04.2020		(570)	(0.03)
Bought for ¥ 4,255,270,408.00, Sold for € 35,632,004.55			17.04.2020		151	0.01
Bought for KRW 23,655,564,190.00, Sold for US\$ 20,412,964.74			17.04.2020		(992)	(0.06)
Bought for US\$ 27,096,435.09, Sold for CNY 188,266,031.00			17.04.2020		514	0.03
Bought for US\$ 48,030,149.90, Sold for TW\$ 1,425,823,030.00			17.04.2020		772	0.04
Bought for € 4,906,858.37, Sold for TRY 34,950,865.24			08.05.2020		104	0.01
Bought for TRY 151,368,618.68, Sold for € 16,982,584.72			08.05.2020		3,819	0.22
Bought for € 16,263,414.99, Sold for £ 14,992,786.90			15.05.2020		(649)	(0.04)
Bought for € 162,803,720.04, Sold for US\$ 179,460,428.88			15.05.2020		(828)	(0.05)
Bought for £ 40,196,023.35, Sold for € 45,073,275.16			15.05.2020		268	0.02
Bought for INR 3,104,038,353.79, Sold for US\$ 42,808,122.32			15.05.2020		(1,963)	(0.11)
Bought for TW\$ 277,684,037.00, Sold for US\$ 9,187,230.34			15.05.2020		44	0.00
Bought for US\$ 217,345,298.87, Sold for € 196,522,636.16			15.05.2020		1,653	0.10
Bought for US\$ 8,200,016.30, Sold for INR 620,987,234.71			15.05.2020		61	0.00
Bought for US\$ 12,652,458.96, Sold for TW\$ 377,292,530.00			15.05.2020		94	0.01
Bought for CNY 112,464,282.99, Sold for US\$ 16,105,439.35			27.05.2020		(256)	(0.01)
Bought for US\$ 35,196,869.20, Sold for CNY 245,146,193.96			27.05.2020		641	0.04
Bought for US\$ 12,697,039.54, Sold for TW\$ 377,292,530.00			19.06.2020		80	0.00
Bought for TW\$ 576,542,287.00, Sold for US\$ 19,410,920.56			17.07.2020		(88)	(0.01)
Bought for US\$ 12,669,326.06, Sold for TW\$ 377,292,530.00			17.07.2020		27	0.00
Bought for CNY 71,817,328.95, Sold for US\$ 10,162,350.21			04.09.2020		(73)	0.00
Bought for US\$ 93,586,358.00, Sold for CNY 673,259,600.77			04.09.2020		(842)	(0.05)
Bought for CNY 287,458,755.18, Sold for US\$ 40,366,481.94			05.03.2021		(202)	(0.01)
Bought for US\$ 49,093,921.10, Sold for CNY 346,352,704.00			05.03.2021		656	0.04
Portfolio of investments					1,488,435	86.33
SHARE CLASS HEDGING						
Bought for CHF 3,288,630.34, Sold for € 3,089,935.17			08.04.2020		21	0.00
Bought for € 578,669.99, Sold for CHF 612,683.45			08.04.2020		0	0.00
Bought for € 8,139,772.63, Sold for US\$ 8,967,914.62			08.04.2020		(49)	0.00

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for US\$ 26,508,871.81, Sold for € 23,843,759.41			08.04.2020		363	0.02
Total portfolio					1,488,770	86.35
Net other assets/(liabilities)					235,399	13.65
NET ASSETS					1,724,169	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					300,156	17.40
Equity portfolios					42,730	2.48
Bond portfolios					121,106	7.03
Debt securities					1,026,721	59.55
Unrealised gains on futures contracts					18,270	1.06
Unrealised gains on forward currency contracts					14,382	0.83
Unrealised gains on swap contracts					209	0.01
Total Investment assets					1,523,574	88.36
Investment liabilities						
Unrealised losses on futures contracts					(7,403)	(0.43)
Unrealised losses on forward currency contracts					(18,066)	(1.04)
Unrealised losses on swap contracts					(9,335)	(0.54)
Total Investment liabilities					(34,804)	(2.01)
Total portfolio					1,488,770	86.35
Net other assets/(liabilities)					235,399	13.65
NET ASSETS					1,724,169	100.00

[a] Unlisted/unquoted.

[b] Crossholding (see note 13).

[c] Related Party (see note 13).

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures			Collateral held as cash €'000
	Swaps €'000	Forward currency contracts €'000	Futures €'000	
Bank of America Merrill Lynch	0	0	509,153	0
Barclays Bank London	9,545	44,697	0	78,657
BNP Paribas	0	211,324	0	0
Citigroup Global Markets Limited	0	331,455	0	2,610
Crédit Suisse International	0	12,367	0	600
Goldman Sachs International	0	129,121	0	350
HSBC Bank Plc	0	127,912	0	0
JP Morgan Chase	0	276,370	0	710
Merrill Lynch Pierce Fenner + Smith Inc	0	136,266	0	0
Standard Chartered Bank	0	160,800	0	2,620
State Street Bank and Trust Company	0	35,652	0	2,410
State Street Bank London	0	225,055	0	0
UBS AG London	0	333,057	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Conservative Allocation Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-10.1	-4.1	n/a	-1.5	23/04/2015	16/01/2018
Class 'A' Distribution	-10.1	-4.1	n/a	-1.5	23/04/2015	16/01/2018
Class 'B' Accumulation	-10.5	-4.5	n/a	-0.8	11/09/2015	16/01/2018
Class 'B' Distribution	-10.5	-4.5	n/a	-0.8	11/09/2015	16/01/2018
Class 'C' Accumulation	-9.3	-3.3	n/a	-0.7	23/04/2015	16/01/2018
Class 'C' Distribution	-9.3	-3.3	n/a	-0.7	23/04/2015	16/01/2018
Class 'CI' Accumulation	-9.3	-3.3	n/a	-0.7	23/04/2015	16/01/2018
Class 'JI' Accumulation	-9.2	n/a	n/a	-9.3	27/02/2019	26/02/2019
Swiss franc						
Class 'A-H' Accumulation	-10.3	-4.4	n/a	-1.8	12/08/2016	16/01/2018
Class 'C-H' Accumulation	-9.6	-3.6	n/a	-1.1	12/08/2016	16/01/2018
US dollar						
Class 'A-H' Accumulation	-7.6	-1.5	n/a	+0.5	23/04/2015	16/01/2018
Class 'A-H' Distribution	-7.6	-1.5	n/a	+0.5	23/04/2015	16/01/2018
Class 'C-H' Accumulation	-7.0	-0.8	n/a	+1.2	23/04/2015	16/01/2018
Class 'C-H' Distribution	-6.9	-0.7	n/a	+1.2	23/04/2015	16/01/2018

[a] Fund performance before the launch of the fund on 16 January 2018 is that of the relevant Merged Share Class of the M&G Prudent Allocation Fund, which includes UK taxes but excludes entry and exit charges. The M&G Prudent Allocation Fund is a UK authorised fund which launched on 23 April 2015 and its non-Sterling share classes merged into M&G (Lux) Conservative Allocation Fund on 16 March 2018.

M&G (Lux) Conservative Allocation Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'B' Distribution Euro €	Class 'C' Distribution Euro €	Class 'A-H' Distribution US \$	Class 'C-H' Distribution US \$
to 31 March 2020					
First interim	0.0510	0.0508	0.0515	0.0518	0.0522
Second interim	0.0520	0.0516	0.0527	0.0552	0.0559
Third interim	0.0342	0.0338	0.0346	0.0351	0.0357
Final	0.0412	0.0409	0.0420	0.0442	0.0448

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.61
Class 'A' Distribution	1.61
Class 'B' Accumulation	2.11
Class 'B' Distribution	2.11
Class 'C' Accumulation	0.81
Class 'C' Distribution	0.81
Class 'CI' Accumulation	0.77
Class 'JI' Accumulation	0.67
Swiss franc	%
Class 'A-H' Accumulation	1.63
Class 'C-H' Accumulation	0.83
US dollar	%
Class 'A-H' Accumulation	1.63
Class 'A-H' Distribution	1.63
Class 'C-H' Accumulation	0.83
Class 'C-H' Distribution	0.83

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	8.4127	9.3550	9.7572
Class 'A' Distribution	8.1516	9.2349	9.7598
Class 'B' Accumulation	8.3230	9.3020	9.7506
Class 'B' Distribution	8.0630	9.1808	9.7508
Class 'C' Accumulation	8.5639	9.4465	9.7738
Class 'C' Distribution	8.2987	9.3251	9.7762
Class 'CI' Accumulation	8.5729	9.4532	9.7774
Class 'JI' Accumulation	9.0023	9.9170	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	8.3579	9.3204	9.7495
Class 'C-H' Accumulation	8.5014	9.4070	9.7654
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	8.9582	9.6980	9.8161
Class 'A-H' Distribution	8.6853	9.5778	9.8195
Class 'C-H' Accumulation	9.1084	9.7908	9.8313
Class 'C-H' Distribution	8.8381	9.6686	9.8349
NAV at fund level	€'000	€'000	€'000
Net assets	1,724,169	2,782,636	2,948,508
Swing pricing adjustment (see note 12)	(3,494)	n/a	n/a
Swung net assets	1,720,675	2,782,636	2,948,508

M&G (Lux) Dynamic Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to deliver a positive total return (the combination of income and capital growth) of 5-10% per annum in any three-year period, through investment in a range of global assets.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of assets issued anywhere in the world and denominated in any currency.

The Fund will typically use derivatives to gain exposure to these assets. The Fund may also use derivatives to take short positions (holding derivatives with the aim of delivering a positive return when the assets they are linked to fall in value) and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Exchange.

The Fund may also invest directly in these assets, or indirectly through other collective investment schemes. The Fund can also invest in currencies, cash, near cash, deposits and warrants. The Investment Manager will normally seek to hold more than 30% of the Fund's Net Asset Value in euro denominated assets (or other currencies hedged back to euro). Additionally, the Investment Manager will seek to hold a minimum of 60% of the Fund's Net Asset Value in a combination of USD, sterling and euro denominated assets (these can be direct or hedged positions).

The Fund will normally invest within the following net allocation ranges: 0-80% in fixed income, 20-60% in equities and 0-20% in 'other' assets.

Fixed income instruments that the Fund may invest in include the following:

- derivatives whose value is derived from bonds, interest rates or credit risk;
- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies;
- bonds from issuers located in emerging markets;
- Chinese onshore bonds denominated in CNY traded on the China Interbank Bond Market;
- bonds which are rated investment grade by a recognised rating agency;
- unrated bonds and bonds which are rated sub-investment grade, up to 60% of the Fund's Net Asset Value; and
- Asset-Backed Securities up to 20% of the Fund's Net Asset Value.

Equity instruments that the Fund may invest in include

- (a) derivatives whose value is derived from company shares and
- (b) direct company shares.

Other assets, for this purpose, include Convertible Bonds and Contingent Convertible Debt Securities. Contingent Convertible Debt Securities are subject to a maximum of 5% of the Fund's Net Asset Value. Also included in 'other assets', mostly to provide a relatively uncorrelated source of returns to the Fund, are shares in closed-ended real estate investment trusts or investments in companies acting in real estate and/or infrastructure sector.

Derivatives can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management.

The derivative instruments that the Fund can invest in to achieve its objectives include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options, and Total Return Swaps.

Investment approach

The Investment Manager has a very flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The Fund seeks to manage risk by investing globally across multiple asset classes, sectors, currencies and countries. Where the Investment Manager believes opportunities are limited to a few areas, the portfolio may be very concentrated in certain assets or markets. The Fund will typically take investment positions at index or sector level, but it may also take positions in individual shares or bonds.

The Investment Manager believes that this approach has the potential to deliver an annualised volatility (the degree to which the value of the Fund fluctuates over any 12-month period) of between 5% and 12%.

Performance Comparator

Not applicable

M&G (Lux) Dynamic Allocation Fund

Investment review

For the year ended 31 March 2020

Performance review

The investment environment changed markedly over the 12 months under review. Initially, investors were encouraged by the increasingly accommodative stance of central banks and hopes that a trade deal could be agreed between the US and China, meaning that most assets rose in price. However, in March 2020, the impact of the coronavirus and the effect of the measures being taken to contain it caused a massive reversal. All the previous gains in company shares (equities) were quickly wiped out as investors flocked into cash.

In this context, the sub-fund delivered a negative total return over the review period. The allocation to equities was the biggest detractor for the sub-fund, with the largest losses generated by positions in Europe, Asia ex-Japan and global banks; exposure to Japan and the UK also weighed on returns. The sub-fund's allocations to biotechnology and technology stocks produced a small positive return.

Mainstream government bonds rose, while high yield and emerging market government bonds weakened. However, the sub-fund's short position in mainstream government bonds (excluding the US) cost significant value as the asset class rallied. (Short positions seek to profit from asset price falls.) However, gains in long-dated US government bonds offset some of the losses, while sovereign debt from Italy also added some value. Corporate bonds detracted overall. Meanwhile, investors' risk aversion late in the period meant that the sub-fund's alternative investments cost performance as well.

Positions in emerging market government bonds detracted in aggregate, with currency weakness compounding losses, particularly in Mexican government bonds. Weaker currencies also contributed to the losses in bonds from Indonesia, South Africa and Brazil. However, exposure to Turkey produced a positive return.

Investment activity

Changes to the sub-fund over the first half of the review period were tactical rather than structural, as we remained comfortable with the portfolio's positioning relative to the economic fundamentals. The main change was an addition to the sub-fund's equity weighting in August during what we believed was an unwarranted bout of investor risk aversion.

Towards the end of 2019, the increasingly elevated equity and bond valuations – which in many cases had been rising to record highs – meant that the equity risk premium had been compressed. We therefore believed it was prudent to have less risk capital backing the equity risk premium. Accordingly, we scaled back our target short exposure to European and Japanese government and modestly added to our US Treasury Inflation-Protected Securities (TIPS) exposure. We also reduced our target equity exposure to 42.5%, the lowest level since January 2018. We increased our exposure to emerging market debt by adding

to our positions in South African and Indonesian government bonds, as well as adding modest exposure to infrastructure for the high potential yield and diversification properties.

During the main period of market instability, we made a number of meaningful changes to the portfolio, adding to risk in general, as well as enhancing potential diversification, and by being long duration at the portfolio level. Following large price declines in equities, we increased the portfolio's allocation – first by adding to mining stocks, then by increasing our broad equity exposure – to around halfway to the maximum (48.5%). With prices at record lows, we believed this was likely to offer attractive entry points from a medium-term perspective.

Within government bonds, we closed the short position in 10-year French government bonds after yields rose sharply. Meanwhile, we reduced the holding in US TIPS mid-month after they rallied aggressively. After these assets subsequently sold off, we built up the position. In light of extreme widening of corporate bond spreads, we added 10% to our target exposure, as we consider that yields offered very good compensation for the risk taken.

Outlook

In attempting to analyse today's challenging environment, our sense is that this phase is very different from previous recessions. We believe because it represents an enforced, temporary shutdown in economic activity rather than a 'traditional' recession, this should hasten the return of normal economic conditions.

We are watching markets very closely and stand ready to make more changes as necessary while staying consistent with the philosophy the team has always adopted in the past. While the current macroeconomic situation is highly uncertain, the extreme nature of the price moves and shifts in valuation lead us to think that the current disruption is not all fundamental. There are therefore some very significant opportunities for those able to tolerate the short-term volatility. As medium-term investors, we will aim to take advantage of any such opportunities. Although these are challenging times for all of us and short-term sub-fund performance has been very disappointing, we believe the portfolio looks very compelling over the medium term.

Juan Nevado and Craig Moran

Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					799,190	20.45
Software & Computer Services					15,041	0.38
Autodesk	4,557	US\$			648	0.02
Booking Holdings	382	US\$			456	0.01
Citrix Systems	19,204	US\$			2,560	0.06
Cognizant Technology Solutions 'A'	21,071	US\$			912	0.02
Constellation Software	1,322	CA\$			1,080	0.03
eBay	28,288	US\$			805	0.02
GoDaddy 'A'	19,519	US\$			1,054	0.03
Gridsum Holding ADR	261,010	US\$			153	0.00
JD.com ADR	30,776	US\$			1,135	0.03
Meituan Dianping 'B'	30,500	HK\$			336	0.01
Microsoft	20,459	US\$			2,996	0.08
Nutanix 'A'	14,432	US\$			211	0.00
Software	28,664	€			770	0.02
Trip.com Group ADR	70,273	US\$			1,445	0.04
Vmware 'A'	4,363	US\$			480	0.01
Technology Hardware & Equipment					5,060	0.13
ams	13,980	CHF			127	0.00
ams (Right 2020)	13,980	CHF			13	0.00
CK Hutchison Holdings	162,000	HK\$			998	0.03
IQE	696,690	£			213	0.01
KLA	6,078	US\$			830	0.02
NXP Semiconductors	13,273	US\$			1,028	0.03
Samsung Electronics	37,878	KRW			1,358	0.03
Tower Semiconductor	35,005	US\$			493	0.01
Telecommunications Equipment						
Arista Networks	3,425	US\$			644	0.02
Telecommunications Service Providers					3,753	0.10
China Mobile	426,000	HK\$			2,890	0.08
China Telecom 'H'	3,112,000	HK\$			863	0.02
Health Care Providers					14,792	0.38
Anthem	15,667	US\$			3,299	0.09
Cigna Holding	24,678	US\$			4,020	0.10
Humana	13,446	US\$			3,828	0.10
UnitedHealth Group	15,887	US\$			3,645	0.09
Pharmaceuticals & Biotechnology					31,572	0.81
AbbVie	28,895	US\$			1,986	0.05
Alexion Pharmaceuticals	15,070	US\$			1,201	0.03
Amgen	12,881	US\$			2,453	0.06
Biogen	9,101	US\$			2,626	0.07
Bristol-Myers Squibb	95,450	US\$			4,743	0.12
Bristol-Myers Squibb (Right 31.03.21)	41,656	US\$			121	0.00
Eli Lilly	24,514	US\$			3,098	0.08
Gilead Sciences	33,577	US\$			2,327	0.06
Incyte	17,882	US\$			1,178	0.03
Johnson & Johnson	26,043	US\$			3,162	0.08
Merck	43,312	US\$			3,044	0.08
Pfizer	112,286	US\$			3,352	0.09
Regeneron Pharmaceuticals	5,276	US\$			2,281	0.06
Banks					246,633	6.31
Banco Bilbao Vizcaya Argentaria	2,029,397	€			5,842	0.15
Bank of America	1,182,092	US\$			23,791	0.61
BNP Paribas	206,005	€			5,653	0.15
BOC Hong Kong Holdings	141,500	HK\$			357	0.01
CaixaBank	3,651,939	€			6,106	0.16
China Construction Bank 'H'	5,781,000	HK\$			4,315	0.11
Chongqing Rural Commercial Bank 'H'	4,567,000	HK\$			1,708	0.04
Citigroup	591,837	US\$			23,831	0.61
Commerzbank	1,847,534	€			5,979	0.15
Industrial & Commercial Bank of China 'H'	3,288,000	HK\$			2,055	0.05
ING Groep	1,010,842	€			4,846	0.12
Intesa Sanpaolo	4,326,189	€			6,253	0.16
JPMorgan Chase	271,908	US\$			23,210	0.59
Lloyds Banking Group	67,714,469	£			24,993	0.64
Mitsubishi UFJ Financial Group	5,249,500	¥			17,796	0.46
Sberbank of Russia ADR	2,252,953	US\$			19,499	0.50

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Banks (continued)						
Société Générale	352,839	€			5,382	0.14
Sumitomo Mitsui Financial Group	798,300	¥			17,603	0.45
Sumitomo Mitsui Trust Holdings	706,100	¥			18,481	0.47
UniCredit	761,823	€			5,401	0.14
Wells Fargo	860,965	US\$			23,532	0.60
Finance & Credit Services					26,501	0.68
American Express	276,613	US\$			22,789	0.58
Escrow Alteryx ^[a]	28,954	US\$			519	0.02
Mastercard 'A'	5,075	US\$			1,172	0.03
Visa 'A'	13,365	US\$			2,021	0.05
Investment Banking & Brokerage Services					175,532	4.49
3i Infrastructure	7,908,655	£			22,969	0.59
Baidu ADR	16,891	US\$			1,527	0.04
Bank of New York Mellon	788,311	US\$			24,477	0.63
CITIC Securities 'H'	922,500	HK\$			1,542	0.04
Far East Horizon	2,164,000	HK\$			1,595	0.04
First Pacific	4,810,000	HK\$			816	0.02
GF Securities 'H'	1,662,800	HK\$			1,627	0.04
Equity portfolios					120,979	3.09
M&G (Lux) Japan Fund Euro Class 'C' (Accumulation) ^[b]	1,345,531	€			21,831	0.56
M&G (Lux) Global Emerging Markets Fund Euro Class 'CI' (Accumulation) ^[b]	4,678,357	€			37,988	0.97
M&G Japan Fund GBP Class 'I' (Income) ^[c]	2,886,445	£			61,160	1.56
Life Insurance						
AIA Group	165,400	HK\$			1,367	0.04
Non-life Insurance					3,210	0.08
PICC Property & Casualty 'H'	828,000	HK\$			731	0.02
Ping An Insurance Group of China 'A'	64,300	CNY			573	0.01
Ping An Insurance Group of China 'H'	212,500	HK\$			1,906	0.05
Real Estate Investment & Services						
Sun Hung Kai Properties	162,500	HK\$			1,948	0.05
Real Estate Investment Trusts					23,014	0.59
CapitalLand Retail China Trust	748,661	SG\$			583	0.01
Equinix	2,325	US\$			1,369	0.04
Unibail-Rodamco-Westfield	421,315	€			21,062	0.54
Consumer Services					6,823	0.17
Alibaba Group Holding ADR	36,912	US\$			6,450	0.16
New Oriental Education & Technology Group ADR	3,752	US\$			373	0.01
Personal Goods						
Samsonite International	505,200	HK\$			438	0.01
Media					11,294	0.29
Alphabet 'A'	971	US\$			1,016	0.02
Autohome ADR	23,303	US\$			1,481	0.04
Comcast 'A'	46,369	US\$			1,503	0.04
Electronic Arts	7,987	US\$			713	0.02
NetEase ADR	1,304	US\$			365	0.01
Tencent Holdings	138,800	HK\$			6,216	0.16
Travel & Leisure					1,434	0.04
Galaxy Entertainment Group	76,000	HK\$			369	0.01
Yum China Holdings	27,549	US\$			1,065	0.03
Food Producers						
WH Group	2,287,500	HK\$			1,952	0.05
Construction & Materials					3,368	0.09
China Communications Services 'H'	2,720,000	HK\$			1,809	0.05
China State Construction International Holdings	676,000	HK\$			456	0.01
Sinopec Engineering Group 'H'	2,867,000	HK\$			1,103	0.03
Electronic & Electrical Equipment					3,260	0.08
China Railway Signal & Communication 'H'	926,000	HK\$			426	0.01
Goldcard Smart Group	436,691	CNY			810	0.02
Hollysys Automation Technologies	114,063	US\$			1,315	0.03
IPG Photonics	7,118	US\$			709	0.02

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
General Industrials					4,090	0.10
AMVIG Holdings	7,848,000	HK\$			1,382	0.03
China Lesso Group Holdings	1,708,000	HK\$			2,055	0.05
Greatview Aseptic Packaging	2,315,000	HK\$			653	0.02
Industrial Engineering						
TK Group Holdings	3,648,000	HK\$			1,143	0.03
Industrial Support Services					2,053	0.05
51job ADR	17,841	US\$			969	0.02
A-Living Services 'H'	244,500	HK\$			1,084	0.03
Industrial Transportation					6,760	0.17
COSCO Shipping Energy Transportation 'H'	3,556,000	HK\$			1,745	0.04
COSCO Shipping Ports	4,016,000	HK\$			1,772	0.05
MTR	340,500	HK\$			1,606	0.04
Pacific Basin Shipping	14,863,000	HK\$			1,637	0.04
Industrial Metals & Mining					131,195	3.36
Anglo American	1,939,082	£			29,740	0.76
BHP Group	2,048,707	£			28,641	0.73
Glencore	19,328,398	£			26,266	0.67
MMG	2,952,000	HK\$			388	0.01
Rio Tinto	705,785	£			29,223	0.75
Severstal	1,698,140	US\$			16,937	0.44
Chemicals					1,429	0.04
Daqo New Energy ADR	12,859	US\$			652	0.02
Fufeng Group	2,475,000	HK\$			777	0.02
Non-Renewable Energy					18,889	0.48
Husky Energy	449,769	CA\$			927	0.02
LUKOIL ADR	300,677	US\$			16,288	0.42
Sinopec Kantons Holdings	4,808,000	HK\$			1,674	0.04
Renewable Energy					6,706	0.17
CGN Power 'H'	5,745,000	HK\$			1,202	0.03
China Resources Power Holdings	2,588,000	HK\$			2,602	0.07
Greencoat Renewables	2,470,053	€			2,902	0.07
Equity derivatives					49,289	1.26
Equity index futures					49,289	1.26
CAC40 Index Futures	931	€	17.04.2020	40,651	5,683	0.15
IBEX 35 Index Futures	2,499	€	17.04.2020	167,216	16,618	0.43
Hang Seng China Enterprises Index Futures	99	HK\$	28.04.2020	5,596	101	0.00
MSCI Singapore Index Futures	2,137	SG\$	29.04.2020	38,681	169	0.00
MSCI Taiwan Index Futures	1,189	US\$	29.04.2020	40,645	(190)	0.00
BIST 30 Index Futures	12,534	TRY	30.04.2020	18,579	(5,817)	(0.15)
Korean Stock Exchange Futures	4,565	KRW	11.06.2020	202,782	(25,239)	(0.65)
Topix Index Futures	2,272	¥	11.06.2020	268,012	5,858	0.15
Dax Index Futures	477	€	19.06.2020	117,646	14,872	0.38
DJ Euro Stoxx 50 Futures	2,897	€	19.06.2020	80,167	10,893	0.28
FTSE 100 Index Futures	2,997	£	19.06.2020	189,734	20,997	0.54
FTSE MIB Index Futures	220	€	19.06.2020	18,636	2,515	0.06
S&P MINI 500 Futures	331	US\$	19.06.2020	39,069	2,829	0.07
FIXED INCOME					2,325,597	59.51
Bond portfolios					245,025	6.27
M&G (Lux) Emerging Markets Bond Fund Euro Class 'CI-H' (Accumulation) ^[b]	4,928,759	€			46,406	1.19
M&G (Lux) Emerging Markets Corporate ESG Bond Fund Euro Class 'CI-H' (Accumulation) ^[b]	500,000	€			4,203	0.11
M&G (Lux) Emerging Markets Hard Currency Bond Fund USD Class 'CI' (Accumulation) ^[b]	2,177,671	US\$			19,164	0.49
M&G (Lux) Global Convertibles Fund Euro Class C-H (Accumulation) ^[b]	6,013,082	€			79,845	2.04
M&G (Lux) Global Corporate Bond Fund Euro Class 'C-H' (Accumulation) ^[b]	358,894	€			4,388	0.11
M&G Emerging Markets Bond Fund GBP Class 'I' (Accumulation) ^[c]	11,353,077	£			20,906	0.53
M&G Total Return Credit Investment Fund Euro Class 'A' (Accumulation) ^[c]	539,581	€			59,289	1.52
SPDR® Barclays 10+ Year US Corporate Bond ETF	350,811	US\$			10,824	0.28

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities					2,095,404	53.62
'AAA' credit rated bonds					726,200	18.58
Germany (Federal Republic of) 0%	42,600,000	€	17.04.2020		42,612	1.09
Germany (Federal Republic of) 0%	231,200,000	€	12.06.2020		231,516	5.92
Germany (Federal Republic of) 0.25%	146,988,000	€	16.10.2020		147,739	3.78
Microsoft 2.7%	10,900,000	US\$	12.02.2025		10,653	0.27
Microsoft 4%	1,431,000	US\$	12.02.2055		1,663	0.04
US Treasury I/I 0.25%	60,700,000	US\$	15.02.2050		58,758	1.50
US Treasury I/I 0.875%	53,550,000	US\$	15.02.2047		63,551	1.63
US Treasury I/I 1%	86,435,700	US\$	15.02.2046		106,468	2.73
US Treasury I/I 1%	52,600,000	US\$	15.02.2048		63,240	1.62
'AA' credit rated bonds						
France (Republic of) 0%	93,500,000	€	15.07.2020		93,643	2.40
'A' credit rated bonds					20,922	0.54
Cigna 4.8%	17,224,000	US\$	15.07.2046		18,027	0.46
Ooredoo International Finance 3.25%	1,675,000	US\$	21.02.2023		1,491	0.04
Saudi Electricity Global 5.06%	1,550,000	US\$	08.04.2043		1,404	0.04
'BBB' credit rated bonds					1,000,275	25.60
Banco General 4.125%	1,075,000	US\$	07.08.2027		899	0.02
Banco Inbursa Institución de Banca Múltiple 4.375%	1,250,000	US\$	11.04.2027		1,018	0.03
Bank of China 5%	1,050,000	US\$	13.11.2024		1,029	0.03
BAT Capital 4.54%	9,172,000	US\$	15.08.2047		7,704	0.20
Bayer US Finance II 4.625%	10,552,000	US\$	25.06.2038		10,479	0.27
Corporación Financiera de Desarrollo 4.75%	1,550,000	US\$	15.07.2025		1,381	0.04
Development Bank of Kazakhstan 8.95%	232,000,000	KZT	04.05.2023		450	0.01
DP World 5.625%	1,000,000	US\$	25.09.2048		775	0.02
DP World Crescent 4.848%	1,325,000	US\$	26.09.2028		1,111	0.03
Enel Finance International 6.8%	11,770,000	US\$	15.09.2037		13,529	0.35
Energy Transfer Operating 6.125%	13,118,000	US\$	15.12.2045		10,296	0.26
Fufeng Group 5.875%	1,050,000	US\$	28.08.2021		999	0.03
GE Capital International Funding Unlimited 4.418%	25,700,000	US\$	15.11.2035		25,124	0.64
Indonesia (Republic of) 6.125%	353,310,000,000	IDR	15.05.2028		17,550	0.45
Indonesia (Republic of) 8.125%	150,000,000,000	IDR	15.05.2024		8,631	0.22
Indonesia (Republic of) 8.25%	598,017,000,000	IDR	15.05.2029		33,963	0.87
Indonesia (Republic of) 8.375%	1,184,898,000,000	IDR	15.03.2024		68,499	1.75
Indonesia (Republic of) 8.375%	145,329,000,000	IDR	15.03.2034		8,157	0.21
Italy (Republic of) 1.75%	180,100,000	€	01.07.2024		187,124	4.79
Mexico (United Mexican States) 5.625%	450,000	£	19.03.2114		533	0.01
Mexico (United Mexican States) 5.75%	2,588,757,100	MXN	05.03.2026		94,595	2.42
Mexico (United Mexican States) 7.5%	2,348,830,000	MXN	03.06.2027		92,174	2.36
Mexico (United Mexican States) 7.75%	2,310,629,500	MXN	13.11.2042		87,140	2.23
Mexico (United Mexican States) 8.5%	920,000,000	MXN	31.05.2029		38,331	0.98
Mylan 5.4%	22,892,000	US\$	29.11.2043		21,688	0.55
NBK Tier 1 Financing FRN	1,009,000	US\$	31.12.2099		877	0.02
Petróleos Mexicanos 4.5%	1,200,000	US\$	23.01.2026		801	0.02
Petróleos Mexicanos 6.75%	1,100,000	US\$	21.09.2047		660	0.02
Portugal (Republic of) 4.8%	241,340,000	€	15.06.2020		243,860	6.24
Prosus 3.68%	850,000	US\$	21.01.2030		667	0.02
Tengizchevroil Finance International 4%	1,075,000	US\$	15.08.2026		934	0.02
Trust Fibra Uno 4.869%	1,125,000	US\$	15.01.2030		885	0.02
Volkswagen International Finance 4.125%	17,500,000	€	16.11.2038		18,412	0.47
'BB' credit rated bonds					203,404	5.20
Arcelik 5%	1,075,000	US\$	03.04.2023		912	0.02
Axtel 6.375%	1,075,000	US\$	14.11.2024		800	0.02
Banco do Brasil 4.625%	1,625,000	US\$	15.01.2025		1,428	0.04
Banco Mercantil del Norte FRN	1,000,000	US\$	31.12.2099		692	0.02
BBVA Bancomer 6.75%	500,000	US\$	30.09.2022		449	0.01
Bioceanico Sovereign Certificate 0%	1,625,000	US\$	05.06.2034		835	0.02
Brazil (Federal Republic of) 10%	216,467,000	BRL	01.01.2029		43,117	1.10
Cemex 5.45%	1,100,000	US\$	19.11.2029		820	0.02
CIFI Holdings Group 6.55%	1,125,000	US\$	28.03.2024		955	0.02
Delhi International Airport 6.45%	1,050,000	US\$	04.06.2029		795	0.02
Ford Motor 6.625%	12,381,000	US\$	01.10.2028		8,389	0.21
Ford Motor Credit 4.375%	10,300,000	US\$	06.08.2023		8,689	0.22
Greenko Solar Mauritius 5.95%	1,675,000	US\$	29.07.2026		1,255	0.03
Grupo Aval 4.375%	1,094,000	US\$	04.02.2030		815	0.02
Grupo KUO 5.75%	1,125,000	US\$	07.07.2027		754	0.02

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Gtlk Europe Capital 5.95%	1,625,000	US\$	17.04.2025		1,422	0.04
Indo Energy Finance II 6.375%	1,182,750	US\$	24.01.2023		761	0.02
Inretail Pharma 5.375%	625,000	US\$	02.05.2023		551	0.01
Jasa Marga Persero 7.5%	14,000,000,000	IDR	11.12.2020		778	0.02
JSW Steel 5.95%	1,120,000	US\$	18.04.2024		774	0.02
Kosmos Energy 7.125%	1,715,000	US\$	04.04.2026		811	0.02
Logan Property Holdings 6.5%	1,120,000	US\$	16.07.2023		963	0.02
MAF Global Securities FRN	1,675,000	US\$	31.12.2099		1,175	0.03
MARB BondCo 6.875%	1,925,000	US\$	19.01.2025		1,561	0.04
Melco Resorts Finance 4.875%	1,125,000	US\$	06.06.2025		928	0.02
Millicom International Cellular 5.125%	1,500,000	US\$	15.01.2028		1,200	0.03
Millicom International Cellular 6.25%	675,000	US\$	25.03.2029		559	0.01
Muthoot Finance 6.125%	270,000	US\$	31.10.2022		213	0.01
Network i2i FRN	2,145,000	US\$	31.12.2099		1,558	0.04
Oman (Sultanate of) 6.5%	1,325,000	US\$	08.03.2047		803	0.02
Petrobras Global Finance 6.9%	1,760,000	US\$	19.03.2049		1,553	0.04
Puma International Financing 5%	1,560,000	US\$	24.01.2026		574	0.02
Rede D'or Finance 4.95%	1,125,000	US\$	17.01.2028		937	0.02
Royal Capital 5.875%	950,000	US\$	31.12.2099		821	0.02
Sable International Finance 5.75%	1,250,000	US\$	07.09.2027		1,036	0.03
SASOL Financing USA 6.5%	1,250,000	US\$	27.09.2028		503	0.01
South Africa (Republic of) 4.85%	1,325,000	US\$	30.09.2029		999	0.03
South Africa (Republic of) 8%	157,894,736	ZAR	31.01.2030		6,643	0.17
South Africa (Republic of) 8.875%	670,044,737	ZAR	28.02.2035		27,571	0.71
South Africa (Republic of) 9%	157,894,737	ZAR	31.01.2040		6,351	0.16
South Africa (Republic of) 10.5%	797,366,351	ZAR	21.12.2026		42,011	1.08
Southern Gas Corridor 6.875%	1,425,000	US\$	24.03.2026		1,321	0.03
Sovcombank Via SovCom Capital FRN	1,585,000	US\$	07.04.2030		1,192	0.03
Telefónica Celular del Paraguay 5.875%	700,000	US\$	15.04.2027		575	0.02
Teva Pharmaceuticals 6.75%	970,000	US\$	01.03.2028		858	0.02
Time Warner Cable 7.3%	15,509,000	US\$	01.07.2038		19,956	0.51
TMB Bank FRN	2,000,000	US\$	31.12.2099		1,565	0.04
Türk Telekomünikasyon 6.875%	1,575,000	US\$	28.02.2025		1,358	0.04
Ultrapar International 5.25%	800,000	US\$	06.06.2029		592	0.02
Uzbek Industrial and Construction Bank 5.75%	1,015,000	US\$	02.12.2024		830	0.02
Woori Bank FRN	1,620,000	US\$	31.12.2099		1,396	0.04
'B' credit rated bonds					47,109	1.21
ABJA Investment 5.45%	1,500,000	US\$	24.01.2028		1,003	0.03
ADES International Holding 8.625%	1,125,000	US\$	24.04.2024		1,031	0.03
Alpha Holding 9%	868,000	US\$	10.02.2025		556	0.01
Belarus (Republic of) 6.75%	1,575,000	US\$	02.05.2024		1,364	0.04
CAR 8.875%	1,000,000	US\$	10.05.2022		571	0.01
China Evergrande Group 7.5%	1,200,000	US\$	28.06.2023		790	0.02
Dar Al-Arkan Sukuk 6.875%	1,400,000	US\$	21.03.2023		994	0.03
Georgia Capital Issued International Bonds 6.125%	750,000	US\$	09.03.2024		664	0.02
GFH Sukuk 7.5%	1,490,000	US\$	28.01.2025		1,098	0.03
IHS Netherlands Holdco 8%	1,075,000	US\$	18.09.2027		824	0.02
Kernel Holding 6.5%	429,000	US\$	17.10.2024		303	0.01
Kernel Holding 8.75%	598,000	US\$	31.01.2022		486	0.01
Latam Finance 7%	1,450,000	US\$	01.03.2026		575	0.02
MHP Lux 6.95%	1,100,000	US\$	03.04.2026		805	0.02
Mongolia (Republic of) 8.75%	650,000	US\$	09.03.2024		563	0.01
QNB Finansbank 4.875%	1,675,000	US\$	19.05.2022		1,428	0.04
Sunac China Holdings 6.5%	470,000	US\$	10.01.2025		378	0.01
Sunac China Holdings 7.95%	650,000	US\$	08.08.2022		566	0.01
Times China Holdings 6.75%	1,120,000	US\$	16.07.2023		930	0.02
Tüpraş Türkiye Petrol Rafinerileri 4.5%	1,200,000	US\$	18.10.2024		952	0.02
Turkey (Republic of) 10.5%	212,762,849	TRY	11.08.2027		26,081	0.67
VTR Finance 6.875%	1,075,000	US\$	15.01.2024		902	0.02
Walnut Bidco 6.75%	1,290,000	€	01.08.2024		965	0.03
Wanda Properties International 7.25%	1,125,000	US\$	29.01.2024		759	0.02
Wynn Macau 5.125%	473,000	US\$	15.12.2029		356	0.01
Yapı ve Kredi Bankası 8.25%	1,000,000	US\$	15.10.2024		868	0.02
Yuzhou Properties 6%	1,175,000	US\$	25.10.2023		897	0.02
Yuzhou Properties 7.7%	523,000	US\$	20.02.2025		400	0.01

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'CCC' credit rated bonds						
Future Retail 5.6%	1,272,000	US\$	22.01.2025		986	0.02
YPF 8.5%	850,000	US\$	28.07.2025		581	0.01
					405	0.01
'CC' credit rated bonds						
Argentina (Republic of) 5.875%	671,000	US\$	11.01.2028		162	0.00
Bonds with no credit rating						
Burgan Bank FRN	1,075,000	US\$	31.12.2099		2,703	0.07
Jollibee Worldwide FRN	662,000	US\$	31.12.2099		868	0.02
Lenovo Group 4.75%	1,000,000	US\$	29.03.2023		482	0.01
Tower Bersama Infrastructure 4.25%	500,000	US\$	21.01.2025		944	0.03
					409	0.01
Debt derivatives						
Credit default swaps						
Markit iTraxx Europe Series 32 5 Year Dec 2024	187,800,000	€			(14,832)	(0.38)
Markit iTraxx Europe Xover Series 32 5 Year Dec 2024	197,650,000	€			(4,324)	(0.11)
					322	0.01
					(4,646)	(0.12)
Interest rate swaps						
Pay 0.627% Receive Var. Sep 2049	104,364,000	£			(12,852)	(0.33)
Pay 0.695% Receive Var. Sep 2049	22,270,000	£			(10,190)	(0.26)
					(2,662)	(0.07)
Interest rate futures						
Deutscher Bund 10 year Futures	(938)	€	08.06.2020	1,541	2,344	0.06
Deutscher Bund 10 year Futures	(1,477)	€	08.06.2020	1,585	5,140	0.13
UK Treasury Notes Futures	(1,901)	£	26.06.2020	3,138	2,001	0.05
					(4,797)	(0.12)
CURRENCY						
Forward currency contracts						
Bought for € 417,250.99, Sold for US\$ 459,810.87			08.04.2020		(15,631)	(0.40)
Bought for € 100,869.55, Sold for US\$ 121,129.94			08.04.2020		(2)	0.00
Bought for US\$ 1,571,636.59, Sold for € 1,378,456.59			08.04.2020		3	0.00
Bought for US\$ 769,493.23, Sold for € 590,326.21			08.04.2020		56	0.00
Bought for € 122,232,209.90, Sold for € 104,941,974.88			17.04.2020		36	0.00
Bought for € 77,467,241.29, Sold for ¥ 9,363,922,257.00			17.04.2020		3,786	0.10
Bought for € 1,514,633,973.90, Sold for US\$ 1,697,806,221.63			17.04.2020		(1,273)	(0.03)
Bought for € 29,215,906.27, Sold for € 34,106,410.88			17.04.2020		(35,254)	(0.90)
Bought for ¥ 14,486,220,189.00, Sold for € 121,906,167.24			17.04.2020		(1,131)	(0.03)
Bought for KRW 43,185,370,878.00, Sold for US\$ 37,265,712.45			17.04.2020		(93)	0.00
Bought for US\$ 37,208,131.75, Sold for € 33,607,249.41			17.04.2020		(1,812)	(0.05)
Bought for US\$ 150,546,830.32, Sold for TW\$ 4,469,133,205.00			17.04.2020		359	0.01
Bought for € 49,642,910.74, Sold for TRY 345,668,194.22			08.05.2020		2,421	0.06
Bought for TRY 717,887,244.65, Sold for € 80,668,114.61			08.05.2020		2,140	0.05
Bought for € 41,037,679.81, Sold for € 37,831,487.96			15.05.2020		17,986	0.46
Bought for € 335,684,429.93, Sold for US\$ 370,526,795.78			15.05.2020		(1,636)	(0.04)
Bought for € 82,300,250.04, Sold for € 93,794,986.31			15.05.2020		(2,163)	(0.06)
Bought for INR 7,943,805,430.31, Sold for US\$ 109,553,863.65			15.05.2020		(959)	(0.02)
Bought for TW\$ 1,329,328,736.00, Sold for US\$ 43,981,099.62			15.05.2020		(5,023)	(0.13)
Bought for US\$ 782,510,337.92, Sold for € 708,874,128.89			15.05.2020		213	0.01
Bought for US\$ 29,929,781.75, Sold for INR 2,266,582,371.94			15.05.2020		4,620	0.12
Bought for US\$ 46,533,912.15, Sold for TW\$ 1,387,627,300.00			15.05.2020		221	0.01
Bought for US\$ 111,472,226.70, Sold for CNY 776,404,058.94			27.05.2020		347	0.01
Bought for US\$ 46,697,873.13, Sold for TW\$ 1,387,627,300.00			19.06.2020		2,030	0.05
Bought for TW\$ 2,463,398,614.00, Sold for US\$ 82,913,279.36			17.07.2020		294	0.01
Bought for US\$ 46,595,946.94, Sold for TW\$ 1,387,627,300.00			17.07.2020		(355)	(0.01)
Bought for CNY 319,427,148.84, Sold for US\$ 45,199,822.96			04.09.2020		101	0.00
Bought for US\$ 203,472,389.20, Sold for CNY 1,463,778,935.77			04.09.2020		(325)	(0.01)
Bought for CNY 933,125,305.28, Sold for US\$ 131,118,811.98			05.03.2021		(1,831)	(0.05)
Bought for US\$ 175,436,989.92, Sold for CNY 1,237,690,420.18			05.03.2021		(731)	(0.02)
					2,344	0.06
Portfolio of investments					3,109,156	79.56
SHARE CLASS HEDGING						
Bought for CHF 8,968,255.21, Sold for € 8,425,323.11			08.04.2020		902	0.03
Bought for € 3,650,834.29, Sold for CHF 3,867,767.85			08.04.2020		57	0.00
Bought for € 1,493,611.70, Sold for € 1,333,652.37			08.04.2020		(8)	0.00
Bought for € 20,273.03, Sold for HK\$ 177,152.62			08.04.2020		(11)	0.00
Bought for € 19,307,357.37, Sold for US\$ 21,623,327.35			08.04.2020		0	0.00
Bought for € 7,115,391.29, Sold for € 8,166,889.36			08.04.2020		(438)	(0.01)
Bought for HK\$ 1,046,678.22, Sold for € 121,133.82			08.04.2020		(136)	0.00
Bought for US\$ 103,360,132.38, Sold for € 92,957,105.47			08.04.2020		4	0.00
Bought for AU\$ 180,261.74, Sold for € 97,263.94			09.04.2020		1,430	0.04
					4	0.00

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for € 15,223.26, Sold for AU\$ 28,364.01			09.04.2020		0	0.00
Total portfolio					3,110,058	79.59
Net other assets/(liabilities)					797,916	20.41
NET ASSETS					3,907,974	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					628,922	16.10
Equity portfolios					120,979	3.09
Bond portfolios					245,025	6.27
Debt securities					2,095,404	53.62
Unrealised gains on futures contracts					87,676	2.24
Unrealised gains on forward currency contracts					38,452	0.99
Unrealised gains on swap contracts					322	0.01
Total Investment assets					3,216,780	82.32
Investment liabilities						
Unrealised losses on futures contracts					(36,043)	(0.92)
Unrealised losses on forward currency contracts					(53,181)	(1.36)
Unrealised losses on swap contracts					(17,498)	(0.45)
Total Investment liabilities					(106,722)	(2.73)
Total portfolio					3,110,058	79.59
Net other assets/(liabilities)					797,916	20.41
NET ASSETS					3,907,974	100.00

[a] Unlisted/unquoted.

[b] Crossholding (see note 13).

[c] Related Party (see note 13).

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures			Collateral held as cash €'000
	Swaps €'000	Forward currency contracts €'000	Futures €'000	
Bank of America Merrill Lynch	0	0	1,970,342	0
Barclays Bank London	17,820	152,972	0	188,767
BNP Paribas	0	472,355	0	0
Citigroup Global Markets Limited	0	1,024,747	0	7,556
Crédit Suisse International	0	70,112	0	814
Goldman Sachs International	0	349,682	0	0
HSBC Bank Plc	0	166,713	0	1,226
JP Morgan Chase	0	812,405	0	5,967
Merrill Lynch Pierce Fenner + Smith Inc	0	548,057	0	0
Standard Chartered Bank	0	418,565	0	6,357
State Street Bank and Trust Company	0	134,255	0	9,642
State Street Bank London	0	745,730	0	0
UBS AG London	0	738,977	0	920

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Dynamic Allocation Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Australian dollar						
Class 'A-H' Accumulation	n/a	n/a	n/a	-15.4	n/a	08/04/2019
Class 'A-H M' Distribution	n/a	n/a	n/a	-15.5	n/a	08/04/2019
Class 'C-H' Accumulation	n/a	n/a	n/a	-14.5	n/a	08/04/2019
Class 'C-H M' Distribution	n/a	n/a	n/a	-14.6	n/a	08/04/2019
Euro						
Class 'A' Accumulation	-13.2	-5.3	-2.1	+2.9	03/12/2009	16/01/2018
Class 'A' Distribution	-13.2	-5.3	-2.1	+1.2	12/07/2013	16/01/2018
Class 'B' Accumulation	-13.6	-5.7	-2.6	+0.8	26/07/2013	16/01/2018
Class 'C' Accumulation	-12.3	-4.3	-1.2	+3.9	03/12/2009	16/01/2018
Class 'C' Distribution	-12.3	-4.3	-1.2	+1.5	08/08/2014	16/01/2018
Class 'CI' Accumulation	-12.3	-4.3	-1.2	+3.9	03/12/2009	16/01/2018
Class 'JI' Accumulation	-12.1	n/a	n/a	-12.1	27/02/2019	26/02/2019
Hong Kong dollar						
Class 'A-H' Accumulation	n/a	n/a	n/a	-12.8	n/a	08/04/2019
Class 'A-H M' Distribution	n/a	n/a	n/a	-12.8	n/a	08/04/2019
Class 'C-H' Accumulation	n/a	n/a	n/a	-12.0	n/a	08/04/2019
Class 'C-H M' Distribution	n/a	n/a	n/a	-11.9	n/a	08/04/2019
Sterling						
Class 'A-H' Accumulation	n/a	n/a	n/a	-14.5	n/a	05/07/2019
Class 'A-H' Distribution	n/a	n/a	n/a	-14.5	n/a	05/07/2019
Class 'C-H' Accumulation	-12.0	-3.6	n/a	+0.8	14/12/2015	16/01/2018
Class 'C-H' Distribution	-11.9	-3.6	n/a	+0.9	14/12/2015	16/01/2018
Swiss franc						
Class 'A-H' Accumulation	-13.4	-5.6	n/a	-2.6	05/06/2015	16/01/2018
Class 'C-H' Accumulation	-12.5	-4.6	n/a	-1.7	05/06/2015	16/01/2018

M&G (Lux) Dynamic Allocation Fund

Financial highlights

Sub-fund performance (continued)

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
US dollar						
Class 'A-H' Accumulation	-10.9	-2.8	n/a	-0.3	05/06/2015	16/01/2018
Class 'A-H' Distribution	-10.9	-2.7	n/a	-0.2	05/06/2015	16/01/2018
Class 'A-H M F4' Distribution	-10.9	n/a	n/a	-0.3	05/06/2015	01/02/2018
Class 'C-H' Accumulation	-10.0	-1.8	n/a	+0.6	05/06/2015	16/01/2018
Class 'C-H' Distribution	-10.1	-1.8	n/a	+0.6	05/06/2015	16/01/2018

[a] Fund performance before the launch of the fund on 16 January 2018 is that of the relevant Merged Share Class of the M&G Dynamic Allocation Fund, which includes UK taxes but excludes entry and exit charges. The M&G Dynamic Allocation Fund is a UK authorised fund which launched on 3 December 2009 and its non-Sterling share classes merged into M&G (Lux) Dynamic Allocation Fund on 16 March 2018.

M&G (Lux) Dynamic Allocation Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'C' Distribution Euro €	Class 'A-H' Distribution UK p	Class 'C-H' Distribution UK p	Class 'A-H' Distribution US ¢
to 31 March 2020					
First interim	0.0553	0.0561	n/a	0.0557	0.0558
Second interim	0.0558	0.0567	0.0558	0.0577	0.0593
Third interim	0.0346	0.0354	0.0375	0.0377	0.0355
Final	0.0409	0.0416	0.0461	0.0432	0.0439

	Class 'C-H' Distribution US ¢
to 31 March 2020	
First interim	0.0568
Second interim	0.0601
Third interim	0.0362
Final	0.0446

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H M' Distribution AUD ¢	Class 'C-H M' Distribution AUD ¢	Class 'A-H M' Distribution HKD ¢	Class 'C-H M' Distribution HKD ¢	Class 'A-H M F4' Distribution US ¢
to 31 March 2020					
First interim	0.0106	0.0106	0.1054	0.1055	0.0306
Second interim	0.0228	0.0228	0.2276	0.2278	0.0294
Third interim	0.0180	0.0180	0.1795	0.1800	0.0301
Fourth interim	0.0171	0.0172	0.1708	0.1710	0.0301
Fifth interim	0.0176	0.0177	0.1754	0.1761	0.0291
Sixth interim	0.0270	0.0270	0.2687	0.2696	0.0301
Seventh interim	0.0130	0.0132	0.1266	0.1272	0.0307
Eighth interim	0.0112	0.0113	0.1153	0.1160	0.0311
Ninth interim	0.0137	0.0137	0.1370	0.1380	0.0317
Tenth interim	0.0117	0.0119	0.1226	0.1235	0.0311
Eleventh interim	0.0102	0.0103	0.1027	0.1039	0.0294
Final	0.0219	0.0220	0.2349	0.2372	0.0257

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Australian dollar	AU\$	AU\$	AU\$
Class 'A-H' Accumulation	8.4585	n/a	n/a
Class 'A-H M' Distribution	8.3073	n/a	n/a
Class 'C-H' Accumulation	8.5452	n/a	n/a
Class 'C-H M' Distribution	8.3914	n/a	n/a

	€	€	€
Euro			
Class 'A' Accumulation	7.9254	9.1294	9.6337
Class 'A' Distribution	7.6780	9.0196	9.6350
Class 'B' Accumulation	7.8384	9.0748	9.6243
Class 'C' Accumulation	8.1035	9.2410	9.6538
Class 'C' Distribution	7.8502	9.1284	9.6541
Class 'CI' Accumulation	8.1116	9.2471	9.6574
Class 'JI' Accumulation	8.7033	9.9067	n/a

	HK\$	HK\$	HK\$
Hong Kong dollar			
Class 'A-H' Accumulation	87.1830	n/a	n/a
Class 'A-H M' Distribution	85.6577	n/a	n/a
Class 'C-H' Accumulation	88.0471	n/a	n/a
Class 'C-H M' Distribution	86.5328	n/a	n/a

	£	£	£
Sterling			
Class 'A-H' Accumulation	8.5457	n/a	n/a
Class 'A-H' Distribution	8.4757	n/a	n/a
Class 'C-H' Accumulation	8.2419	9.3608	9.6769
Class 'C-H' Distribution	7.9877	9.2489	9.6772

	CHF	CHF	CHF
Swiss franc			
Class 'A-H' Accumulation	7.8708	9.0925	9.6277
Class 'C-H' Accumulation	8.0559	9.2070	9.6462

	US\$	US\$	US\$
US dollar			
Class 'A-H' Accumulation	8.4240	9.4592	9.6890
Class 'A-H' Distribution	8.1747	9.3532	9.6907
Class 'A-H M F4' Distribution	7.7039	9.0029	9.5983
Class 'C-H' Accumulation	8.6126	9.5733	9.7110
Class 'C-H' Distribution	8.3460	9.4616	9.7140

NAV at fund level	€'000	€'000	€'000
Net assets	3,907,974	7,305,155	8,466,427
Swing pricing adjustment (see note 12)	(6,548)	n/a	n/a
Swung net assets	3,901,426	7,305,155	8,466,427

Total Expense Ratio 31.03.2020	TER
Australian dollar	%
Class 'A-H' Accumulation	1.98
Class 'A-H M' Distribution	1.98
Class 'C-H' Accumulation	0.98
Class 'C-H M' Distribution	0.98
Euro	%
Class 'A' Accumulation	1.97
Class 'A' Distribution	1.97
Class 'B' Accumulation	2.47
Class 'C' Accumulation	0.97
Class 'C' Distribution	0.97
Class 'CI' Accumulation	0.93
Class 'JI' Accumulation	0.78

M&G (Lux) Dynamic Allocation Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2020	TER
Hong Kong dollar	%
Class 'A-H' Accumulation	1.98
Class 'A-H M' Distribution	1.98
Class 'C-H' Accumulation	0.99
Class 'C-H M' Distribution	0.98
Sterling	%
Class 'A-H' Accumulation	1.98
Class 'A-H' Distribution	1.98
Class 'C-H' Accumulation	0.99
Class 'C-H' Distribution	0.99
Swiss franc	%
Class 'A-H' Accumulation	1.99
Class 'C-H' Accumulation	0.99
US dollar	%
Class 'A-H' Accumulation	1.99
Class 'A-H' Distribution	1.99
Class 'A-H M F4' Distribution	1.99
Class 'C-H' Accumulation	0.99
Class 'C-H' Distribution	0.99

M&G (Lux) Emerging Markets Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global emerging markets bond market over any three-year period.

Investment policy

The Fund has the flexibility to invest across all types of emerging market debt, which includes sovereign, corporate and local currency debt.

The Fund invests at least 80% of its Net Asset Value in debt securities denominated in any currency, issued or guaranteed by emerging market governments or their agencies, local authorities, public authorities, quasi-sovereigns, supranational bodies and by companies that are domiciled in, or conducting the major part of their economic activity in emerging market countries.

The Fund may invest up to a combined maximum of 100% of the Fund's Net Asset Value in below investment grade and unrated securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

The Fund may invest up to 10% of its Net Asset Value in Asset-Backed Securities and up to 10% of its Net Asset Value in Contingent Convertibles Debt Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivatives instruments to take both long and short positions and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets. Derivatives instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Credit Default Swaps, Interest Rate Swaps and Credit Linked Notes.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits, warrants and other debt instruments.

Investment approach

The Fund's investment approach begins with a top-down assessment of macroeconomic factors such as global risk appetite and structural global growth catalysts.

On a regional and country-specific level, factors such as monetary and fiscal policies, capital flows, and political and regulatory environments will be assessed. The result of this analysis will help inform the Fund's country and currency allocations and its duration. Individual credit selection is determined by thorough credit analysis and assessment of valuations.

Both macroeconomic and security-specific analysis is undertaken by the Investment Manager and the in-house team of credit analysts.

The Fund is diversified by investing in a range of assets across global emerging bond markets.

Performance Comparator

Composite index made of the following three indices:

- 1/3 JPM EMBI Global Diversified Index
- 1/3 JPM CEMBI Broad Diversified Index
- 1/3 JPM GBI-EM Global Diversified Index

These indices represent the emerging market government bond markets denominated in hard currencies, the emerging market corporate bond markets denominated in hard currencies and the emerging market government bond markets denominated in local currencies respectively.

The Fund is actively managed. The composite index is a point of reference against which the performance of the fund may be measured.

M&G (Lux) Emerging Markets Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

While the performance of emerging market bonds at times fluctuated during 2019, these assets mainly recorded positive returns between April and December. However, these gains were eroded by the significant sell-off in markets during the first three months of 2020 as the coronavirus story dominated sentiment among global investors.

As 2019 progressed, several global themes continued to influence the performance of emerging bond markets, including slower global economic growth and international trade tensions between China and the US. However, against this backdrop, attention also remained focused on the renewed economic stimulus policies of important central banks. These central bank activities, which included reductions in interest rates, helped to provide some support towards the performance of bond markets, including higher-yielding assets such as emerging market bonds. Towards the end of 2019, financial markets were also supported by improving sentiment among investors, helped by optimism that the US and China were progressing towards a resolution of their trade dispute.

During the first three months of 2020, the implications of the spread of the coronavirus prompted fears of a global economic recession. This contributed to areas of the global bond markets, such as corporate bonds and emerging market bonds, to record negative returns. A collapse in oil prices and investors' outflows were also factors that weighed on the performance of emerging market bonds. Many emerging nations produce oil and, consequently, lower oil prices can have adverse effects on their revenues from oil exports. The declines in emerging bond markets were registered generally across the hard and local currency government and corporate segments of the market.

The sub-fund recorded a negative total return against this backdrop, which was lower than its benchmark.

Investment activities

The sub-fund's holdings are split between emerging market government bonds denominated in local currencies, as well as emerging market government bonds denominated in 'hard' currencies such as the US dollar and euro. In addition, the sub-fund holds emerging market corporate bonds, which are mostly hard currency-denominated, with a smaller corporate allocation denominated in local emerging market currencies.

Throughout the review period, we continued to favour maintaining a globally diversified portfolio invested in these different segments of the emerging bond markets.

In addition to larger emerging market countries such as Mexico, Brazil and Russia, we remained comfortable investing in smaller nations based on our assessment of their valuations. During 2019, our activity included buying government bonds in Azerbaijan, which is a country we consider is financially strong, as well as Morocco, which we think has attractions as a more stable country in a turbulent region. Elsewhere, however, we

exited a position in Suriname, as our view on the country turned less favourable. Among corporate holdings, we added exposure to banks in Kuwait, Uzbekistan, and Vietnam, but reduced the sub-fund's position in sports clothing group Puma after good performance.

As the coronavirus story developed in 2020, our key activity involved increasing the sub-fund's cash position as we took steps to reduce risk in the portfolio and have a healthy buffer against the potential of sub-fund outflows. We mainly achieved this move by selling some local currency exposures. This included closing the sub-fund's allocations to the Egyptian pound, Nigerian naira, Serbian dinar, and Uruguayan peso, all of which we considered were at decent exit levels. We also sold local currency positions in larger markets such as Brazil, Poland and Colombia.

The sub-fund's remaining local currency exposures stayed globally diversified, with larger positions that included the Russian ruble, Malaysian ringgit, Indonesian rupiah, Dominican peso, Peruvian sol, and Mexican peso. Towards the end of the period, we felt that some currencies had fallen too far and represented appealing value again. Consequently, we added back some exposure to this area of the market via activity that included adding positions in the Brazilian real, Mexican peso, Turkish lira, and Singapore dollar. While this contributed to increasing the local currency allocation from the low point it reached earlier in 2020, the sub-fund's overall stance towards the segment remained underweight.

Outlook

Given the effects of the coronavirus outbreak, world economic growth forecasts face downward revisions to recession levels. However, it is still too early at this stage to know if this will be the case over the next few quarters or will extend into next year.

Despite this prospect, we believe that the significant declines in emerging bond markets in the final months of the review period offered appealing long-term investment opportunities on a selective basis. In our assessment, for example, the rationale for emerging market bonds is supported by an attractive pick-up in yields relative to government and corporate bonds in developed markets. In turn, we continue to believe this consideration helps emerging market bonds to provide adequate compensation for taking on additional degrees of risk.

M&G (Lux) Emerging Markets Bond Fund

Investment review

Outlook (continued)

In our overall approach, we still think that flexibility remains key for successfully investing in the emerging bond markets, with the freedom to hold bonds and currencies that we believe offer the best relative value and avoid countries or industries where the outlook is unfavourable.

Claudia Calich

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Emerging Markets Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					850,914	82.79
Debt securities					857,723	83.45
'AAA' credit rated bonds					31,445	3.06
Singapore (Republic of) 1.25%	30,000,000	SG\$	01.10.2021		21,213	2.06
US Treasury Note 2.125%	10,000,000	US\$	31.05.2021		10,232	1.00
'AA' credit rated bonds						
Qatar (State of) 6.4%	8,764,000	US\$	20.01.2040		12,149	1.18
'A' credit rated bonds					33,172	3.23
Malaysia (Federation of) 3.882% ^[a]	75,994,000	MYR	10.03.2022		17,998	1.75
Peru (Republic of) 8.2%	41,353,000	PEN	12.08.2026		15,174	1.48
'BBB' credit rated bonds					171,145	16.65
Aeropuerto Internacional de Tocumen 5.625%	4,250,000	US\$	18.05.2036		5,151	0.50
Aeropuerto Internacional de Tocumen 6%	3,400,000	US\$	18.11.2048		3,742	0.36
Banco General 4.125%	5,200,000	US\$	07.08.2027		4,762	0.46
Bogota Distrito Capital 9.75%	27,627,000,000	COP	26.07.2028		7,241	0.70
Development Bank of Kazakhstan 8.95%	2,936,000,000	KZT	04.05.2023		6,231	0.61
Development Bank of Kazakhstan 9.5%	2,768,000,000	KZT	14.12.2020		5,655	0.55
DP World 5.625%	7,800,000	US\$	25.09.2048		6,621	0.64
Empresas Publicas de Medellin 8.375%	8,657,000,000	COP	08.11.2027		2,020	0.20
Fufeng Group 5.875%	4,051,000	US\$	28.08.2021		4,220	0.41
Gazprom Via Gaz Capital 7.288%	3,613,000	US\$	16.08.2037		4,614	0.45
Indonesia (Republic of) 8.25%	216,154,000,000	IDR	15.05.2036		13,081	1.27
Mexican Udbonos 2%	34,700,000	MXN	09.06.2022		9,039	0.88
Mexico (United Mexican States) 5.625%	4,000,000	£	19.03.2114		5,184	0.50
Mexico (United Mexican States) 8%	128,200,000	MXN	07.11.2047		5,412	0.53
Mexico (United Mexican States) 8.5%	203,460,000	MXN	18.11.2038		9,093	0.89
Morocco (Kingdom of) 5.5%	5,428,000	US\$	11.12.2042		5,768	0.56
NBK Tier 1 Financing FRN	6,000,000	US\$	31.12.2099		5,708	0.56
Perusahaan Listrik Negara 3.875%	3,333,000	US\$	17.07.2029		3,123	0.30
Petróleos Mexicanos 7.69%	7,600,000	US\$	23.01.2050		5,215	0.51
Philippines (Republic of the) 6.25%	418,000,000	PHP	14.01.2036		10,119	0.99
Romania (Republic of) 6.125%	6,000,000	US\$	22.01.2044		6,930	0.67
Russia (Federation of) 8.15%	1,874,753,000	RUB	03.02.2027		26,257	2.56
Tabreed Sukuk 5.5%	5,756,000	US\$	31.10.2025		6,477	0.63
Thailand (Kingdom of) 1.25%	303,759,000	THB	12.03.2028		9,482	0.92
'BB' credit rated bonds					233,085	22.68
Armenia (Republic of) 3.95%	4,500,000	US\$	26.09.2029		3,979	0.39
Armenia (Republic of) 7.15%	6,098,000	US\$	26.03.2025		6,259	0.61
Bahamas (Commonwealth of) 6%	7,260,000	US\$	21.11.2028		8,295	0.81
Banco Mercantil del Norte FRN	5,500,000	US\$	31.12.2099		4,166	0.40
Biocanico Sovereign Certificate 0%	9,422,000	US\$	05.06.2034		5,301	0.52
CIFI Holdings Group 6%	3,000,000	US\$	16.07.2025		2,674	0.26
CIFI Holdings Group 6.55%	2,725,000	US\$	28.03.2024		2,533	0.25
Delhi International Airport 6.45%	4,790,000	US\$	04.06.2029		3,969	0.39
Dominican (Republic of) 7.45%	6,034,000	US\$	30.04.2044		5,695	0.55
Dominican (Republic of) 8.9%	180,950,000	DOP	15.02.2023		3,138	0.30
Dominican (Republic of) 9.75% ^[a]	388,000,000	DOP	05.06.2026		6,274	0.61
Dominican (Republic of) 10.5%	159,300,000	DOP	07.04.2023		2,934	0.28
Dominican (Republic of) 15.95%	85,100,000	DOP	04.06.2021		1,673	0.16
Greenko Solar Mauritius 5.95%	5,400,000	US\$	29.07.2026		4,429	0.43
Grupo Aval 4.375%	5,093,000	US\$	04.02.2030		4,152	0.40
Grupo KUO 5.75%	6,600,000	US\$	07.07.2027		4,843	0.47
Gtlk Europe Capital 5.95%	5,647,000	US\$	17.04.2025		5,409	0.53
Guatemala (Republic of) 4.5%	4,126,000	US\$	03.05.2026		3,953	0.38
Guatemala (Republic of) 4.9%	10,000,000	US\$	01.06.2030		9,540	0.93
Inretail Pharma 5.375%	4,007,000	US\$	02.05.2023		3,866	0.38
Jasa Marga Persero 7.5%	73,920,000,000	IDR	11.12.2020		4,496	0.44
KazMunayGas National 4.75%	2,700,000	US\$	19.04.2027		2,574	0.25
Kosmos Energy 7.125%	3,700,000	US\$	04.04.2026		1,915	0.19
Macedonia (Republic of) 2.75%	3,000,000	€	18.01.2025		3,322	0.32
MAF Global Securities FRN	3,268,000	US\$	31.12.2099		2,435	0.24
MAF Global Securities FRN	4,515,000	US\$	31.12.2099		3,468	0.34
MARB BondCo 6.875%	5,298,000	US\$	19.01.2025		4,704	0.46
Millicom International Cellular 5.125%	6,579,000	US\$	15.01.2028		5,765	0.56
Namibia (Republic of) 5.25%	6,250,000	US\$	29.10.2025		5,352	0.52
NBM US Holdings 7%	1,500,000	US\$	14.05.2026		1,329	0.13
Network iZi FRN	8,326,000	US\$	31.12.2099		6,622	0.64
Oman (Sultanate of) 6.75%	5,506,000	US\$	17.01.2048		3,681	0.36

M&G (Lux) Emerging Markets Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Paraguay (Republic of) 6.1%	6,196,000	US\$	11.08.2044		6,411	0.62
Petrobras Global Finance 6.9%	9,000,000	US\$	19.03.2049		8,696	0.85
Puma International Financing 5%	4,100,000	US\$	24.01.2026		1,651	0.16
Rede D'or Finance 4.95%	5,250,000	US\$	17.01.2028		4,786	0.47
Royal Capital 5.875%	8,000,000	US\$	31.12.2099		7,569	0.74
SASOL Financing USA 6.5%	5,650,000	US\$	27.09.2028		2,489	0.24
Seychelles (Republic of) FRN	1,036,260	US\$	01.01.2026		1,055	0.10
South Africa (Republic of) 8.75%	254,023,742	ZAR	28.02.2048		10,692	1.04
Southern Gas Corridor 6.875%	9,660,000	US\$	24.03.2026		9,807	0.95
Sovcombank Via SovCom Capital FRN	4,800,000	US\$	07.04.2030		3,951	0.38
Telefónica Celular del Paraguay 5.875%	4,800,000	US\$	15.04.2027		4,321	0.42
TMB Bank FRN	5,724,000	US\$	31.12.2099		4,904	0.48
Trinidad Petroleum Holdings 9.75%	7,356,000	US\$	15.06.2026		6,878	0.67
Uzbek Industrial and Construction Bank 5.75%	5,600,000	US\$	02.12.2024		5,012	0.49
Uzbekistan (Republic of) 4.75%	4,545,000	US\$	20.02.2024		4,498	0.44
Uzbekistan (Republic of) 5.375%	7,789,000	US\$	20.02.2029		7,751	0.75
Yingde Gases Investment 6.25%	4,230,000	US\$	19.01.2023		3,869	0.38
'B' credit rated bonds					310,652	30.22
ABJA Investment 5.45%	7,750,000	US\$	24.01.2028		5,676	0.55
ADES International Holding 8.625%	5,304,000	US\$	24.04.2024		5,323	0.52
Albania (Republic of) 3.5%	12,342,000	€	09.10.2025		14,351	1.40
Alpha Holding 9%	4,750,000	US\$	10.02.2025		3,330	0.32
Bahrain (Kingdom of) 5.625%	6,000,000	US\$	30.09.2031		4,977	0.48
Belarus (Republic of) 6.75%	5,734,000	US\$	02.05.2024		5,438	0.53
Benin (Republic of) 5.75%	9,000,000	€	26.03.2026		8,376	0.81
Bolivia (Plurinational State of) 4.5%	9,035,000	US\$	20.03.2028		7,579	0.74
Cameroon (Republic of) 9.5%	1,192,000	US\$	19.11.2025		1,079	0.11
CAR 8.875%	4,300,000	US\$	10.05.2022		2,689	0.26
Costa Rica (Republic of) 5.52%	2,000,000	US\$	10.11.2021		2,001	0.19
Costa Rica (Republic of) 5.52% ^[a]	7,000,000	US\$	23.08.2023		6,979	0.68
Costa Rica (Republic of) 9.2% ^[a]	3,000,000	US\$	21.02.2024		3,385	0.33
Côte d'Ivoire (Republic of) 5.25%	4,648,000	€	22.03.2030		4,386	0.43
Côte d'Ivoire (Republic of) 6.625%	7,360,000	€	22.03.2048		6,870	0.67
Dar Al-Arkan Sukuk 6.875%	6,436,000	US\$	21.03.2023		5,001	0.49
Egypt (Republic of) 8.7002%	14,197,000	US\$	01.03.2049		11,813	1.15
El Salvador (Republic of) 7.1246%	7,410,000	US\$	20.01.2050		5,631	0.55
Ethiopia (Federal Republic of) 6.625%	3,700,000	US\$	11.12.2024		3,324	0.32
Gabon (Republic of) 6.95%	8,398,000	US\$	16.06.2025		5,634	0.55
Georgia Capital Issued International Bonds 6.125%	7,736,000	US\$	09.03.2024		7,494	0.73
GFH Sukuk 7.5%	5,250,000	US\$	28.01.2025		4,235	0.41
Ghana (Republic of) 6.375%	8,000,000	US\$	11.02.2027		5,913	0.58
Ghana (Republic of) 8.125%	13,687,000	US\$	26.03.2032		9,715	0.95
Ghana (Republic of) 8.75%	3,000,000	US\$	11.03.2061		2,103	0.20
Honduras (Republic of) 6.25%	13,500,000	US\$	19.01.2027		12,217	1.19
Iraq (Republic of) 5.8%	2,681,000	US\$	15.01.2028		2,099	0.20
Jamaica 7.875%	2,400,000	US\$	28.07.2045		2,533	0.25
Jamaica 8%	6,056,000	US\$	15.03.2039		6,426	0.63
Jordan (Kingdom of) 7.375%	7,896,000	US\$	10.10.2047		6,830	0.66
Kenya (Republic of) 7%	5,100,000	US\$	22.05.2027		4,732	0.46
Kenya (Republic of) 8%	4,700,000	US\$	22.05.2032		4,336	0.42
Kenya (Republic of) 8.25%	5,300,000	US\$	28.02.2048		4,893	0.48
Kernel Holding 8.75%	4,209,000	US\$	31.01.2022		3,745	0.36
Laos (People's Democratic Republic of) 6.875%	7,000,000	US\$	30.06.2021		6,995	0.68
Latam Finance 7%	5,403,000	US\$	01.03.2026		2,344	0.23
Maldives (Republic of) 7%	3,300,000	US\$	07.06.2022		2,806	0.27
MHP 7.75%	4,826,000	US\$	10.05.2024		4,135	0.40
Mongolia (Republic of) 5.125%	2,770,000	US\$	05.12.2022		2,494	0.24
Mongolia (Republic of) 5.625%	9,211,000	US\$	01.05.2023		8,288	0.81
NAK Naftogaz Ukraine via Kondor Finance 7.375%	4,080,000	US\$	19.07.2022		3,316	0.32
NAK Naftogaz Ukraine Via Kondor Finance 7.625%	4,647,000	US\$	08.11.2026		3,799	0.37
Nigeria (Federal Republic of) 7.875%	6,000,000	US\$	16.02.2032		4,235	0.41
Nigeria (Federal Republic of) 8.747%	5,290,000	US\$	21.01.2031		3,840	0.37
Pakistan (Republic of) 7.875%	8,798,000	US\$	31.03.2036		7,621	0.74
QNB Finansbank 4.875%	4,400,000	US\$	19.05.2022		4,107	0.40
Rwanda (Republic of) 6.625%	13,534,000	US\$	02.05.2023		12,227	1.19
Senegal (Republic of) 6.25%	12,000,000	US\$	23.05.2033		10,793	1.05

M&G (Lux) Emerging Markets Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
Sunac China Holdings 6.5%	1,909,000	US\$	10.01.2025		1,679	0.16
Tajikistan (Republic of) 7.125%	2,920,000	US\$	14.09.2027		1,822	0.18
Times China Holdings 6.75%	2,700,000	US\$	16.07.2023		2,455	0.24
Tunisia (Republic of) 5.75%	7,000,000	US\$	30.01.2025		5,628	0.55
Ukraine 4.375%	14,000,000	€	27.01.2030		12,313	1.20
Ukraine 14.91% ^[a]	38,436,000	UAH	12.10.2022		1,209	0.12
Ukraine 14.91%	50,000,000	UAH	12.10.2022		1,560	0.15
Ukraine 15.36% ^[a]	80,000,000	UAH	29.09.2021		2,683	0.26
Ukraine 17.25% ^[a]	102,257,000	UAH	30.09.2020		3,663	0.36
Ukreximbank Via Biz Finance 16.5%	32,000,000	UAH	02.03.2021		1,065	0.10
Walnut Bidco 6.75%	4,600,000	€	01.08.2024		3,768	0.37
Wanda Properties International 7.25%	2,700,000	US\$	29.01.2024		1,995	0.19
Yuzhou Properties 7.7%	3,225,000	US\$	20.02.2025		2,699	0.26
'CCC' credit rated bonds					23,048	2.24
Angola (Republic of) 9.375%	9,509,000	US\$	08.05.2048		3,901	0.38
Argentina (Republic of) 7.125%	6,804,000	US\$	01.08.2027		3,146	0.31
Ecuador (Republic of) 7.875%	6,098,000	US\$	23.01.2028		1,376	0.13
Ecuador (Republic of) 8.75%	6,298,000	US\$	02.06.2023		1,527	0.15
Ecuador (Republic of) 9.65%	1,109,000	US\$	13.12.2026		238	0.02
Future Retail 5.6%	5,081,000	US\$	22.01.2025		2,543	0.25
Gabon (Republic of) 6.625%	5,000,000	US\$	06.02.2031		3,138	0.31
Mozambique (Republic of) 5% ^[a]	6,000,000	US\$	15.09.2031		4,646	0.45
Petróleos de Venezuela (Defaulted) 5.375% ^[b]	13,323,800	US\$	12.04.2027		956	0.09
Zambia (Republic of) 8.5%	3,839,000	US\$	14.04.2024		1,577	0.15
'CC' credit rated bonds					10,467	1.02
Argentina (Republic of) 5%	4,200,000	€	15.01.2027		1,136	0.11
Argentina (Republic of) 5.25%	3,266,000	€	15.01.2028		869	0.09
Argentina (Republic of) 5.875%	5,200,000	US\$	11.01.2028		1,372	0.13
Argentina (Republic of) 6.875%	1,400,000	US\$	11.01.2048		353	0.04
Argentina (Republic of) 7.125%	933,000	US\$	06.07.2036		237	0.02
Argentina (Republic of) 7.125%	6,000,000	US\$	28.06.2117		1,545	0.15
Argentina (Republic of) 7.82%	8,184,390	€	31.12.2033		2,909	0.28
Argentina (Republic of) 7.875%	4,801,000	US\$	15.06.2027		1,255	0.12
Argentina (Republic of) FRN	81,463,519	ARS	21.06.2020		791	0.08
'D' credit rated bonds					3,058	0.30
Petróleos de Venezuela (Defaulted) 6% ^[b]	6,844,900	US\$	16.05.2024		512	0.05
Petróleos de Venezuela (Defaulted) 9.75% ^[b]	4,055,073	US\$	17.05.2035		299	0.03
Venezuela (Republic of) (Defaulted) 7% ^[b]	13,324,000	US\$	31.03.2038		1,430	0.14
Venezuela (Republic of) (Defaulted) 9.25% ^[b]	7,444,600	US\$	07.05.2028		817	0.08
Bonds with no credit rating					29,502	2.87
Burgan Bank FRN	3,200,000	US\$	31.12.2099		2,829	0.28
Jollibee Worldwide FRN	4,939,000	US\$	31.12.2099		3,939	0.38
National Highways Authority of India 7.3%	860,000,000	INR	18.05.2022		11,400	1.11
Viet Nam Debt & Asset Trading 1%	14,410,000	US\$	10.10.2025		11,334	1.10
Debt derivatives					(6,809)	(0.66)
Credit default swaps						
Markit CDX Emerging Markets Series 33 5 Year Jun 2025	58,000,000	US\$			(6,809)	(0.66)
CURRENCY					1,978	0.19
Forward currency contracts					1,978	0.19
Bought for € 24,725,871.53, Sold for US\$ 26,710,097.99			08.04.2020		366	0.04
Bought for US\$ 6,130,053.54, Sold for £ 4,680,000.00			08.04.2020		345	0.03
Bought for US\$ 85,928,398.54, Sold for € 75,046,505.19			08.04.2020		3,750	0.37
Bought for BRL 153,200,000.00, Sold for US\$ 30,324,741.85			27.04.2020		(881)	(0.09)
Bought for CZK 257,600,000.00, Sold for € 9,477,570.98			27.04.2020		(64)	(0.01)
Bought for IDR 167,000,000,000.00, Sold for US\$ 10,321,384.43			27.04.2020		(191)	(0.02)
Bought for MXN 247,000,000.00, Sold for US\$ 10,500,494.82			27.04.2020		(106)	(0.01)
Bought for PLN 42,800,000.00, Sold for € 9,408,741.91			27.04.2020		(5)	0.00
Bought for TRY 65,600,000.00, Sold for US\$ 10,072,260.18			27.04.2020		(164)	(0.02)
Bought for ILS 60,000,000.00, Sold for US\$ 17,581,005.95			06.05.2020		(701)	(0.07)
Bought for US\$ 16,308,779.56, Sold for ILS 60,000,000.00			06.05.2020		(571)	(0.06)
Bought for PHP 520,000,000.00, Sold for US\$ 9,938,837.92			26.05.2020		151	0.02
Bought for US\$ 10,138,428.54, Sold for PHP 520,000,000.00			26.05.2020		49	0.01
Portfolio of investments					852,892	82.98

M&G (Lux) Emerging Markets Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
CASH EQUIVALENTS					98,073	9.54
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	98,073,000	US\$			98,073	9.54
SHARE CLASS HEDGING					(9,295)	(0.90)
Bought for € 650,632,411.49, Sold for US\$ 724,313,974.07			08.04.2020		(11,852)	(1.15)
Bought for CHF 32,202,847.01, Sold for US\$ 33,684,732.20			08.04.2020		(328)	(0.03)
Bought for US\$ 184,120,251.38, Sold for € 165,584,049.40			08.04.2020		2,804	0.27
Bought for US\$ 6,745,769.51, Sold for CHF 6,432,205.16			08.04.2020		81	0.01
Total portfolio					941,670	91.62
Net other assets/(liabilities)					86,116	8.38
NET ASSETS					1,027,786	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					857,723	83.45
Unrealised gains on forward currency contracts					7,546	0.75
Total Investment assets					865,269	84.20
Investment liabilities						
Unrealised losses on forward currency contracts					(14,863)	(1.46)
Unrealised losses on swap contracts					(6,809)	(0.66)
Total Investment liabilities					(21,672)	(2.12)
Total portfolio					843,597	82.08
Cash equivalents					98,073	9.54
Net other assets/(liabilities)					86,116	8.38
NET ASSETS					1,027,786	100.00

[a] Unlisted/unquoted.

[b] Defaulted Bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps US\$'000	Forward currency contracts US\$'000	Collateral held as cash US\$'000
Bank of America Merrill Lynch	0	0	496
Barclays Bank London	6,809	0	6,435
BNP Paribas	0	57,355	499
Citigroup Global Markets Limited	0	17,581	813
Goldman Sachs International	0	102,301	0
JP Morgan Chase	0	10,072	0
Merrill Lynch Pierce Fenner + Smith Inc	0	20,822	0
State Street Bank and Trust Company	0	948,865	5,324
UBS AG London	0	66,870	712

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Emerging Markets Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-6.1	-1.5	+1.8	+5.5	19/04/2012	21/09/2018
Class 'A' Distribution	-6.0	-1.5	+1.8	+5.6	12/07/2013	21/09/2018
Class 'A-H' Accumulation	-11.0	-3.4	0.0	-0.4	10/11/2014	21/09/2018
Class 'A-H' Distribution	-11.0	-3.5	-0.0	-0.5	10/11/2014	21/09/2018
Class 'B' Accumulation	-6.5	-2.0	+1.3	+5.3	26/07/2013	21/09/2018
Class 'B' Distribution	-6.5	-2.0	n/a	+2.9	11/09/2015	21/09/2018
Class 'B-H' Accumulation	-11.5	-3.9	n/a	-0.1	11/09/2015	21/09/2018
Class 'B-H' Distribution	-11.5	-3.9	n/a	-0.1	11/09/2015	21/09/2018
Class 'C' Accumulation	-5.5	-0.9	+2.4	+6.1	19/04/2012	21/09/2018
Class 'C' Distribution	-5.4	-0.9	+2.4	+5.6	08/08/2014	21/09/2018
Class 'C-H' Accumulation	-10.5	-2.8	+0.6	+0.1	10/11/2014	21/09/2018
Class 'C-H' Distribution	-10.4	-2.8	+0.6	0.0	10/11/2014	21/09/2018
Class 'CI' Accumulation	-5.4	-0.9	+2.4	+6.1	19/04/2012	21/09/2018
Class 'CI-H' Accumulation	-10.4	-2.8	+0.6	+0.1	10/11/2014	21/09/2018
Sterling						
Class 'C' Accumulation	n/a	n/a	n/a	-12.3	n/a	27/08/2019
Class 'C' Distribution	-2.1	n/a	n/a	-1.5	n/a	22/02/2019
Class 'CI' Accumulation	n/a	n/a	n/a	-12.3	n/a	27/08/2019
Class 'CI' Distribution	-2.1	n/a	n/a	-0.5	n/a	14/03/2019
Swiss franc						
Class 'A' Accumulation	-11.2	-1.9	+2.0	+3.4	26/07/2013	21/09/2018
Class 'A-H' Accumulation	-11.3	-3.8	n/a	-0.5	24/07/2015	21/09/2018
Class 'C' Accumulation	-10.6	-1.2	+2.7	+4.0	26/07/2013	21/09/2018
Class 'C-H' Accumulation	-10.7	-3.1	n/a	+0.1	24/07/2015	21/09/2018

M&G (Lux) Emerging Markets Bond Fund

Financial highlights

Sub-fund performance (continued)

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
US dollar						
Class 'A' Accumulation	-8.4	-0.7	+2.2	+3.1	19/04/2012	21/09/2018
Class 'A' Distribution	-8.4	-0.7	+2.2	+1.3	08/08/2014	21/09/2018
Class 'A M' Distribution	-8.4	n/a	n/a	-1.5	n/a	30/11/2018
Class 'C' Accumulation	-7.8	-0.1	+2.8	+3.7	19/04/2012	21/09/2018
Class 'C' Distribution	-7.8	-0.1	+2.8	+1.9	08/08/2014	21/09/2018
Class 'C M' Distribution	-7.8	n/a	n/a	-0.9	n/a	30/11/2018
Class 'CI' Accumulation	-7.8	-0.0	+2.8	+3.8	19/04/2012	21/09/2018
Class 'ZI' Accumulation	-7.2	n/a	n/a	-3.9	n/a	30/01/2019

[a] Fund performance before the launch of the fund on 17 September 2018 is that of the relevant Merged Share Class of the M&G Emerging Markets Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Emerging Markets Bond Fund is a UK authorised fund which launched on 15 October 1999 and its non-Sterling share classes merged into M&G (Lux) Emerging Markets Bond Fund on 7 December 2018.

M&G (Lux) Emerging Markets Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both semi-annual and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Semi-annual distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.09.19	18.10.19	21.10.19	24.10.19
Final	01.10.19	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'A-H' Distribution	Class 'B' Distribution	Class 'B-H' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	Euro €	Euro €
First interim	0.3834	0.3451	0.3820	0.3437	0.3854
Final	0.3270	0.2977	0.3249	0.2959	0.3296

	Class 'C-H' Distribution	Class 'C' Distribution	Class 'CI' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	UK p	UK p	US ¢	US ¢
First interim	0.3469	0.3755	0.3749	0.3560	0.3578
Final	0.3002	0.3215	0.3205	0.3044	0.3069

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A M' Distribution	Class 'C M' Distribution
to 31 March 2020	US ¢	US ¢
First interim	0.0647	0.0647
Second interim	0.0643	0.0646
Third interim	0.0567	0.0569
Fourth interim	0.0641	0.0644
Fifth interim	0.0563	0.0565
Sixth interim	0.0583	0.0585
Seventh interim	0.0572	0.0574
Eighth interim	0.0498	0.0498
Ninth interim	0.0590	0.0593
Tenth interim	0.0493	0.0499
Eleventh interim	0.0458	0.0466
Final	0.0494	0.0498

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	10.4753	11.1519	n/a
Class 'A' Distribution	9.6202	10.8314	n/a
Class 'A-H' Accumulation	9.3175	10.4749	n/a
Class 'A-H' Distribution	8.5539	10.1686	n/a
Class 'B' Accumulation	10.3970	11.1244	n/a
Class 'B' Distribution	9.5465	10.8036	n/a
Class 'B-H' Accumulation	9.2415	10.4429	n/a
Class 'B-H' Distribution	8.4881	10.1424	n/a
Class 'C' Accumulation	10.5805	11.1904	n/a
Class 'C' Distribution	9.7161	10.8675	n/a
Class 'C-H' Accumulation	9.4017	10.5022	n/a
Class 'C-H' Distribution	8.6405	10.2008	n/a
Class 'CI' Accumulation	10.5899	11.1958	n/a
Class 'CI-H' Accumulation	9.4154	10.5105	n/a

Sterling	£	£	£
Class 'C' Accumulation	8.7655	n/a	n/a
Class 'C' Distribution	9.4756	10.0417	n/a
Class 'CI' Accumulation	8.7690	n/a	n/a
Class 'CI' Distribution	9.4459	10.1575	n/a

Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	9.8419	11.0828	n/a
Class 'A-H' Accumulation	9.2625	10.4421	n/a
Class 'C' Accumulation	9.9393	11.1199	n/a
Class 'C-H' Accumulation	9.3591	10.4842	n/a

US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.7499	10.6467	n/a
Class 'A' Distribution	8.9534	10.3408	n/a
Class 'A M' Distribution	9.0204	10.5057	n/a
Class 'C' Accumulation	9.8480	10.6836	n/a
Class 'C' Distribution	9.0441	10.3756	n/a
Class 'C M' Distribution	9.0973	10.5280	n/a
Class 'CI' Accumulation	9.8559	10.6881	n/a
Class 'ZI' Accumulation	9.5440	10.2876	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	1,027,786	763,997	n/a
Swing pricing adjustment (see note 12)	10,181	n/a	n/a
Swung net assets	1,037,967	763,997	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.52
Class 'A' Distribution	1.52
Class 'A-H' Accumulation	1.54
Class 'A-H' Distribution	1.54
Class 'B' Accumulation	2.02
Class 'B' Distribution	2.02
Class 'B-H' Accumulation	2.04
Class 'B-H' Distribution	2.04
Class 'C' Accumulation	0.87
Class 'C' Distribution	0.87
Class 'C-H' Accumulation	0.89
Class 'C-H' Distribution	0.89
Class 'CI' Accumulation	0.83
Class 'CI-H' Accumulation	0.85

Sterling	%
Class 'C' Accumulation	0.87
Class 'C' Distribution	0.87
Class 'CI' Accumulation	0.83
Class 'CI' Distribution	0.83

Swiss franc	%
Class 'A' Accumulation	1.52
Class 'A-H' Accumulation	1.54
Class 'C' Accumulation	0.87
Class 'C-H' Accumulation	0.89

M&G (Lux) Emerging Markets Bond Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2020	TER
US dollar	%
Class 'A' Accumulation	1.52
Class 'A' Distribution	1.52
Class 'A M' Distribution	1.51
Class 'C' Accumulation	0.87
Class 'C' Distribution	0.87
Class 'C M' Distribution	0.87
Class 'CI' Accumulation	0.83
Class 'ZI' Accumulation	0.23

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of income and capital growth) than that of the corporate bond markets in emerging markets over any three-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in debt securities issued by companies and quasi-sovereigns that are incorporated, domiciled, or do most of their business activity in emerging markets, and are denominated in hard currency.

The Fund may invest in debt securities issued or guaranteed by emerging market governments or their agencies, local authorities, public authorities and supranational bodies and other debt securities denominated in any currency.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

There are no credit quality restrictions applicable to the investments and the Fund may invest up to 100% of its Net Asset Value in below investment grade and unrated debt securities.

The Fund invests in securities that meet the Investment Manager's environmental, social and governance (ESG) criteria. This is achieved through the use of third party ESG information and/or proprietary analysis.

In addition, the Fund aims to exclude securities issued by, but not limited to:

- companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment, and anti-corruption;
- companies that derive any revenue from defence and weapons; and
- companies that derive revenue of more than 5% for producers, and 10% for distributors, from the following industries: tobacco, alcohol, adult entertainment, gambling, nuclear power or thermal coal.

The Fund may invest up to 10% of its Net Asset Value in Asset-Backed Securities and up to 10% of its Net Asset Value in Contingent Convertible Debt Securities.

The Fund may invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

The Fund may use derivatives for investment purposes, efficient portfolio management and hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchanged Traded Futures, Credit Default Swaps, Interest Rate Swaps and Credit Linked Notes.

Derivatives, other transferable securities, cash and near cash may not be subject to the same ESG restrictions as other securities held in the portfolio.

Investment approach

The Fund's investment approach involves an in-depth analysis of corporate bond issuers from emerging markets. Given the nature of emerging markets, the analysis of corporate bonds and their issuers will be performed in conjunction with a detailed credit assessment of the relevant sovereign(s).

The Investment Manager will also undertake an assessment of macroeconomic factors such as the global risk appetite and catalysts for global economic growth. These considerations will help to determine the fund's sector positioning, regional allocation and overall level of credit risk.

ESG characteristics are assessed as part of the analysis of corporate bond issuers, driving security selection and acting as an additional filter to the Fund's hard ESG exclusion policies.

Further information about the Investment Manager's ESG criteria applied to the Fund can be found on the M&G website under the Fund Literature section.

Performance Comparator

JPM CEMBI Broad Diversified Index

Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Investment review

For the period from 25 July 2019 (launch date of the sub-fund) to 31 March 2020

Launched in July 2019, the M&G (Lux) Emerging Markets Corporate ESG Bond Fund is an actively managed sub-fund that seeks to deliver a combination of capital growth and income that is higher than that of the corporate bond markets in emerging markets over any three-year period.

The sub-fund has a flexible investment process that draws upon the expertise and investment knowledge of senior members from M&G's Public Fixed Income team. The sub-fund seeks to capture the best investment ideas across the emerging market corporate bond markets, while applying a formal responsible investment screen and a special focus on environmental, social and governance (ESG) factors. The manager uses a bottom-up stock picking process that draws on analysis from M&G's large credit research team and on leading ESG research from multiple external providers.

The emerging market corporate bond universe is both large and well-diversified from a country and sector perspective, providing access to a broad range of investment opportunities. We regard ESG-related factors as critical considerations when assessing the creditworthiness of a corporate issuer in emerging markets. A thorough ESG analysis can help to flag companies whose shortcomings in that area may ultimately lead to a deterioration in their credit profile. Conversely, we believe that ESG analysis can help us to identify potential outperformers in a way that traditional credit analysis may fail to capture.

Like many other asset classes, emerging market corporate bonds have experienced significant price volatility towards the end of the period under review, as the world has tried to come to terms with the full effects of the Covid-19 pandemic on economic growth. We have been mindful of the increased risk of rising corporate default rates in the coming months and have started to improve levels of diversification in the sub-fund.

The levels of stimulus coming from central banks and governments in response to the crisis have been unprecedented. Furthermore, we believe the sub-fund's ESG bias should provide investors with a degree of protection from sectors that are experiencing the highest levels of volatility, such as the oil & gas sector, which contains names that are unlikely to meet our ESG selection requirements. Carefully selecting credits will be crucial going forward, as we look to avoid or limit the impact of potential defaults and further volatility.

Charles de Quinsonas

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					26,731	93.01
Debt securities					26,731	93.01
'A' credit rated bonds					934	3.25
Ooredoo International Finance 3.25%	500,000	US\$	21.02.2023		487	1.69
Saudi Electricity Global 5.06%	450,000	US\$	08.04.2043		447	1.56
'BBB' credit rated bonds					3,705	12.89
Banco General 4.125%	320,000	US\$	07.08.2027		293	1.02
Banco Inbursa Institución de Banca Múltiple 4.375%	400,000	US\$	11.04.2027		357	1.24
Bank of China 5%	400,000	US\$	13.11.2024		429	1.49
Corporación Financiera de Desarrollo 4.75%	475,000	US\$	15.07.2025		463	1.61
Development Bank of Kazakhstan 8.95%	66,000,000	KZT	04.05.2023		140	0.49
DP World 5.625%	300,000	US\$	25.09.2048		255	0.89
DP World Crescent 4.848%	400,000	US\$	26.09.2028		367	1.28
Fufeng Group 5.875%	407,000	US\$	28.08.2021		424	1.47
Mexico (United Mexican States) 5.625%	100,000	£	19.03.2114		130	0.45
NBK Tier 1 Financing FRN	309,000	US\$	31.12.2099		294	1.02
Prosus 3.68%	200,000	US\$	21.01.2030		172	0.60
Tengizchevroil Finance International 4%	400,000	US\$	15.08.2026		381	1.33
'BB' credit rated bonds					14,074	48.97
Arcelik 5%	400,000	US\$	03.04.2023		372	1.29
Axtel 6.375%	400,000	US\$	14.11.2024		326	1.13
Banco do Brasil 4.625%	490,000	US\$	15.01.2025		471	1.64
Banco Mercantil del Norte FRN	400,000	US\$	31.12.2099		303	1.05
Bank of Georgia 6%	825,000	US\$	26.07.2023		864	3.01
BBVA Bancomer 6.75%	200,000	US\$	30.09.2022		197	0.69
Cemex 5.45%	400,000	US\$	19.11.2029		326	1.13
CIFI Holdings Group 6.55%	408,000	US\$	28.03.2024		379	1.32
Delhi International Airport 6.45%	625,000	US\$	04.06.2029		518	1.80
Greenko Solar Mauritius 5.95%	448,000	US\$	29.07.2026		367	1.28
Grupo Aval 4.375%	319,000	US\$	04.02.2030		260	0.90
Grupo KUO 5.75%	575,000	US\$	07.07.2027		422	1.47
Inretail Pharma 5.375%	325,000	US\$	02.05.2023		314	1.09
Jasa Marga Persero 7.5%	4,100,000,000	IDR	11.12.2020		249	0.87
JSW Steel 5.95%	400,000	US\$	18.04.2024		303	1.05
Kosmos Energy 7.125%	625,000	US\$	04.04.2026		324	1.13
Logan Property Holdings 5.25%	325,000	US\$	23.02.2023		301	1.05
MAF Global Securities FRN	700,000	US\$	31.12.2099		538	1.87
MARB BondCo 6.875%	400,000	US\$	19.01.2025		355	1.23
Millicom International Cellular 6.25%	625,000	US\$	25.03.2029		567	1.97
NBM US Holdings 7%	200,000	US\$	14.05.2026		177	0.62
Neerg Energy 6%	200,000	US\$	13.02.2022		167	0.58
Network i2i FRN	624,000	US\$	31.12.2099		496	1.73
Oman (Sultanate of) 6.5%	400,000	US\$	08.03.2047		266	0.93
Puma International Financing 5%	515,000	US\$	24.01.2026		207	0.72
Rede D'or Finance 4.95%	600,000	US\$	17.01.2028		547	1.90
Royal Capital 5.875%	350,000	US\$	31.12.2099		331	1.15
Sable International Finance 5.75%	400,000	US\$	07.09.2027		363	1.26
SASOL Financing USA 6.5%	575,000	US\$	27.09.2028		253	0.88
Southern Gas Corridor 6.875%	425,000	US\$	24.03.2026		431	1.50
Sovcombank Via SovCom Capital FRN	600,000	US\$	07.04.2030		494	1.72
Telefónica Celular del Paraguay 5.875%	600,000	US\$	15.04.2027		540	1.88
TMB Bank FRN	600,000	US\$	31.12.2099		514	1.79
Türk Telekomünikasyon 6.875%	400,000	US\$	28.02.2025		378	1.32
Ultrapar International 5.25%	400,000	US\$	06.06.2029		324	1.13
Uzbek Industrial and Construction Bank 5.75%	400,000	US\$	02.12.2024		358	1.25
Woori Bank FRN	500,000	US\$	31.12.2099		472	1.64
'B' credit rated bonds					6,414	22.32
Alpha Holding 9%	259,000	US\$	10.02.2025		181	0.63
Belarus (Republic of) 6.75%	475,000	US\$	02.05.2024		450	1.57
CAR 8.875%	400,000	US\$	10.05.2022		250	0.87
Dar Al-Arkan Sukuk 6.875%	300,000	US\$	26.02.2027		229	0.80
Fantasia Holdings Group 7.95%	400,000	US\$	05.07.2022		324	1.13
GFH Sukuk 7.5%	440,000	US\$	28.01.2025		355	1.24
IHS Netherlands Holdco 8%	300,000	US\$	18.09.2027		252	0.88
Kernel Holding 6.5%	416,000	US\$	17.10.2024		322	1.12
Latam Finance 7%	450,000	US\$	01.03.2026		195	0.68
MHP Lux 6.95%	450,000	US\$	03.04.2026		360	1.25
Mongolia (Republic of) 8.75%	200,000	US\$	09.03.2024		190	0.66

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
QNB Finansbank 4.875%	500,000	US\$	19.05.2022		467	1.63
Sunac China Holdings 7.95%	325,000	US\$	08.08.2022		310	1.08
Times China Holdings 6.75%	330,000	US\$	16.07.2023		300	1.04
Tüpraş Türkiye Petrol Rafinerileri 4.5%	375,000	US\$	18.10.2024		326	1.13
VTR Finance 6.875%	325,000	US\$	15.01.2024		299	1.04
Walnut Bidco 6.75%	499,000	€	01.08.2024		409	1.42
Wanda Properties International 7.25%	500,000	US\$	29.01.2024		369	1.28
Yapı ve Kredi Bankası 8.25%	400,000	US\$	15.10.2024		380	1.32
Yuzhou Properties 6%	330,000	US\$	25.10.2023		276	0.96
Yuzhou Properties 7.7%	203,000	US\$	20.02.2025		170	0.59
'CCC' credit rated bonds						
Future Retail 5.6%	600,000	US\$	22.01.2025		300	1.04
YPF 8.5%	250,000	US\$	28.07.2025		131	0.46
'CC' credit rated bonds						
Argentina (Republic of) 5.875%	198,000	US\$	11.01.2028		52	0.18
Bonds with no credit rating						
Burgan Bank FRN	300,000	US\$	31.12.2099		1,121	3.90
Jollibee Worldwide FRN	200,000	US\$	31.12.2099		265	0.92
Lenovo Group 4.75%	500,000	US\$	29.03.2023		160	0.56
Tower Bersama Infrastructure 4.25%	200,000	US\$	21.01.2025		517	1.80
					179	0.62
CURRENCY						
Forward currency contracts						
Bought for £ 22,013.05, Sold for US\$ 26,415.44			08.04.2020		32	0.11
Bought for € 153,130.41, Sold for US\$ 168,727.40			08.04.2020		0	0.00
Bought for US\$ 159,877.40, Sold for £ 122,608.01			08.04.2020		0	0.00
Bought for US\$ 605,194.46, Sold for € 530,798.47			08.04.2020		8	0.03
					24	0.08
Portfolio of investments					26,763	93.12
SHARE CLASS HEDGING						
Bought for £ 51,829.16, Sold for US\$ 66,310.06			08.04.2020		(242)	(0.84)
Bought for € 14,026,086.98, Sold for US\$ 15,611,406.60			08.04.2020		(2)	(0.01)
Bought for US\$ 14,316.88, Sold for £ 11,783.24			08.04.2020		(253)	(0.88)
Bought for US\$ 3,073,970.62, Sold for € 2,795,122.10			08.04.2020		0	0.00
					13	0.05
Total portfolio					26,521	92.28
Net other assets/(liabilities)					2,220	7.72
NET ASSETS					28,741	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					26,731	93.01
Unrealised gains on forward currency contracts					45	0.16
Total Investment assets					26,776	93.17
Investment liabilities						
Unrealised losses on forward currency contracts					(255)	(0.89)
Total Investment liabilities					(255)	(0.89)
Total portfolio					26,521	92.28
Net other assets/(liabilities)					2,220	7.72
NET ASSETS					28,741	100.00

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
BNP Paribas	569
Citigroup Global Markets Limited	8
HSBC Bank Plc	162
JP Morgan Chase	67
Merrill Lynch Pierce Fenner + Smith Inc	17
State Street Bank and Trust Company	18,766
State Street Bank London	83
UBS AG London	54

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Financial highlights

Sub-fund performance

As the sub-fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the sub-fund's Key Investor Information Document (available from our website at www.mandg.lu) for recently available performance information.

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 25 July 2019 (the launch date of the fund) to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
Second interim	25.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H' Distribution Euro €	Class 'C-H' Distribution Euro €	Class 'CI-H' Distribution Euro €	Class 'LI-H' Distribution Euro €	Class 'C' Distribution UK p
to 31 March 2020					
Second interim	0.0900	0.0900	0.0899	0.0900	n/a
Third interim	0.1311	0.1317	0.1316	0.1315	0.1266
Final	0.1243	0.1247	0.1246	0.1248	0.1276

	Class 'C-H' Distribution UK p	Class 'A' Distribution US €	Class 'C' Distribution US €	Class 'CI' Distribution US €	Class 'LI' Distribution US €
to 31 March 2020					
Second interim	n/a	0.0901	0.0902	0.0901	0.0901
Third interim	0.1343	0.1316	0.1320	0.1318	0.1319
Final	0.1271	0.1275	0.1282	0.1282	0.1283

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	28,741	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	28,741	n/a	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.84
Class 'C-H' Distribution	0.84
Class 'CI-H' Accumulation	0.81
Class 'CI-H' Distribution	0.81
Class 'LI-H' Accumulation	0.56
Class 'LI-H' Distribution	0.56

Sterling	%
Class 'C' Accumulation	0.83
Class 'C' Distribution	0.83
Class 'C-H' Accumulation	0.85
Class 'C-H' Distribution	0.85

US dollar	%
Class 'A' Accumulation	1.73
Class 'A' Distribution	1.73
Class 'C' Accumulation	0.83
Class 'C' Distribution	0.83
Class 'CI' Accumulation	0.79
Class 'CI' Distribution	0.79
Class 'LI' Accumulation	0.54
Class 'LI' Distribution	0.54

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the financial period from 25 July 2019 (the launch date of the fund) to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A-H' Accumulation	8.3532	n/a	n/a
Class 'A-H' Distribution	8.1718	n/a	n/a
Class 'C-H' Accumulation	8.3912	n/a	n/a
Class 'C-H' Distribution	8.2200	n/a	n/a
Class 'CI-H' Accumulation	8.4047	n/a	n/a
Class 'CI-H' Distribution	8.2217	n/a	n/a
Class 'LI-H' Accumulation	8.4223	n/a	n/a
Class 'LI-H' Distribution	8.2388	n/a	n/a
Sterling	£	£	£
Class 'C' Accumulation	8.4636	n/a	n/a
Class 'C' Distribution	8.3528	n/a	n/a
Class 'C-H' Accumulation	8.3299	n/a	n/a
Class 'C-H' Distribution	8.2165	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	8.5298	n/a	n/a
Class 'A' Distribution	8.3476	n/a	n/a
Class 'C' Accumulation	8.5838	n/a	n/a
Class 'C' Distribution	8.3996	n/a	n/a
Class 'CI' Accumulation	8.5857	n/a	n/a
Class 'CI' Distribution	8.4015	n/a	n/a
Class 'LI' Accumulation	8.6002	n/a	n/a
Class 'LI' Distribution	8.4159	n/a	n/a

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of income and capital growth) than that of the hard currency emerging market bond market over any three-year period.

Investment policy

The Fund will invest at least 80% of its Net Asset Value in emerging markets debt instruments issued or guaranteed by emerging market governments or their agencies, local authorities, public authorities, quasi-sovereigns and supranational bodies denominated in hard currency. It may also take limited exposure to debt instruments issued by emerging markets companies or instruments denominated in emerging markets currencies. The Investment Manager has the discretion to identify the countries that it considers to qualify as emerging markets.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

The Fund's exposure to these assets will typically be gained directly. The Fund may also invest indirectly via derivative instruments.

Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps and Options.

The Fund may also invest in cash, near cash, deposits, other debt instruments and other collective investment schemes.

Investment approach

The Fund's approach to emerging market investing begins with a top-down analysis of the global economy, which is fine tuned on a daily basis subject to market, economic and political changes.

Within this framework, the Investment Manager's approach involves:

- forming a view on the global and overall emerging markets outlook, including prospects for demand from advanced economies, commodity prices, interest rate trends, monetary policy tools and other components of the external environment;
- identifying countries with stable or improving underlying credit fundamentals (including stable/improving fiscal positions, stable/improving political situations, comfortable central bank reserve levels, improving current account positions for example);
- evaluating the technical conditions of the credit to identify both the upside and the imbalances that could potentially lead to market dislocations.

This disciplined multi-pronged framework provides the basis for our country weighting, marginal allocation to corporates, duration, yield curve and currency and instrument selection decisions, as well as relative value assessments.

The Fund will not take direct or indirect (when the underlying of an eligible asset is a commodity) exposure to commodities.

Performance Comparator

JPM EMBI Global Diversified Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

While the performance of emerging market bonds at times fluctuated during 2019, positive returns were mainly recorded by these assets between April and December. However, these gains were eroded by the significant sell-off in markets during the first three months of 2020 as the coronavirus story dominated sentiment among global investors.

As 2019 progressed, several global themes continued to influence global financial markets, including slower economic growth and ongoing international trade tensions between China and the US. However, against this backdrop, attention also remained focused on the renewed economic stimulus policies of important central banks. These central bank activities, which included reductions in interest rates, helped to provide some support towards the performance of bond markets, including higher-yielding assets such as emerging market bonds. Towards the end of 2019, financial markets were also supported by improving sentiment among investors, helped by optimism that the US and China were progressing towards a resolution of their trade dispute.

During the first three months of 2020, the implications of the spread of the coronavirus prompted fears of a global economic recession. This contributed to areas of the global bond markets, such as corporate bonds and emerging market bonds, to record negative returns. For emerging market hard currency (and local currency) bonds, these declines overrode the gains recorded by these assets earlier in the review period. A collapse in oil prices and investors' outflows were also factors that weighed on the performance of emerging market bonds. Many emerging nations produce oil and, consequently, lower oil prices can have adverse effects on their revenues from oil exports.

The sub-fund recorded a negative return against this backdrop, which was lower than its benchmark, the JP Morgan Emerging Markets Bond Index Global Diversified.

Investment activities

In addition to investing mainly in hard currency government bonds, the sub-fund has the flexibility to invest up to 15% of its assets in emerging market corporate bonds. It may also hold a small allocation, up to a maximum of 5%, to local currency-denominated government bonds. Within the sub-fund's government bond allocation, positions may be held in 'quasi-government' bond issuers that are 100%-owned by the respective government.

Throughout the review period, we maintained a globally diversified portfolio of emerging market hard currency government bonds. In addition to holding allocations to larger markets such as Mexico and Russia, we continued to seek positions in smaller countries that we felt offered attractive value. Within this activity, we purchased government bonds in Azerbaijan, which we consider a financially strong country, as well as Albania, based on our favourable view of its outlook.

Elsewhere, we added a position in Mozambique as the government completed a restructuring programme, but sold a holding in Sri Lanka as we felt less favourable about new budget proposals from its government.

We also continued to take advantage of the sub-fund's flexibility to hold selected emerging market corporate issues and local currency government bonds, based on where we considered the best relative value could be found. Towards the end of the review period, however, we took steps to reduce the local currency exposure as part of a more cautious stance in the sub-fund's overall positioning amid the coronavirus theme.

Outlook

Given the effects of the coronavirus outbreak, world economic growth forecasts face downward revisions to recession levels. However, it remains too early at this stage to know if this will be the case over the next few quarters or will extend into next year.

Despite this prospect, we believe that the significant declines in emerging bond markets in the final months of the review period offered appealing long-term investment opportunities on a selective basis. In our assessment, for example, the rationale for emerging market bonds is supported by an attractive pick-up in yields relative to government bonds in developed markets. In turn, we continue to believe this consideration helps emerging market bonds to provide adequate compensation for taking on additional degrees of risk.

In our overall approach, we still think that flexibility remains key for successfully investing in the emerging bond markets, with the freedom to hold those hard currency government bonds that offer the best relative value and avoid countries where the outlook is unfavourable. In addition, we will continue to closely monitor emerging market corporate bonds and local currency exposures for smaller allocations in the sub-fund, also based on relative value assessments derived from our investment process.

Claudia Calich

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					215,814	91.82
Debt securities					216,524	92.12
Albania					4,117	1.75
'B' credit rated bonds						
Albania (Republic of) 3.5%	3,541,000	€	09.10.2025		4,117	1.75
Angola					873	0.37
'CCC' credit rated bonds						
Angola (Republic of) 9.375%	2,129,000	US\$	08.05.2048		873	0.37
Argentina					3,714	1.58
'CC' credit rated bonds						
Argentina (Republic of) FRN	22,500,000	ARS	21.06.2020		218	0.09
Argentina (Republic of) 5%	3,000,000	€	15.01.2027		812	0.35
Argentina (Republic of) 5.875%	2,000,000	US\$	11.01.2028		528	0.23
Argentina (Republic of) 5.25%	2,734,000	€	15.01.2028		728	0.31
Argentina (Republic of) 7.82%	2,476,987	€	31.12.2033		873	0.37
Argentina (Republic of) 7.125%	267,000	US\$	06.07.2036		68	0.03
Argentina (Republic of) 6.875%	400,000	US\$	11.01.2048		101	0.04
Argentina (Republic of) 7.125%	1,500,000	US\$	28.06.2117		386	0.16
Armenia					4,362	1.86
'BB' credit rated bonds						
Armenia (Republic of) 7.15%	4,250,000	US\$	26.03.2025		4,362	1.86
Bahamas					2,357	1.00
'BB' credit rated bonds						
Bahamas (Commonwealth of) 6%	2,063,000	US\$	21.11.2028		2,357	1.00
Bahrain					3,318	1.41
'B' credit rated bonds						
Bahrain (Kingdom of) 5.625%	4,000,000	US\$	30.09.2031		3,318	1.41
Belarus					1,636	0.70
'B' credit rated bonds						
Belarus (Republic of) 6.75%	1,725,000	US\$	02.05.2024		1,636	0.70
Benin					2,792	1.19
'B' credit rated bonds						
Benin (Republic of) 5.75%	3,000,000	€	26.03.2026		2,792	1.19
Bolivia					3,565	1.52
'B' credit rated bonds						
Bolivia (Plurinational State of) 4.5%	4,250,000	US\$	20.03.2028		3,565	1.52
Brazil					3,664	1.56
'BB' credit rated bonds						
Brazil (Federal Republic of) 4.5%	3,575,000	US\$	30.05.2029		3,664	1.56
British Virgin Islands					480	0.20
'B' credit rated bonds						
Wanda Properties International 7.25%	650,000	US\$	29.01.2024		480	0.20
Cameroon					2,218	0.94
'B' credit rated bonds						
Cameroon (Republic of) 9.5%	2,450,000	US\$	19.11.2025		2,218	0.94
Cayman Islands					6,004	2.55
'BB' credit rated bonds						
Bioceanico Sovereign Certificate 0%	5,034,000	US\$	05.06.2034		2,832	1.20
'B' credit rated bonds						
CAR 8.875%	750,000	US\$	10.05.2022		469	0.20
Times China Holdings 6.6%	750,000	US\$	02.03.2023		690	0.29
Dar Al-Arkan Sukuk 6.875%	1,701,000	US\$	21.03.2023		1,322	0.56
Yuzhou Properties 7.7%	825,000	US\$	20.02.2025		691	0.30
Colombia					3,116	1.33
'BBB' credit rated bonds						
Colombia (Republic of) 6.125%	2,750,000	US\$	18.01.2041		3,116	1.33
Costa Rica					4,492	1.91
'B' credit rated bonds						
Costa Rica (Republic of) 5.52%	1,500,000	US\$	10.11.2021		1,501	0.64
Costa Rica (Republic of) 5.52% [a]	3,000,000	US\$	23.08.2023		2,991	1.27
Dominican Republic					7,262	3.09
'BB' credit rated bonds						
Dominican (Republic of) 10.5%	63,000,000	DOP	07.04.2023		1,160	0.49

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Dominican Republic (continued)						
'BB' credit rated bonds (continued)						
Dominican (Republic of) 9.75% ^[a]	68,000,000	DOP	05.06.2026		1,100	0.47
Dominican (Republic of) 7.45%	5,300,000	US\$	30.04.2044		5,002	2.13
Ecuador					1,558	0.66
'CCC' credit rated bonds						
Ecuador (Republic of) 8.75%	2,550,000	US\$	02.06.2023		618	0.26
Ecuador (Republic of) 9.65%	1,867,000	US\$	13.12.2026		401	0.17
Ecuador (Republic of) 7.875%	2,387,000	US\$	23.01.2028		539	0.23
Egypt					4,576	1.95
'B' credit rated bonds						
Egypt (Republic of) 8.7002%	5,500,000	US\$	01.03.2049		4,576	1.95
Ethiopia					1,729	0.74
'B' credit rated bonds						
Ethiopia (Federal Republic of) 6.625%	1,925,000	US\$	11.12.2024		1,729	0.74
Gabon					2,240	0.95
'B' credit rated bonds						
Gabon (Republic of) 6.95%	1,000,000	US\$	16.06.2025		671	0.28
'CCC' credit rated bonds						
Gabon (Republic of) 6.625%	2,500,000	US\$	06.02.2031		1,569	0.67
Georgia					1,937	0.82
'B' credit rated bonds						
Georgia Capital Issued International Bonds 6.125%	2,000,000	US\$	09.03.2024		1,937	0.82
Ghana					4,757	2.02
'B' credit rated bonds						
Ghana (Republic of) 6.375%	2,000,000	US\$	11.02.2027		1,478	0.63
Ghana (Republic of) 8.125%	3,879,000	US\$	26.03.2032		2,753	1.17
Ghana (Republic of) 8.75%	750,000	US\$	11.03.2061		526	0.22
Guatemala					4,593	1.95
'BB' credit rated bonds						
Guatemala (Republic of) 4.5%	3,500,000	US\$	03.05.2026		3,353	1.42
Guatemala (Republic of) 4.9%	1,300,000	US\$	01.06.2030		1,240	0.53
Honduras					3,756	1.60
'B' credit rated bonds						
Honduras (Republic of) 6.25%	4,150,000	US\$	19.01.2027		3,756	1.60
India					637	0.27
'CCC' credit rated bonds						
Future Retail 5.6%	1,272,000	US\$	22.01.2025		637	0.27
Indonesia					5,062	2.15
'BBB' credit rated bonds						
Perusahaan Listrik Negara 4.125%	2,170,000	US\$	15.05.2027		2,111	0.90
Perusahaan Listrik Negara 3.875%	2,111,000	US\$	17.07.2029		1,978	0.84
'BB' credit rated bonds						
Jasa Marga Persero 7.5%	16,000,000,000	IDR	11.12.2020		973	0.41
Iraq					787	0.34
'B' credit rated bonds						
Iraq (Republic of) 5.8%	1,006,000	US\$	15.01.2028		787	0.34
Ireland					4,852	2.06
'BB' credit rated bonds						
GTLK Europe 5.125%	2,800,000	US\$	31.05.2024		2,640	1.12
Gtlk Europe Capital 5.95%	1,020,000	US\$	17.04.2025		977	0.42
Sovcombank Via SovCom Capital FRN	1,500,000	US\$	07.04.2030		1,235	0.52
Ivory Coast					3,125	1.33
'B' credit rated bonds						
Côte d'Ivoire (Republic of) 6.875%	1,500,000	€	17.10.2040		1,406	0.60
Côte d'Ivoire (Republic of) 6.625%	1,841,000	€	22.03.2048		1,719	0.73
Jamaica					2,812	1.20
'B' credit rated bonds						
Jamaica 8%	2,650,000	US\$	15.03.2039		2,812	1.20
Jordan					2,163	0.92
'B' credit rated bonds						
Jordan (Kingdom of) 7.375%	2,500,000	US\$	10.10.2047		2,163	0.92

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Kazakhstan					6,049	2.57
'BBB' credit rated bonds						
Development Bank of Kazakhstan 9.5%	530,000,000	KZT	14.12.2020		1,083	0.46
KazMunayGas National 6.375%	2,225,000	US\$	24.10.2048		2,202	0.94
'BB' credit rated bonds						
KazMunayGas National 4.75%	2,900,000	US\$	19.04.2027		2,764	1.17
Kenya					3,693	1.57
'B' credit rated bonds						
Kenya (Republic of) 8.25%	4,000,000	US\$	28.02.2048		3,693	1.57
Laos					1,999	0.85
'B' credit rated bonds						
Laos (People's Democratic Republic of) 6.875%	2,000,000	US\$	30.06.2021		1,999	0.85
Luxembourg					419	0.18
'BB' credit rated bonds						
Puma International Financing 5%	1,040,000	US\$	24.01.2026		419	0.18
Macedonia					2,544	1.08
'BB' credit rated bonds						
Macedonia (Republic of) 5.625%	2,100,000	€	26.07.2023		2,544	1.08
Maldives					765	0.33
'B' credit rated bonds						
Maldives (Republic of) 7%	900,000	US\$	07.06.2022		765	0.33
Mauritius					1,189	0.51
'BB' credit rated bonds						
Greenko Solar Mauritius 5.95%	1,450,000	US\$	29.07.2026		1,189	0.51
Mexico					6,572	2.80
'BBB' credit rated bonds						
Petróleos Mexicanos 7.69%	4,400,000	US\$	23.01.2050		3,019	1.28
Mexico (United Mexican States) 5.625%	2,100,000	£	19.03.2114		2,722	1.16
'B' credit rated bonds						
Alpha Holding 9%	1,186,000	US\$	10.02.2025		831	0.36
Mongolia					3,129	1.33
'B' credit rated bonds						
Mongolia (Republic of) 5.625%	3,477,000	US\$	01.05.2023		3,129	1.33
Morocco					3,454	1.47
'BBB' credit rated bonds						
Morocco (Kingdom of) 5.5%	3,250,000	US\$	11.12.2042		3,454	1.47
Mozambique					1,936	0.82
'CCC' credit rated bonds						
Mozambique (Republic of) 5% [a]	2,500,000	US\$	15.09.2031		1,936	0.82
Namibia					2,569	1.09
'BB' credit rated bonds						
Namibia (Republic of) 5.25%	3,000,000	US\$	29.10.2025		2,569	1.09
Netherlands (The)					1,745	0.74
'BB' credit rated bonds						
Royal Capital 5.875%	1,844,000	US\$	31.12.2099		1,745	0.74
Nigeria					3,542	1.51
'B' credit rated bonds						
Nigeria (Federal Republic of) 8.747%	1,767,000	US\$	21.01.2031		1,283	0.55
Nigeria (Federal Republic of) 7.875%	3,200,000	US\$	16.02.2032		2,259	0.96
Oman					2,822	1.20
'BB' credit rated bonds						
Oman (Sultanate of) 6.5%	4,250,000	US\$	08.03.2047		2,822	1.20
Pakistan					3,032	1.29
'B' credit rated bonds						
Pakistan (Republic of) 7.875%	3,500,000	US\$	31.03.2036		3,032	1.29
Panama					4,359	1.85
'BBB' credit rated bonds						
Aeropuerto Internacional de Tocumen 5.625%	2,200,000	US\$	18.05.2036		2,666	1.13
Aeropuerto Internacional de Tocumen 6%	1,538,000	US\$	18.11.2048		1,693	0.72

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Paraguay					3,759	1.60
'BB' credit rated bonds						
Telefónica Celular del Paraguay 5.875%	900,000	US\$	15.04.2027		810	0.34
Paraguay (Republic of) 6.1%	2,850,000	US\$	11.08.2044		2,949	1.26
Peru					3,560	1.52
'BBB' credit rated bonds						
Corporación Financiera de Desarrollo 4.75%	3,650,000	US\$	15.07.2025		3,560	1.52
Qatar					3,785	1.61
'AA' credit rated bonds						
Qatar (State of) 5.103%	3,111,000	US\$	23.04.2048		3,785	1.61
Romania					4,620	1.97
'BBB' credit rated bonds						
Romania (Republic of) 6.125%	4,000,000	US\$	22.01.2044		4,620	1.97
Rwanda					3,388	1.44
'B' credit rated bonds						
Rwanda (Republic of) 6.625%	3,750,000	US\$	02.05.2023		3,388	1.44
Senegal					2,698	1.15
'B' credit rated bonds						
Senegal (Republic of) 6.25%	3,000,000	US\$	23.05.2033		2,698	1.15
Serbia					2,822	1.20
'BB' credit rated bonds						
Serbia International Bond 1.5%	2,800,000	€	26.06.2029		2,822	1.20
Seychelles					352	0.15
'BB' credit rated bonds						
Seychelles (Republic of) FRN	345,420	US\$	01.01.2026		352	0.15
Singapore					1,870	0.80
'B' credit rated bonds						
ABJA Investment 5.45%	1,150,000	US\$	24.01.2028		842	0.36
Bonds with no credit rating						
Jollibee Worldwide FRN	1,289,000	US\$	31.12.2099		1,028	0.44
South Africa					5,482	2.33
'BB' credit rated bonds						
Transnet 4%	2,850,000	US\$	26.07.2022		2,718	1.16
South Africa (Republic of) 4.85%	3,350,000	US\$	30.09.2029		2,764	1.17
Tajikistan					457	0.19
'B' credit rated bonds						
Tajikistan (Republic of) 7.125%	733,000	US\$	14.09.2027		457	0.19
Thailand					1,240	0.53
'BB' credit rated bonds						
TMB Bank FRN	1,448,000	US\$	31.12.2099		1,240	0.53
Trinidad And Tobago					2,782	1.18
'BB' credit rated bonds						
Trinidad Petroleum Holdings 9.75%	2,975,000	US\$	15.06.2026		2,782	1.18
Tunisia					2,814	1.20
'B' credit rated bonds						
Tunisia (Republic of) 5.75%	3,500,000	US\$	30.01.2025		2,814	1.20
Turkey					4,467	1.90
'B' credit rated bonds						
Turkey (Republic of) 5.25%	5,500,000	US\$	13.03.2030		4,467	1.90
United Kingdom					3,115	1.33
'B' credit rated bonds						
NAK Naftogaz Ukraine via Kondor Finance 7.375%	946,000	US\$	19.07.2022		769	0.33
State Savings Bank of Ukraine Via SSB 1 FRN	575,000	US\$	20.03.2025		547	0.23
NAK Naftogaz Ukraine Via Kondor Finance 7.625%	2,200,000	US\$	08.11.2026		1,799	0.77
Ukraine					6,254	2.66
'B' credit rated bonds						
Ukraine 17.25% ^[a]	27,269,000	UAH	30.09.2020		977	0.42
Ukraine 4.375%	6,000,000	€	27.01.2030		5,277	2.24

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
United Arab Emirates					3,860	1.64
'BBB' credit rated bonds						
DP World 5.625%	1,431,000	US\$	25.09.2048		1,214	0.51
NBK Tier 1 Financing FRN	1,400,000	US\$	31.12.2099		1,332	0.57
'B' credit rated bonds						
ADES International Holding 8.625%	1,309,000	US\$	24.04.2024		1,314	0.56
United States					518	0.22
'BB' credit rated bonds						
Kosmos Energy 7.125%	1,000,000	US\$	04.04.2026		518	0.22
Uzbekistan					3,899	1.66
'BB' credit rated bonds						
Uzbekistan (Republic of) 4.75%	1,219,000	US\$	20.02.2024		1,206	0.52
Uzbek Industrial and Construction Bank 5.75%	1,400,000	US\$	02.12.2024		1,253	0.53
Uzbekistan (Republic of) 5.375%	1,447,000	US\$	20.02.2029		1,440	0.61
Venezuela					753	0.32
'D' credit rated bonds						
Petróleos de Venezuela (Defaulted) 6% ^[b]	6,000,000	US\$	15.11.2026		402	0.17
Venezuela (Republic of) (Defaulted) 9.25% ^[b]	3,200,000	US\$	07.05.2028		351	0.15
Vietnam					4,994	2.13
Bonds with no credit rating						
Viet Nam Debt & Asset Trading 1%	6,350,000	US\$	10.10.2025		4,994	2.13
Zambia					663	0.28
'CCC' credit rated bonds						
Zambia (Republic of) 8.97%	1,600,000	US\$	30.07.2027		663	0.28
Debt derivatives					(710)	(0.30)
Credit default swaps					(710)	(0.30)
Markit CDX Emerging Markets Series 32 5 Year Dec 2024	6,000,000	US\$			(710)	(0.30)
CURRENCY					1,442	0.61
Forward currency contracts					1,442	0.61
Bought for € 7,271,160.30, Sold for US\$ 7,854,663.64			08.04.2020		108	0.05
Bought for US\$ 2,421,895.08, Sold for £ 1,849,000.00			08.04.2020		136	0.06
Bought for US\$ 31,499,337.69, Sold for € 27,510,290.54			08.04.2020		1,375	0.58
Bought for US\$ 2,133,882.84, Sold for TRY 14,100,000.00			20.04.2020		(1)	0.00
Bought for US\$ 2,155,964.19, Sold for BRL 11,150,000.00			23.04.2020		13	0.00
Bought for US\$ 2,109,397.05, Sold for MXN 51,650,000.00			23.04.2020		(66)	(0.03)
Bought for US\$ 2,351,453.86, Sold for RUB 186,000,000.00			23.04.2020		(23)	(0.01)
Bought for US\$ 2,128,138.26, Sold for ZAR 37,250,000.00			23.04.2020		45	0.02
Bought for US\$ 2,296,868.62, Sold for INR 174,500,000.00			24.04.2020		(3)	0.00
Bought for US\$ 2,315,670.80, Sold for MYR 10,270,000.00			24.04.2020		(63)	(0.03)
Bought for COP 6,800,000,000.00, Sold for US\$ 1,761,781.26			03.06.2020		(96)	(0.04)
Bought for US\$ 1,683,168.32, Sold for COP 6,800,000,000.00			03.06.2020		17	0.01
Portfolio of investments					217,256	92.43
SHARE CLASS HEDGING					(690)	(0.30)
Bought for € 55,159,652.60, Sold for US\$ 61,385,190.92			08.04.2020		(982)	(0.42)
Bought for CHF 104,505.89, Sold for US\$ 109,247.56			08.04.2020		0	0.00
Bought for US\$ 18,218,260.16, Sold for € 16,368,634.43			08.04.2020		292	0.12
Bought for US\$ 22,911.48, Sold for CHF 21,825.22			08.04.2020		0	0.00
Total portfolio					216,566	92.13
Net other assets/(liabilities)					18,462	7.87
NET ASSETS					235,028	100.00

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					216,524	92.12
Unrealised gains on forward currency contracts					1,986	0.84
Total Investment assets					218,510	92.96
Investment liabilities						
Unrealised losses on forward currency contracts					(1,234)	(0.53)
Unrealised losses on swap contracts					(710)	(0.30)
Total Investment liabilities					(1,944)	(0.83)
Total portfolio					216,566	92.13
Net other assets/(liabilities)					18,462	7.87
NET ASSETS					235,028	100.00

[a] Unlisted/unquoted.

[b] Defaulted Bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps US\$'000	Forward currency contracts US\$'000	Collateral held as cash US\$'000
Goldman Sachs International	0	36,049	0
HSBC Bank Plc	0	4,059	0
JP Morgan Chase	710	6,641	0
State Street Bank and Trust Company	0	79,736	575
State Street Bank London	0	4,425	0
UBS AG London	0	9,538	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-9.2	n/a	n/a	-1.4	22/05/2017
Class 'A' Distribution	-9.2	n/a	n/a	-1.3	22/05/2017
Class 'A-H' Accumulation	-14.1	n/a	n/a	-5.0	22/05/2017
Class 'A-H' Distribution	-14.0	n/a	n/a	-4.9	22/05/2017
Class 'C' Accumulation	-8.4	n/a	n/a	-0.5	22/05/2017
Class 'C' Distribution	-8.4	n/a	n/a	-0.5	22/05/2017
Class 'C-H' Accumulation	-13.2	n/a	n/a	-4.1	22/05/2017
Class 'C-H' Distribution	-13.2	n/a	n/a	-4.1	22/05/2017
Class 'CI' Accumulation	n/a	n/a	n/a	-12.1	15/07/2019
Class 'CI-H' Accumulation	-13.3	n/a	n/a	-11.0	22/02/2019
Class 'LI' Accumulation	-8.1	n/a	n/a	+0.8	27/09/2018
Sterling					
Class 'C' Accumulation	-5.3	n/a	n/a	+0.4	22/05/2017
Class 'C' Distribution	-5.2	n/a	n/a	+0.4	22/05/2017
Swiss franc					
Class 'A-H' Accumulation	-14.2	n/a	n/a	-5.2	22/05/2017
Class 'A-H' Distribution	-14.2	n/a	n/a	-5.3	22/05/2017
Class 'C-H' Accumulation	-13.4	n/a	n/a	-4.4	22/05/2017
Class 'C-H' Distribution	-13.5	n/a	n/a	-4.4	22/05/2017
US dollar					
Class 'A' Accumulation	-11.5	n/a	n/a	-2.2	22/05/2017
Class 'A' Distribution	-11.5	n/a	n/a	-2.2	22/05/2017
Class 'C' Accumulation	-10.7	n/a	n/a	-1.3	22/05/2017
Class 'C' Distribution	-10.7	n/a	n/a	-1.3	22/05/2017
Class 'CI' Accumulation	-10.6	n/a	n/a	-1.3	22/05/2017

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'A-H' Distribution	Class 'C' Distribution	Class 'C-H' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	Euro €	UK p
First interim	0.1446	0.1376	0.1475	0.1385	0.1528
Second interim	0.1532	0.1380	0.1561	0.1408	0.1610
Third interim	0.1456	0.1376	0.1489	0.1406	0.1472
Final	0.1467	0.1306	0.1513	0.1338	0.1549

	Class 'A-H' Distribution	Class 'C-H' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Swiss €	Swiss €	US \$	US \$
First interim	0.1320	0.1345	0.1465	0.1492
Second interim	0.1376	0.1402	0.1491	0.1520
Third interim	0.1350	0.1380	0.1456	0.1489
Final	0.1301	0.1333	0.1430	0.1466

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	9.6185	10.5928	9.4092
Class 'A' Distribution	8.2993	9.6920	9.1216
Class 'A-H' Accumulation	8.6469	10.0616	10.1120
Class 'A-H' Distribution	7.4646	9.2023	9.8045
Class 'C' Accumulation	9.8701	10.7713	9.4819
Class 'C' Distribution	8.5075	9.8441	9.1789
Class 'C-H' Accumulation	8.8751	10.2234	10.1845
Class 'C-H' Distribution	7.6537	9.3508	9.8745
Class 'CI' Accumulation	8.7916	n/a	n/a
Class 'CI-H' Accumulation	8.7986	10.1494	n/a
Class 'LI' Accumulation	10.1140	11.0054	n/a
Sterling	£	£	£
Class 'C' Accumulation	10.1232	10.6863	9.6175
Class 'C' Distribution	8.7365	9.7776	9.3247
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	8.5771	9.9987	10.0808
Class 'A-H' Distribution	7.4013	9.1453	9.7738
Class 'C-H' Accumulation	8.8004	10.1640	10.1563
Class 'C-H' Distribution	7.5961	9.3011	9.8504

NAV per share	31.03.2020	31.03.2019	31.03.2018
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.3813	10.5978	10.3257
Class 'A' Distribution	8.0922	9.6932	10.0108
Class 'C' Accumulation	9.6216	10.7714	10.4033
Class 'C' Distribution	8.3041	9.8563	10.0858
Class 'CI' Accumulation	9.6350	10.7811	10.4080

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	235,028	237,557	187,118
Swing pricing adjustment (see note 12)	(2,705)	n/a	n/a
Swung net assets	232,323	237,557	187,118

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.72
Class 'A' Distribution	1.72
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C' Accumulation	0.82
Class 'C' Distribution	0.83
Class 'C-H' Accumulation	0.84
Class 'C-H' Distribution	0.84
Class 'CI' Accumulation	0.78
Class 'CI-H' Accumulation	0.80
Class 'LI' Accumulation	0.53

Sterling	%
Class 'C' Accumulation	0.82
Class 'C' Distribution	0.81

Swiss franc	%
Class 'A-H' Accumulation	1.73
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.83
Class 'C-H' Distribution	0.84

US dollar	%
Class 'A' Accumulation	1.72
Class 'A' Distribution	1.72
Class 'C' Accumulation	0.82
Class 'C' Distribution	0.82
Class 'CI' Accumulation	0.78

M&G (Lux) Emerging Markets Income Opportunities Fund

Investment objective and policy

Investment objective

The Fund aims to deliver an annual income of 4-6%. Subject to this, the Fund aims to deliver capital growth over any five year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in emerging market assets, including equities, bonds and closed-ended real estate investment trusts.

The Investment Manager has the discretion to identify the countries that it considers to qualify as emerging markets. The Fund may invest across a wide range of geographies, sectors and market capitalisations.

The Fund invests at least 25% of its Net Asset Value in the equity securities of companies domiciled in or conducting the major part of their economic activity in emerging market countries. The Fund may invest in China A Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Exchange.

The Fund invests at least 25% of its Net Asset Value in bonds issued by companies or quasi-government agencies domiciled in or conducting the major part of their economic activity in emerging market countries.

The bonds that the Fund may invest in include the following:

- bonds which are rated investment grade by a recognised rating agency, bonds issued or guaranteed by companies, local authorities, government agencies or certain public international bodies, convertible/exchangeable bonds;
- a maximum of 75% of the Fund's Net Asset Value combined in unrated bonds and sub-investment grade bonds;
- Chinese onshore bonds denominated in CNY traded on the China Interbank Bond Market;

The Fund may invest up to 10% of its Net Asset Value in Asset-Backed Securities and up to 20% of its Net Asset Value in Contingent Convertible Debt Securities.

The Fund's exposure to these assets will typically be gained directly.

The Fund may also invest indirectly via derivative instruments. Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps and Options.

The fund may also invest in cash, near cash, deposits, other debt instruments and other collective investment schemes.

and corporate bonds from issuers whose primary business operations are located in emerging market economies, leveraging the Investment Manager's existing emerging market equity and credit selection capabilities to identify the most attractive investments.

Corporate bonds will typically generate and have historically generated a higher level of income yield than equities. Consequently income is not the Investment Manager's only consideration when selecting equities. Instead the Fund will own equities for their investment characteristics and their expected total return profile rather than purely their dividend yield.

The Fund's allocation between bonds and equities is an output of the investment process and portfolio construction, and as such will be the result of the Investment Manager investing in the best ideas, individually and relatively, across the capital spectrum.

Performance Comparator

Not applicable

Investment approach

The Fund employs a bottom-up approach to find the best investments across the capital structure to deliver on the Fund's investment objective. The Fund will invest primarily in equities

M&G (Lux) Emerging Markets Income Opportunities Fund

Investment review

For the year ended 31 March 2020

Performance review

Emerging market equities and corporate bonds declined in the 12 months under review, although the losses were largely concentrated at the end of the period, when the coronavirus outbreak rattled investors. They also lagged the returns from their developed market counterparts.

For most of the period financial markets were buoyant, even though escalating trade tensions between the US and China caused some turbulence along the way. Investors were cheered when the world's two largest economies reached an interim trade deal.

Investor confidence was also lifted by the efforts of policymakers around the world to counter slowing economic activity. The US Federal Reserve (Fed) made a dramatic change of direction and cut interest rates three times in 2019. Central banks across emerging markets also lowered borrowing costs to support their economies, notably in Brazil, Mexico and Turkey.

The upbeat mood that helped major stock markets climb to all-time highs in February faded quickly as Covid-19 spread around the globe and entire countries went into lockdown. Fears that the pandemic would cause a global economic recession sparked a dramatic stock market sell-off and investors flocked to perceived 'safe-haven' assets, such as US government bonds and gold.

Stock markets in commodity-producing nations such as Brazil, Chile and Peru were among the biggest fallers, with the declines in the local markets exacerbated by currency weakness against the US dollar. In contrast, China was one of the best-performing markets, despite being the source of the original outbreak, as the country appeared to be emerging from the crisis. Taiwan also outperformed.

As oil prices plunged on concerns about weaker demand and oversupply, energy stocks were hit hard. Other economically sensitive areas such as financials and industrials struggled too.

On the other hand, information technology was the stand-out area, while consumer staples and healthcare benefited from investors' search for safety.

In the fixed income universe, developed market government bonds delivered healthy gains, helped by their perceived safe-haven status in times of market stress. US Treasuries returned 13.9% in the period, as yields fell to record lows in the coronavirus-driven panic. In contrast, emerging market bonds delivered negative returns, as they fell sharply at the end of the period. Corporate bonds denominated in US dollars were more resilient than governments bonds denominated in local currencies and US dollars.

Against this background, the sub-fund recorded a negative total return over the review period as both its equity and corporate bonds declined in value. Within equities, the biggest fallers included financial stocks, such as Brazilian lender Banco

Bradesco and South African bank Absa, which were hard hit by worries about the economic outlook. As oil prices fell, our energy stocks were a drag on performance too, notably US-listed oil & gas explorer Kosmos Energy.

It was a similar story among our corporate bonds with positions in debt issued by financial and energy companies falling the furthest.

Despite the decline in capital value, the sub-fund achieved its income target. In the review period the total income paid out amounted to an income level of more than 6%. (This figure is calculated by taking the total income paid out as a percentage of the sub-fund price on 31 March 2020).

Investment activity

During the review period, we identified a number of new equity opportunities including China Mobile, China's largest telecommunications firm. Following a period of intense price competition, we believe the outlook for the Chinese telecoms market is improving. We also think China Mobile is well positioned to benefit from the development of 5G networks. The company is in a strong financial position and has an attractive dividend yield, in our view.

We also took advantage of the dramatic stock market fall at the end of the period to invest in Anglo-Australian mining firm BHP and Russian gas company Novatek at valuations we considered to be very attractive. In our view, they are high-quality businesses that should be able to ride out this downturn and thrive in the recovery.

In terms of bonds, we sold a number of holdings on valuation grounds following good performance. These included bonds issued by Mexican chemicals firm Mexichem and energy firm Hunt Oil Company of Peru.

Outlook

The coronavirus pandemic has caused turmoil in financial markets as investors worry about the impact on the global economy. Given the significant disruption to economic activity so far, it is likely that we will experience a severe economic slowdown this year. The challenge for investors is that this is an unprecedented situation and the full extent of the crisis is impossible to predict.

M&G (Lux) Emerging Markets Income Opportunities Fund

Investment review

Outlook (continued)

Despite the uncertainty about the near future, as long-term investors we believe that the severe panic-driven market sell-off has created some attractive opportunities among both equities and bonds. Valuations of emerging market stocks are now trading at levels reached during the global financial crisis in 2008/09, while the yields of emerging market bonds have risen significantly relative to those in developed markets. While financial markets are likely to remain volatile, we think there are some very exciting opportunities available for careful investors.

Michael Bourke and Charles de Quinsonas

Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO OF INVESTMENTS					19,809	95.05
Australia					125	0.60
Australia equities						
BHP Group	8,170	ZAR			125	0.60
Azerbaijan					203	0.97
Azerbaijan debt securities						
Southern Gas Corridor 6.875%	200,000	US\$	24.03.2026		203	0.97
Brazil					561	2.69
Brazil equities						
Banco Bradesco Pref. (voting)	68,313	BRL			283	1.36
CCR	73,808	BRL			175	0.84
Cogna Educação	106,624	BRL			103	0.49
British Virgin Islands					331	1.59
British Virgin Islands debt securities						
Wanda Properties International 7.25%	200,000	US\$	29.01.2024		148	0.71
Yingde Gases Investment 6.25%	200,000	US\$	19.01.2023		183	0.88
Cayman Islands					1,526	7.32
Cayman Islands debt securities						
Biocanico Sovereign Certificate 0%	150,000	US\$	05.06.2034		84	0.40
CAR 8.875%	200,000	US\$	10.05.2022		125	0.60
China Evergrande Group 8.75%	200,000	US\$	28.06.2025		142	0.68
Dar Al-Arkan Sukuk 6.875%	222,000	US\$	21.03.2023		173	0.83
GFH Sukuk 7.5%	200,000	US\$	28.01.2025		161	0.77
Latam Finance 7%	200,000	US\$	01.03.2026		87	0.42
MAF Global Securities FRN	300,000	US\$	31.12.2099		223	1.07
Melco Resorts Finance 5.625%	200,000	US\$	17.07.2027		181	0.87
Yuzhou Properties 6%	215,000	US\$	25.10.2023		180	0.86
Yuzhou Properties 7.7%	203,000	US\$	20.02.2025		170	0.82
China					1,278	6.13
China equities						
China Lesso Group Holdings	50,200	HK\$			66	0.32
China Petroleum & Chemical 'H'	366,000	HK\$			180	0.86
CNOOC	453,000	HK\$			475	2.28
Greatview Aseptic Packaging	1,300,000	HK\$			402	1.93
Lenovo Group	290,000	HK\$			155	0.74
Colombia					201	0.96
Colombia equities						
Banco Davivienda	9,662	COP			73	0.35
Colombia debt securities						
Banco Davivienda 7.5%	500,000,000	COP	24.10.2022		128	0.61
Georgia					291	1.40
Georgia debt securities						
Georgia Capital Issued International Bonds 6.125%	300,000	US\$	09.03.2024		291	1.40
Hong Kong					1,415	6.79
Hong Kong equities						
AIA Group	37,800	HK\$			342	1.64
China Mobile	43,000	HK\$			319	1.53
China Resources Power Holdings	108,000	HK\$			119	0.57
Far East Horizon	464,000	HK\$			374	1.79
First Pacific	530,000	HK\$			99	0.48
Nine Dragons Paper Holdings	178,000	HK\$			162	0.78
India					670	3.21
India debt securities						
Future Retail 5.6%	200,000	US\$	22.01.2025		100	0.48
Muthoot Finance 6.125%	200,000	US\$	31.10.2022		172	0.82
National Highways Authority of India 7.3%	30,000,000	INR	18.05.2022		398	1.91
Indonesia					243	1.17
Indonesia debt securities						
Jasa Marga Persero 7.5%	4,000,000,000	IDR	11.12.2020		243	1.17
Ireland					192	0.92
Ireland debt securities						
Gtk Europe Capital 5.95%	200,000	US\$	17.04.2025		192	0.92
Jersey					166	0.80
Jersey debt securities						
Walnut Bidco 6.75%	202,000	€	01.08.2024		166	0.80

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO OF INVESTMENTS (continued)						
Luxembourg					1,040	4.99
Luxembourg debt securities						
Gazprom Via Gaz Capital 7.288%	200,000	US\$	16.08.2037		256	1.23
Kernel Holding 8.75%	200,000	US\$	31.01.2022		178	0.85
MHP Lux 6.95%	200,000	US\$	03.04.2026		160	0.77
Millicom International Cellular 5.125%	200,000	US\$	15.01.2028		175	0.84
Puma International Financing 5%	220,000	US\$	24.01.2026		89	0.43
Rede D'or Finance 4.95%	200,000	US\$	17.01.2028		182	0.87
Mauritius					831	3.99
Mauritius equities						
Grit Real Estate Income Group	455,091	US\$			446	2.14
Mauritius debt securities						
Greenko Solar Mauritius 5.95%	200,000	US\$	29.07.2026		164	0.79
Network i2i FRN	278,000	US\$	31.12.2099		221	1.06
Mexico					1,320	6.33
Mexican equities						
Alfa 'A'	449,831	MXN			130	0.62
Fibra Uno Administracion	328,698	MXN			258	1.24
Grupo Financiero Banorte 'O'	25,963	MXN			71	0.34
Orbia Advance	162,088	MXN			181	0.87
Mexican debt securities						
Alpha Holding 9%	222,000	US\$	10.02.2025		156	0.75
Banco Mercantil del Norte FRN	200,000	US\$	31.12.2099		152	0.73
Grupo KUO 5.75%	266,000	US\$	07.07.2027		195	0.93
Petróleos Mexicanos 6.75%	270,000	US\$	21.09.2047		177	0.85
Netherlands (The)					1,180	5.66
Netherlands (The) debt securities						
IHS Netherlands Holdco 8%	200,000	US\$	18.09.2027		168	0.81
Petrobras Global Finance 6.9%	200,000	US\$	19.03.2049		193	0.92
Royal Capital 5.875%	313,000	US\$	31.12.2099		296	1.42
Teva Pharmaceuticals 6.75%	350,000	US\$	01.03.2028		339	1.63
VTR Finance 6.875%	200,000	US\$	15.01.2024		184	0.88
Paraguay					180	0.86
Paraguay debt securities						
Telefónica Celular del Paraguay 5.875%	200,000	US\$	15.04.2027		180	0.86
Russia					1,127	5.41
Russia equities						
Etalon Group	65,098	US\$			84	0.40
LUKOIL ADR	6,073	US\$			360	1.73
Novatek	674	US\$			80	0.39
Sberbank of Russia	228,202	RUB			544	2.61
X5 Retail Group	2,225	US\$			59	0.28
Singapore					785	3.77
Singapore equities						
DBS Group Holdings	37,800	SG\$			492	2.36
Singapore debt securities						
ABJA Investment 5.45%	400,000	US\$	24.01.2028		293	1.41
South Africa					352	1.69
South Africa equities						
Absa Group	45,041	ZAR			179	0.86
Sanlam	47,403	ZAR			134	0.64
Sasol	18,468	ZAR			39	0.19
South Korea					1,748	8.39
South Korea equities						
Hana Financial Group	26,036	KRW			494	2.37
Samsung Electronics	18,822	KRW			739	3.55
Samsung Fire & Marine Insurance	1,282	KRW			162	0.78
Shinhan Financial Group	15,048	KRW			353	1.69
Taiwan					585	2.81
Taiwan equities						
Catcher Technology	25,000	TW\$			162	0.78
Chicony Electronics	28,142	TW\$			71	0.34
Delta Electronics	28,000	TW\$			111	0.53
Silicon Motion Technology ADR	6,388	US\$			241	1.16

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO OF INVESTMENTS (continued)						
Thailand					118	0.57
Thailand equities						
Siam Commercial Bank	56,000	THB			118	0.57
Turkey					1,176	5.64
Turkey equities						
Enerjisa Enerji	289,709	TRY			287	1.38
Haci Omer Sabanci Holding	210,380	TRY			239	1.14
Turkey debt securities						
Arcelik 5%	200,000	US\$	03.04.2023		186	0.89
KOC Holding 6.5%	300,000	US\$	11.03.2025		277	1.33
QNB Finansbank 4.875%	200,000	US\$	19.05.2022		187	0.90
United Kingdom					397	1.91
UK equities						
Petrofac	50,271	£			124	0.60
UK debt securities						
MARB BondCo 6.875%	200,000	US\$	19.01.2025		178	0.85
State Savings Bank of Ukraine Via SSB 1 FRN	100,000	US\$	20.03.2025		95	0.46
United Arab Emirates					999	4.79
United Arab Emirates equities						
DP World	20,726	US\$			315	1.51
Emaar Development	130,713	AED			77	0.37
United Arab Emirates debt securities						
ADES International Holding 8.625%	246,000	US\$	24.04.2024		247	1.18
DP World 5.625%	200,000	US\$	25.09.2048		170	0.82
NBK Tier 1 Financing FRN	200,000	US\$	31.12.2099		190	0.91
United States					590	2.83
US equities						
Kosmos Energy	141,318	US\$			121	0.58
US debt securities						
US Treasury Note 2.5%	460,000	US\$	31.01.2021		469	2.25
Uzbekistan					179	0.86
Uzbekistan debt securities						
Uzbek Industrial and Construction Bank 5.75%	200,000	US\$	02.12.2024		179	0.86
CURRENCY					4	0.02
Forward currency contracts					4	0.02
Bought for US\$ 198,045.52, Sold for € 177,000.00			20.04.2020		4	0.02
Portfolio of investments					19,813	95.07
SHARE CLASS HEDGING					(31)	(0.15)
Bought for £ 53,789.70, Sold for US\$ 68,594.70			08.04.2020		(2)	0.00
Bought for € 2,176,813.40, Sold for US\$ 2,420,684.33			08.04.2020		(36)	(0.17)
Bought for CHF 121,619.18, Sold for US\$ 127,040.03			08.04.2020		0	0.00
Bought for US\$ 18,746.71, Sold for £ 15,300.46			08.04.2020		0	0.00
Bought for US\$ 653,259.99, Sold for € 588,919.91			08.04.2020		7	0.02
Bought for US\$ 32,970.61, Sold for CHF 31,471.29			08.04.2020		0	0.00
Total portfolio					19,782	94.92
Net other assets/(liabilities)					1,058	5.08
NET ASSETS					20,840	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					10,123	48.58
Debt securities					9,686	46.47
Unrealised gains on forward currency contracts					11	0.04
Total Investment assets					19,820	95.09
Investment liabilities						
Unrealised losses on forward currency contracts					(38)	(0.17)
Total Investment liabilities					(38)	(0.17)
Total portfolio					19,782	94.92
Net other assets/(liabilities)					1,058	5.08
NET ASSETS					20,840	100.00

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Portfolio statement (continued)

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

	Derivative exposures
Counterparty	Forward currency contracts US\$'000
State Street Bank and Trust Company	3,321
State Street Bank London	198

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Emerging Markets Income Opportunities Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A-H' Accumulation	-22.5	n/a	n/a	-7.4	22/05/2017
Class 'A-H' Distribution	-22.6	n/a	n/a	-7.5	22/05/2017
Class 'C-H' Accumulation	-21.8	n/a	n/a	-6.6	22/05/2017
Class 'C-H' Distribution	-21.8	n/a	n/a	-6.6	22/05/2017
Sterling					
Class 'C-H' Accumulation	-21.9	n/a	n/a	-5.9	22/05/2017
Class 'C-H' Distribution	-21.9	n/a	n/a	-6.0	22/05/2017
Swiss franc					
Class 'A-H' Accumulation	-22.6	n/a	n/a	-7.6	22/05/2017
Class 'A-H' Distribution	-22.6	n/a	n/a	-7.6	22/05/2017
Class 'C-H' Accumulation	-21.9	n/a	n/a	-6.8	22/05/2017
Class 'C-H' Distribution	-21.9	n/a	n/a	-6.8	22/05/2017
US dollar					
Class 'A' Accumulation	-20.2	n/a	n/a	-4.6	22/05/2017
Class 'A' Distribution	-20.2	n/a	n/a	-4.6	22/05/2017
Class 'A M' Distribution	-20.2	n/a	n/a	-4.6	22/05/2017
Class 'C' Accumulation	-19.4	n/a	n/a	-3.8	22/05/2017
Class 'C' Distribution	-19.4	n/a	n/a	-3.8	22/05/2017
Class 'C M' Distribution	-19.4	n/a	n/a	-3.8	22/05/2017
Class 'CI' Accumulation	-19.4	n/a	n/a	-3.7	22/05/2017

M&G (Lux) Emerging Markets Income Opportunities Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H' Distribution	Class 'C-H' Distribution	Class 'C-H' Distribution	Class 'A-H' Distribution	Class 'C-H' Distribution
to 31 March 2020	Euro €	Euro €	UK p	Swiss €	Swiss €
First interim	0.1601	0.1636	0.1676	0.1575	0.1602
Second interim	0.1318	0.1348	0.1373	0.1322	0.1350
Third interim	0.1086	0.1113	0.1180	0.1065	0.1089
Final	0.0960	0.0986	0.1017	0.0959	0.0983

	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	US ¢	US ¢
First interim	0.1729	0.1763
Second interim	0.1435	0.1464
Third interim	0.1149	0.1173
Final	0.1058	0.1089

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A M' Distribution	Class 'C M' Distribution
to 31 March 2020	US ¢	US ¢
First interim	0.0484	0.0492
Second interim	0.0580	0.0590
Third interim	0.0658	0.0671
Fourth interim	0.0527	0.0538
Fifth interim	0.0361	0.0367
Sixth interim	0.0537	0.0549
Seventh interim	0.0464	0.0476
Eighth interim	0.0345	0.0351
Ninth interim	0.0334	0.0340
Tenth interim	0.0263	0.0270
Eleventh interim	0.0387	0.0397
Final	0.0404	0.0418

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A-H' Accumulation	8.0311	10.3579	10.8407
Class 'A-H' Distribution	7.0425	9.5580	10.5510
Class 'C-H' Accumulation	8.2389	10.5311	10.9195
Class 'C-H' Distribution	7.2351	9.7301	10.6330

Sterling	£	£	£
Class 'C-H' Accumulation	8.3934	10.7419	11.0151
Class 'C-H' Distribution	7.3635	9.9176	10.7209

Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	7.9800	10.3100	10.8134
Class 'A-H' Distribution	7.0107	9.5211	10.5201
Class 'C-H' Accumulation	8.1824	10.4737	10.8858
Class 'C-H' Distribution	7.1919	9.6811	10.6001

US dollar	US\$	US\$	US\$
Class 'A' Accumulation	8.7323	10.9400	11.0790
Class 'A' Distribution	7.6738	10.1051	10.7827
Class 'A M' Distribution	7.6035	10.0467	10.7144
Class 'C' Accumulation	8.9642	11.1269	11.1646
Class 'C' Distribution	7.8769	10.2771	10.8668
Class 'C M' Distribution	7.8037	10.2163	10.7972
Class 'CI' Accumulation	8.9702	11.1308	11.1669

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	20,840	23,418	22,994
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	20,840	23,418	22,994

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A-H' Accumulation	1.84
Class 'A-H' Distribution	1.84
Class 'C-H' Accumulation	0.93
Class 'C-H' Distribution	0.93

Sterling	%
Class 'C-H' Accumulation	0.94
Class 'C-H' Distribution	0.94

Swiss franc	%
Class 'A-H' Accumulation	1.83
Class 'A-H' Distribution	1.84
Class 'C-H' Accumulation	0.93
Class 'C-H' Distribution	0.94

US dollar	%
Class 'A' Accumulation	1.82
Class 'A' Distribution	1.82
Class 'A M' Distribution	1.82
Class 'C' Accumulation	0.93
Class 'C' Distribution	0.91
Class 'C M' Distribution	0.91
Class 'CI' Accumulation	0.88

M&G (Lux) Episode Macro Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of capital growth and income) of 4-8% a year above the 3-month USD LIBOR, over any five-year period.

Investment policy

The Fund has a highly flexible investment approach, with the freedom to invest in fixed income securities, equities (including closed-ended real estate investment trusts), Convertible Bonds, Asset-Backed Securities, currencies, cash, near cash and deposits. These assets can be issued anywhere in the world, including emerging markets, and denominated in any currency.

The Fund will mostly gain exposure to these assets by taking investment positions at index or sector level through derivative instruments, but it may also invest directly. The Fund may also use derivative instruments to take long and short positions in markets, currencies, securities, and groups of securities and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling market. This may result in a net long or net short position at the overall fund level.

The Fund may invest up to a combined maximum of 60% of its Net Asset Value in below investment grade and unrated debt securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

The Fund may invest up to 20% of its Net Asset Value in Contingent Convertibles Securities and up to 20% of its Net Asset Value in Asset-Backed Securities.

The Investment Manager seeks to allocate capital between different types of assets in response to investment opportunities created by changes in economic conditions and the valuation of assets. Asset allocation may change significantly and rapidly, and exposure to certain markets, sectors or currencies may at times be concentrated. Short-term volatility of the Fund may therefore be high.

Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Currency Swaps, Credit Default Swaps, Interest Rate Swaps, Credit Linked Notes and Total Return Swaps.

The Fund may also invest in other assets including collective investment schemes, warrants, and other transferable securities.

Investment approach

The Investment Manager adopts a highly flexible top-down approach to the allocation of capital between different types of assets, in response to changes in economic conditions and the valuation of assets, guided by a robust valuation framework.

This approach combines in-depth research to determine the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the Investment Manager seeks to respond to opportunities created by asset prices moving away from a reasonable sense of 'fair' value due to market reaction to events.

Whilst short-term volatility in the Fund may be high, the Investment Manager expects that this approach over five years should lead to a lower volatility than that of global equities (as represented by the MSCI ACWI Index).

Performance Comparator

The performance comparator is set out as below:

- for USD Share class the performance comparator is the 3-month USD LIBOR + 4-8%
- for CHF Hedged Share class the performance comparator is the 3-month CHF LIBOR + 4-8%
- for EUR Hedged Share class the performance comparator is the 3-month EUR LIBOR + 4-8%
- for GBP Hedged Share class the performance comparator is the 3-month GBP LIBOR + 4-8%

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Episode Macro Fund

Investment review

For the year ended 31 March 2020

Performance Review

The investment environment changed markedly over the 12-month review period. Initially, investors were encouraged by the increasingly accommodative stance of central banks and hopes that a trade deal could be agreed between the US and China, meaning that most assets rose in price. However, in March 2020, the impact of the coronavirus and the effect of the measures being taken to contain it caused a massive reversal. All the previous gains in company shares (equities) were quickly wiped out as investors flocked into cash.

In this context, the sub-fund delivered a negative total return over the review period. The main detractors from performance were short positions (which seek to profit from price falls) in government bonds from the UK and Germany, as well as long exposure to emerging market equities, most notably Korea and China.

There were positive returns from long positions in US government bonds and developed market equity exposure, and in particular a position in a basket of shares issued by US banks. Long exposure to the Turkish lira was also a positive contributor.

Investment activity

The sub-fund began the period with long exposure to a diversified basket of global equity markets and US government bonds, as well as a selection of emerging market government bonds and currencies. The sub-fund also held short exposure to government bonds from the UK and Germany.

Having scaled back total equity exposure that had been added after the market declines at the end of 2018, the sub-fund began tactically building positions into market weakness in April and June before cutting exposure materially by January 2020. In the aftermath of volatility surrounding the coronavirus outbreak in March 2020, this equity exposure was again increased in response to what looked like 'episodic' declines. At the end of the period, total equity exposure stood at around 40% of the portfolio. ('Episodes' are occasions where we believe asset price movements are irrational and not a reflection of changes to economic or business fundamentals.)

There was similar scaling of position in emerging market government bonds. A new long position which had been opened shortly before the start of the review period was increased in the middle of the year, before being reduced in January 2020, and increased again in response to the sharp market moves in March 2020. Within the portfolio's basket of long exposure to high-yielding emerging market currencies (versus a basket of low-yielding currencies from around the world), the most significant change was the reduction of a large position in the Turkish lira, from 12.5% to 6% in December 2019. This reflected the partial unwinding of the 'episode' in that currency associated with the middle of 2018.

Holdings in US government bonds were also tactically scaled during the period. Long exposure that had offered diversification amidst volatility in the first half of 2019 was closed in June before being re-established at higher yields in December. In early 2020, this position again provided some positive return in volatile markets, before being closed as yields reached new lows in March.

Short positions in government bonds in the UK and Germany were part of the move to more neutral positioning in January. With government bond positions limited to emerging market exposures alongside a long equity theme and long exposure to emerging market currencies, the portfolio has a more directional tilt than at the start of 2020. This is a reflection of the opportunities created by market volatility in the first quarter.

Outlook

Having entered 2020 with a more neutral portfolio, the sub-fund has been in a position to respond to extreme volatility driven by coronavirus fears. As investors deal with uncertainty surrounding the temporary versus permanent effects upon global growth, market moves seem likely to continue to be highly volatile, with significant emotional elements.

Such volatility may well create opportunities for the approach to respond tactically to bouts of volatility, just as it did in the review period. At the same time, price moves in many assets in 2020 have served to increase their attractiveness from a long-term standpoint, in contrast to the less compelling signals that were evident at the start of the year. A combination of more attractive valuations and pronounced episodic volatility would represent an encouraging environment.

David Fishwick and Eric Lonergan Co-sub-fund managers

Investment review information as at 31 March 2020

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Episode Macro Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					15,007	6.98
Banks					7,979	3.71
Bank of America	79,030	US\$			1,742	0.81
Citigroup	33,157	US\$			1,462	0.68
JPMorgan Chase	18,800	US\$			1,757	0.82
Lloyds Banking Group	3,412,757	£			1,379	0.64
Wells Fargo	54,782	US\$			1,639	0.76
Finance & Credit Services						
American Express	18,772	US\$			1,693	0.79
Equity derivatives					5,335	2.48
Equity index futures					5,335	2.48
Hang Seng China Enterprises Index Futures	89	HK\$	28.04.2020	5,507	99	0.05
Korean Stock Exchange Futures	266	KRW	11.06.2020	12,937	(240)	(0.11)
Topix Index Futures	40	¥	11.06.2020	5,166	28	0.01
Dax Index Futures	45	€	19.06.2020	12,151	1,424	0.66
DJ Euro Stoxx 50 Futures	150	€	19.06.2020	4,545	618	0.29
Euro Stoxx 600 Europe Futures	749	€	19.06.2020	13,020	1,849	0.86
FTSE MIB Index Futures	129	€	19.06.2020	11,964	888	0.41
S&P MINI 500 Futures	93	US\$	19.06.2020	12,018	207	0.10
SET50 Index Futures	1,298	THB	29.06.2020	5,988	462	0.21
FIXED INCOME					181,573	84.43
Bond portfolios						
iShares JP Morgan EM Local Government Bond UCITS ETF	418,538	US\$			21,341	9.92
Debt securities					160,232	74.51
'AAA' credit rated bonds					137,108	63.76
US Treasury Bill 0%	2,389,200	US\$	16.04.2020		2,389	1.11
US Treasury Bill 0%	19,371,000	US\$	23.04.2020		19,371	9.01
US Treasury Bill 0%	10,868,000	US\$	07.05.2020		10,868	5.05
US Treasury Bill 0%	18,539,800	US\$	14.05.2020		18,539	8.62
US Treasury Bill 0%	16,654,900	US\$	21.05.2020		16,654	7.75
US Treasury Bill 0%	16,976,200	US\$	28.05.2020		16,976	7.89
US Treasury Bill 0%	20,303,800	US\$	11.06.2020		20,303	9.44
US Treasury Bill 0%	19,950,900	US\$	18.06.2020		19,950	9.28
US Treasury Bill 0%	12,060,300	US\$	16.07.2020		12,058	5.61
'BBB' credit rated bonds					11,717	5.45
Indonesia (Republic of) 8.25%	92,044,000,000	IDR	15.05.2029		5,723	2.66
Mexico (United Mexican States) 7.5%	139,510,000	MXN	03.06.2027		5,994	2.79
'BB' credit rated bonds					11,407	5.30
Brazil (Federal Republic of) 0%	15,149,000	BRL	01.07.2021		2,786	1.29
Brazil (Federal Republic of) 10%	13,000,000	BRL	01.01.2029		2,835	1.32
South Africa (Republic of) 8%	62,642,497	ZAR	31.01.2030		2,886	1.34
South Africa (Republic of) 8.875%	64,378,065	ZAR	28.02.2035		2,900	1.35
CURRENCY					(1,420)	(0.65)
Forward currency contracts					(1,420)	(0.65)
Bought for TRY 22,498,063.02, Sold for US\$ 3,710,058.18			17.04.2020		(301)	(0.14)
Bought for US\$ 1,072,507.41, Sold for TRY 6,952,400.58			17.04.2020		19	0.01
Bought for CHF 1,220,256.53, Sold for US\$ 1,291,088.17			15.05.2020		(25)	(0.01)
Bought for € 12,696,058.41, Sold for US\$ 14,130,394.13			15.05.2020		(206)	(0.10)
Bought for £ 778,201.90, Sold for US\$ 1,013,655.45			15.05.2020		(51)	(0.02)
Bought for KRW 8,289,523,650.00, Sold for US\$ 7,017,229.73			15.05.2020		(239)	(0.11)
Bought for RUB 253,121,989.73, Sold for US\$ 3,950,401.71			15.05.2020		(730)	(0.34)
Bought for SG\$ 2,150,476.42, Sold for US\$ 1,522,876.91			15.05.2020		(14)	(0.01)
Bought for TRY 29,348,075.76, Sold for € 4,347,219.04			15.05.2020		(357)	(0.17)
Bought for TW\$ 71,091,277.00, Sold for US\$ 2,379,871.14			15.05.2020		(16)	(0.01)
Bought for US\$ 7,728,753.87, Sold for AU\$ 11,521,198.20			15.05.2020		713	0.33
Bought for US\$ 7,639,979.95, Sold for CHF 7,471,393.10			15.05.2020		(115)	(0.05)
Bought for US\$ 19,075,546.79, Sold for € 17,541,988.25			15.05.2020		(162)	(0.08)
Bought for US\$ 9,896,931.37, Sold for £ 7,606,406.56			15.05.2020		487	0.23
Bought for US\$ 1,268,831.36, Sold for KRW 1,538,806,287.00			15.05.2020		11	0.01
Bought for US\$ 648,710.06, Sold for RUB 51,358,375.19			15.05.2020		(5)	0.00
Bought for US\$ 10,695,015.05, Sold for SG\$ 14,881,033.24			15.05.2020		250	0.12
Bought for US\$ 2,831,993.77, Sold for TRY 17,560,145.55			15.05.2020		193	0.09
Bought for US\$ 14,512,843.19, Sold for TW\$ 432,768,630.00			15.05.2020		119	0.06
Bought for INR 384,006,157.58, Sold for US\$ 5,332,678.21			22.05.2020		(311)	(0.14)
Bought for TRY 60,473,812.23, Sold for US\$ 9,696,754.95			12.06.2020		(680)	(0.32)
Portfolio of investments					195,160	90.76

M&G (Lux) Episode Macro Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING						
Bought for CHF 6,993,067.05, Sold for US\$ 7,306,440.83			08.04.2020		(3,121)	(1.46)
Bought for € 188,856,564.51, Sold for US\$ 210,065,632.46			08.04.2020		(61)	(0.03)
Bought for £ 7,319,230.93, Sold for US\$ 9,348,352.03			08.04.2020		(3,262)	(1.52)
Bought for US\$ 715,239.48, Sold for CHF 682,769.05			08.04.2020		(300)	(0.14)
Bought for US\$ 34,226,395.37, Sold for € 30,805,290.16			08.04.2020		7	0.00
Bought for US\$ 950,746.66, Sold for £ 767,187.36			08.04.2020		492	0.23
					3	0.00
Total portfolio					192,039	89.30
Net other assets/(liabilities)					23,010	10.70
NET ASSETS					215,049	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					9,672	4.50
Bond portfolios					21,341	9.92
Debt securities					160,232	74.51
Unrealised gains on futures contracts					5,575	2.59
Unrealised gains on forward currency contracts					2,294	1.08
Total Investment assets					199,114	92.60
Investment liabilities						
Unrealised losses on futures contracts					(240)	(0.11)
Unrealised losses on forward currency contracts					(6,835)	(3.19)
Total Investment liabilities					(7,075)	(3.30)
Total portfolio					192,039	89.30
Net other assets/(liabilities)					23,010	10.70
NET ASSETS					215,049	100.00

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prereddated date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures		
	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as cash US\$'000
Bank of America Merrill Lynch	0	82,851	0
BNP Paribas	24,427	0	280
Citigroup Global Markets Limited	1,342	0	0
HSBC Bank Plc	34,271	0	0
JP Morgan Chase	34,514	0	670
Merrill Lynch Pierce Fenner + Smith Inc	20,372	0	0
Standard Chartered Bank	1,848	0	0
State Street Bank and Trust Company	262,613	0	2,030
State Street Bank London	4,668	0	0
UBS AG London	13,651	0	570

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Episode Macro Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK sub-funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'B-H' Accumulation	-2.5	-1.1	+0.5	+1.5	19/04/2012	26/10/2018
Class 'S-H' Accumulation	-2.0	-0.7	+1.0	+2.3	03/06/2010	26/10/2018
Class 'T-H' Accumulation	-1.0	-0.1	+1.4	+2.3	03/06/2010	26/10/2018
Class 'TI-H' Accumulation	-0.9	0.0	+1.4	+2.3	03/06/2010	06/11/2018
Sterling						
Class 'T-H' Accumulation	-0.3	n/a	n/a	-1.3	n/a	22/02/2019
Class 'TI-H' Accumulation	-0.3	n/a	n/a	+3.1	n/a	17/12/2018
Swiss Franc						
Class 'S-H' Accumulation	-2.2	-0.9	+0.6	+3.5	28/09/2012	26/10/2018
Class 'T-H' Accumulation	-1.2	+0.1	+1.6	+4.3	28/09/2012	26/10/2018
US dollar						
Class 'S' Accumulation	+0.8	+2.2	+3.1	+3.5	03/06/2010	26/10/2018
Class 'T' Accumulation	+1.9	+3.2	+4.1	+4.2	03/06/2010	26/10/2018
Class 'TI' Accumulation	+1.9	+3.2	+4.1	+4.2	03/06/2010	06/11/2018

[a] Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Episode Macro Fund, which includes UK taxes but excludes entry and exit charges. The M&G Episode Macro Fund is a UK authorised fund which launched on 3 June 2010 and its non-Sterling share classes merged into M&G (Lux) Episode Macro Fund on 26 October 2018.

M&G (Lux) Episode Macro Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'B-H' Accumulation	11.2880	11.5745	n/a
Class 'S-H' Accumulation	12.5224	12.7802	n/a
Class 'T-H' Accumulation	12.5006	12.6252	n/a
Class 'TI-H' Accumulation	9.9072	9.9944	n/a
Sterling	£	£	£
Class 'T-H' Accumulation	9.8566	9.8820	n/a
Class 'TI-H' Accumulation	10.3989	10.4255	n/a
Swiss Franc	CHF	CHF	CHF
Class 'S-H' Accumulation	12.9659	13.2550	n/a
Class 'T-H' Accumulation	13.7454	13.9100	n/a
US dollar	US\$	US\$	US\$
Class 'S' Accumulation	14.0266	13.9102	n/a
Class 'T' Accumulation	14.9619	14.6893	n/a
Class 'TI' Accumulation	10.3162	10.1242	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	215,049	289,982	n/a
Swing pricing adjustment (see note 12)	(323)	n/a	n/a
Swung net assets	214,726	289,982	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'B-H' Accumulation	2.56		
Class 'S-H' Accumulation	2.06		
Class 'T-H' Accumulation ^[a]	1.06		
Class 'TI-H' Accumulation	1.02		
Sterling	%		
Class 'T-H' Accumulation ^[a]	1.06		
Class 'TI-H' Accumulation	1.02		
Swiss Franc	%		
Class 'S-H' Accumulation	2.06		
Class 'T-H' Accumulation ^[a]	1.06		
US dollar	%		
Class 'S' Accumulation	2.04		
Class 'T' Accumulation ^[a]	1.04		
Class 'TI' Accumulation	1.00		

^[a] Performance fee may be applicable (please see Note 5).

M&G (Lux) Euro Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European investment grade corporate bond market over any five-year period.

Investment policy

The Fund invests at least 70% of its Net Asset Value in investment grade corporate bonds denominated in any European currency. Issuers of these securities may be located in any country, including emerging markets.

The investment process of the Fund is based on both a macroeconomic view and fundamental analysis of individual securities.

The Fund may also invest in high yield corporate bonds, unrated bonds, government and public securities denominated in any European currency. More than 70% of the Fund's assets will be in Euro or hedged back to Euro. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The Fund may invest up to a combined maximum of 30% of the Fund's Net Asset Value in below investment grade and unrated securities.

The Fund may hold up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities and up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivatives instruments to take both long and short positions to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Credit Default Swaps, Interest Rate Swaps and Credit Linked Notes (CLNs).

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits, and other debt instruments.

Investment approach

The Investment Manager believes that bond returns are driven by a combination of macroeconomic, asset, sector, geographic and stock-level factors. A dynamic investment approach is followed, allowing the Investment Manager to change the blend of duration and credit exposure.

The Fund is diversified by investing in a range of individual issuers, sectors and geographies. An in-house team of credit analysts assists the Investment Manager in individual credit selection along with the monitoring of issuers held by the Fund.

Performance Comparator

ICE BofAML Euro Corporate Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

For Currency Hedged Share Classes, the performance comparator is hedged to the Share Class currency.

M&G (Lux) Euro Corporate Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

The period under review began in a positive vein, as the global risk-on sentiment that pervaded for much of the preceding three months continued. However, by May, the optimistic mood was somewhat dampened, as renewed fears about the prospects for global trade prompted investors to prefer safer assets once again.

During the summer, there was a series of interest rate decisions from central banks in response to mounting uncertainties on the path of global economic growth.

In the final few months of 2019 the Federal Reserve cut interest rates, there were signs of a resolution to trade wars, and Brexit was on the cusp of clearing the final hurdle following victory for the pro-Brexit Conservative Party in December's UK general election. The European Central Bank (ECB) resuming its bond-buying programme (in November) was an additional source of support for European credit. Investor sentiment rose as a result.

However, a promising start to 2020 had fallen away by the middle of January as investors retreated on the news of the coronavirus outbreak in China. Thereafter, as the number of coronavirus cases increased across Europe, 'risk-off' sentiment returned to markets with a vengeance.

By March this year, employment, consumer demand and broader economic activity took a major blow. Investors reacted by exiting risk strategies, which resulted in significant price falls across most asset classes.

In this context, the sub-fund delivered a negative total return and performance was behind its benchmark, the ICE BofAML Euro Corporate Index, over the 12-month review period.

Most of the period under review was broadly positive for corporate bonds – mainly those issued by US companies. Euro and sterling-denominated investment grade bonds were weaker, despite the resumption of bond-buying by the ECB in November, seen by many investors as a potential boost for the former. However, prices of European corporate bonds declined significantly as the coronavirus outbreak intensified across Europe, and sub-fund performance (during February and March 2020 mostly) suffered as a result.

Investment activity

One of the key drivers of a bond sub-fund's performance is the ability to adjust the portfolio's sensitivity to changes in interest rates, known as 'duration' and measured in years. Being shorter duration means that a sub-fund is relatively less sensitive to changes in interest rates than longer duration sub-funds.

During the course of the review period, we slightly adjusted the sub-fund's duration, while keeping it short overall. We moved it between around 0.8 years to 0.15 years short against the ICE BofAML Euro Corporate Index, ending the review period at around 0.15 years short in anticipation of a worsening economic outlook because of the coronavirus pandemic. As the period

under review came to a close, we added more exposure to credit at the margin and within high-quality corporates with steady cashflows. We continue to favour the valuation signal mainly offered by BBB rated bonds.

Outlook

The coronavirus pandemic has completely changed the narrative for the global economy and financial markets in 2020. But regardless of how situations develop, as central bank interest rate policies and government fiscal policies react to try and stave off an inevitable global recession, what we do as sub-fund managers does not change. We look at where we are in the interest rate cycle and the economic cycle, and we look at where we can find the most attractive opportunities for the sub-fund from different sectors and individual issuers at any given stage.

Stefan Isaacs

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					705,651	96.63
Debt securities					706,183	96.70
'AAA' credit rated bonds					50,702	6.94
Barings Euro CLO FRN	4,138,000	€	15.10.2030		3,977	0.54
Germany (Federal Republic of) 0%	2,210,312	€	08.04.2022		2,243	0.31
Germany (Federal Republic of) 0.25%	2,003,366	€	15.02.2027		2,129	0.29
Germany (Federal Republic of) 0.5%	2,506,683	€	15.02.2026		2,682	0.37
Germany (Federal Republic of) 1%	1,283,050	€	15.08.2024		1,381	0.19
Germany (Federal Republic of) 5.5%	1,425,968	€	04.01.2031		2,372	0.33
Johnson & Johnson 0.25%	2,488,000	€	20.01.2022		2,489	0.34
Johnson & Johnson 0.65%	3,000,000	€	20.05.2024		3,024	0.41
Lloyds Bank 4.875%	1,000,000	£	30.03.2027		1,413	0.19
Microsoft 2.625%	1,407,000	€	02.05.2033		1,709	0.23
Microsoft 3.5%	3,106,000	US\$	12.02.2035		3,336	0.46
Nationwide Building Society 0.05%	4,534,000	€	03.06.2024		4,548	0.62
Netherlands (Kingdom of) 0.75%	12,511,401	€	15.07.2027		13,600	1.86
Temasek Financial I 0.5%	3,258,000	€	20.11.2031		3,174	0.44
Wellcome Trust 1.125%	2,544,000	€	21.01.2027		2,625	0.36
'AA' credit rated bonds					46,279	6.34
Apple 1%	1,846,000	€	10.11.2022		1,870	0.26
Berkshire Hathaway 1.125%	4,770,000	€	16.03.2027		4,732	0.65
Deutsche Bahn Finance 1.5%	3,090,000	€	08.12.2032		3,324	0.46
Euroclear Investments 1.5%	600,000	€	11.04.2030		604	0.08
France (Republic of) 0.25%	6,269,035	€	25.11.2026		6,481	0.89
Metropolitan Life Global Funding I 0.375%	3,744,000	€	09.04.2024		3,560	0.49
New York Life Global Funding 0.25%	1,888,000	€	23.01.2027		1,768	0.24
Procter & Gamble 2%	1,923,000	€	16.08.2022		1,994	0.27
Roche Finance Europe 0.875%	595,000	€	25.02.2025		608	0.08
Shell International Finance 1%	7,828,000	€	06.04.2022		7,827	1.07
Svenska Handelsbanken 2.625%	3,721,000	€	23.08.2022		3,877	0.53
Walmart 4.875%	7,250,000	€	21.09.2029		9,634	1.32
'A' credit rated bonds					233,465	31.97
3M 0.95%	2,469,000	€	15.05.2023		2,492	0.34
Aéroports de Paris 2.125%	700,000	€	02.10.2026		701	0.10
Airbus Finance 0.875%	2,960,000	€	13.05.2026		2,861	0.39
Allianz FRN	3,000,000	€	31.12.2099		3,072	0.42
Allianz Finance II FRN	800,000	€	08.07.2041		838	0.11
Bank of America 1.375%	2,610,000	€	10.09.2021		2,609	0.36
Bank of America 2.375%	2,000,000	€	19.06.2024		2,051	0.28
BMW Finance 0.125%	2,552,000	€	13.07.2022		2,477	0.34
BMW Finance 1.125%	5,667,000	€	22.05.2026		5,439	0.74
BNP Paribas 1.5%	1,539,000	€	17.11.2025		1,501	0.21
BNP Paribas FRN	6,941,000	€	07.06.2024		6,461	0.88
BP Capital Markets 1.117%	1,272,000	€	25.01.2024		1,265	0.17
BP Capital Markets 2.517%	4,459,000	€	17.02.2021		4,543	0.62
BPCE 0.25%	3,200,000	€	15.01.2026		3,012	0.41
BPCE 1.375%	1,300,000	€	23.03.2026		1,248	0.17
Chubb INA Holdings 0.875%	2,368,000	€	15.12.2029		2,081	0.29
Chubb INA Holdings 1.55%	1,555,000	€	15.03.2028		1,493	0.20
Coca-Cola 1.125%	8,688,000	€	09.03.2027		8,661	1.19
Coöperatieve Rabobank 4%	3,736,000	€	11.01.2022		3,936	0.54
Crédit Agricole 1.375%	1,100,000	€	03.05.2027		1,109	0.15
Crédit Agricole 1.875%	3,500,000	€	20.12.2026		3,457	0.47
Crédit Agricole 4.125%	3,519,000	US\$	10.01.2027		3,319	0.45
DAA Finance 1.554%	2,800,000	€	07.06.2028		2,774	0.38
Diageo Finance 1.875%	770,000	€	27.03.2027		787	0.11
Électricité de France 4%	3,650,000	€	12.11.2025		4,253	0.58
ELM for Swiss Life Insurance & Pension Group FRN	1,538,000	€	29.12.2049		1,541	0.21
ELM for Swiss Reinsurance FRN	1,635,000	€	29.12.2049		1,592	0.22
E-Mac FRN	83,714	€	25.08.2048		84	0.01
Engie 1.375%	3,600,000	€	19.05.2020		3,606	0.49
Engie 5.95%	7,061,000	€	16.03.2111		14,425	1.98
Groupe Bruxelles Lambert 1.375%	4,400,000	€	23.05.2024		4,361	0.60
Honeywell International 1.3%	1,359,000	€	22.02.2023		1,382	0.19
HSBC Holdings 0.875%	4,669,000	€	06.09.2024		4,436	0.61
HSBC Holdings 1.5%	3,511,000	€	15.03.2022		3,518	0.48
HSBC Holdings FRN	6,000,000	€	05.10.2023		5,578	0.76
Hutchison Whampoa Finance 14 1.375%	3,146,000	€	31.10.2021		3,184	0.44

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
ING Groep 2.125%	900,000	€	10.01.2026		902	0.12
JPMorgan Chase 0.625%	5,000,000	€	25.01.2024		4,803	0.66
JPMorgan Chase 1.375%	2,871,000	€	16.09.2021		2,848	0.39
JPMorgan Chase 1.5%	3,540,000	€	29.10.2026		3,500	0.48
JPMorgan Chase FRN	1,531,000	€	18.05.2028		1,483	0.20
JPMorgan Chase FRN	2,473,000	€	25.07.2031		2,227	0.31
KBC Group 0.75%	2,500,000	€	01.03.2022		2,452	0.34
Lloyds Bank Corporate Markets 0.25%	1,337,000	€	04.10.2022		1,290	0.18
LVMH Moët Hennessy Louis Vuitton 0.125%	2,900,000	€	11.02.2028		2,734	0.37
Medtronic Global Holdings 1.75%	2,405,000	€	02.07.2049		2,098	0.29
Nestlé Finance International 2.125%	2,851,000	€	10.09.2021		2,922	0.40
Novartis Finance 0.125%	3,016,000	€	20.09.2023		2,974	0.41
Novartis Finance 1.625%	4,688,000	€	09.11.2026		4,971	0.68
Prologis 3%	1,023,000	€	18.01.2022		1,057	0.14
Prologis 3.375%	994,000	€	20.02.2024		1,081	0.15
RTE Réseau de Transport d'Électricité 0%	2,200,000	€	09.09.2027		2,061	0.28
Santander Consumer Bank 0.125%	1,600,000	€	11.09.2024		1,523	0.21
Santander Consumer Bank 0.25%	2,700,000	€	15.10.2024		2,576	0.35
Santander Consumer Finance 0.375%	3,500,000	€	27.06.2024		3,338	0.46
SAP 0.75%	6,500,000	€	10.12.2024		6,534	0.89
Scentre Group Trust 1 1.5%	3,548,000	€	16.07.2020		3,548	0.49
Silverback Finance 3.1261%	7,546,875	€	25.02.2037		7,792	1.07
Statkraft 2.5%	1,450,000	€	28.11.2022		1,527	0.21
Sumitomo Mitsui Banking 2.75%	2,018,000	€	24.07.2023		2,117	0.29
Swiss Re Finance Luxembourg FRN	1,300,000	€	30.04.2050		1,211	0.17
Thales 0.75%	4,400,000	€	07.06.2023		4,360	0.60
TOTAL FRN	8,000,000	€	29.12.2049		8,120	1.11
Total Capital International 1.375%	7,100,000	€	19.03.2025		7,237	0.99
Toyota Finance Australia 0.25%	3,550,000	€	09.04.2024		3,417	0.47
UBS Group FRN	5,877,000	€	17.04.2025		5,663	0.78
Unibail-Rodamco-Westfield 0.875%	3,700,000	€	29.03.2032		3,193	0.44
Vier Gas Transport 3.125%	2,236,000	€	10.07.2023		2,434	0.33
Wells Fargo 1.625%	1,653,000	€	02.06.2025		1,629	0.22
Wells Fargo 2.25%	7,946,000	€	02.05.2023		8,061	1.10
Wells Fargo 2.625%	3,571,000	€	16.08.2022		3,635	0.50
'BBB' credit rated bonds					325,122	44.52
ABN AMRO Bank 0.6%	1,800,000	€	15.01.2027		1,629	0.22
AG Insurance FRN	4,200,000	€	30.06.2047		4,223	0.58
Albemarle New Holding 1.125%	1,266,000	€	25.11.2025		1,192	0.16
Alstria office 1.5%	3,500,000	€	15.11.2027		3,355	0.46
Altria Group 1.7%	2,881,000	€	15.06.2025		2,836	0.39
America Movil 0.75%	5,250,000	€	26.06.2027		5,023	0.69
American International Group 1.875%	1,083,000	€	21.06.2027		1,039	0.14
American International Group FRN	3,500,000	€	15.03.2037		2,873	0.39
Aon 2.875%	7,195,000	€	14.05.2026		7,532	1.03
Arion Banki 1%	3,145,000	€	20.03.2023		3,066	0.42
Aroundtown 1.875%	2,500,000	€	19.01.2026		2,490	0.34
Assicurazioni Generali FRN	1,932,000	€	27.10.2047		2,106	0.29
AT&T 1.8%	5,136,000	€	05.09.2026		5,202	0.71
Aviva FRN	1,570,000	€	05.07.2043		1,715	0.24
Aviva FRN	1,356,000	€	04.12.2045		1,345	0.18
AXA FRN	2,653,000	€	04.07.2043		2,874	0.39
Babcock International Group 1.375%	1,699,000	€	13.09.2027		1,627	0.22
Banco Bilbao Vizcaya Argentaria 0.5%	6,900,000	€	14.01.2027		6,113	0.84
Banco Santander 2.125%	1,400,000	€	08.02.2028		1,268	0.17
Banco Santander 2.5%	5,400,000	€	18.03.2025		5,231	0.72
Barclays Bank 6.625%	2,090,000	€	30.03.2022		2,205	0.30
BAT International Finance 2.25%	3,000,000	£	09.09.2052		2,150	0.29
BAT International Finance 3.125%	2,721,000	£	06.03.2029		2,832	0.39
BAT International Finance 7.25%	2,422,000	£	12.03.2024		3,191	0.44
BNP Paribas FRN	2,292,000	€	20.03.2026		2,268	0.31
Boston Scientific 0.625%	1,581,000	€	01.12.2027		1,448	0.20
BPCE FRN	1,500,000	€	30.11.2027		1,482	0.20
Bureau Veritas 1.125%	1,700,000	€	18.01.2027		1,589	0.22
Bureau Veritas 1.25%	1,700,000	€	07.09.2023		1,659	0.23
Carrefour 2.625%	900,000	€	15.12.2027		931	0.13

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
CEZ 4.875%	1,878,000	€	16.04.2025		2,189	0.30
Channel Link Enterprises Finance FRN	4,561,000	€	30.06.2050		4,522	0.62
Citigroup 1.5%	4,948,000	€	26.10.2028		4,685	0.64
Citigroup FRN	1,128,000	€	08.10.2027		1,013	0.14
CK Hutchison Group Telecom Finance 1.5%	4,028,000	€	17.10.2031		3,676	0.50
Coca-Cola European Partners 1.75%	321,000	€	27.03.2026		327	0.05
Coentreprise de Transport d'Electricite 1.5%	5,200,000	€	29.07.2028		5,358	0.73
Crédit Suisse Group Funding Guernsey 3%	2,444,000	£	27.05.2022		2,774	0.38
Daimler International Finance 1%	3,351,000	€	11.11.2025		3,155	0.43
Deutsche Telekom International Finance 0.25%	1,985,000	€	19.04.2021		1,976	0.27
DH Europe Finance II 1.8%	1,603,000	€	18.09.2049		1,281	0.18
Digital Dutch Finco 1.5%	901,000	€	15.03.2030		789	0.11
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	1,249,000	€	29.09.2047		1,242	0.17
Eni 3.75%	2,890,000	€	12.09.2025		3,260	0.45
EWE 5.25%	1,003,000	€	16.07.2021		1,065	0.15
Fastighets Balder 1.875%	1,332,000	€	23.01.2026		1,330	0.18
Fidelity National Information Services 0.125%	1,739,000	€	03.12.2022		1,693	0.23
Fidelity National Information Services 1.5%	1,702,000	€	21.05.2027		1,659	0.23
GE Capital International Funding Unlimited 4.418%	4,640,000	US\$	15.11.2035		4,536	0.62
General Electric 0.875%	6,140,000	€	17.05.2025		5,591	0.77
General Electric 1.25%	4,170,000	€	26.05.2023		4,013	0.55
General Motors Financial 0.955%	2,728,000	€	07.09.2023		2,283	0.31
General Motors Financial 2.2%	1,112,000	€	01.04.2024		949	0.13
Goldman Sachs Group 1.375%	1,330,000	€	26.07.2022		1,319	0.18
Goldman Sachs Group 1.625%	3,889,000	€	27.07.2026		3,768	0.52
Goldman Sachs Group FRN	4,450,000	€	26.09.2023		4,109	0.56
Heathrow Funding 1.5%	4,233,000	€	11.02.2030		3,732	0.51
Heathrow Funding 1.875%	3,266,000	€	14.03.2034		2,803	0.38
Holcim Finance Luxembourg 1.75%	1,502,000	€	29.08.2029		1,359	0.19
Iliad 1.875%	2,700,000	€	25.04.2025		2,614	0.36
Imperial Brands Finance 1.375%	1,135,000	€	27.01.2025		1,112	0.15
ING Bank FRN	3,721,000	€	25.02.2026		3,639	0.50
Intesa Sanpaolo 1.125%	4,459,000	€	04.03.2022		4,367	0.60
Intesa Sanpaolo 2%	3,691,000	€	18.06.2021		3,698	0.51
JAB Holdings 1%	6,000,000	€	20.12.2027		5,624	0.77
Johnson Controls International 1.375%	4,566,000	€	25.02.2025		4,486	0.61
Lagardere 1.625%	3,500,000	€	21.06.2024		3,100	0.42
Liberty Mutual Group 2.75%	1,380,000	€	04.05.2026		1,390	0.19
Lloyds Banking Group FRN	4,073,000	€	21.06.2024		3,791	0.52
Lloyds Banking Group FRN	1,144,000	€	12.11.2025		1,038	0.14
Lloyds Banking Group FRN	454,000	€	01.04.2026		471	0.06
Logicor Financing 1.625%	2,400,000	€	15.07.2027		2,245	0.31
LYB International Finance II 0.875%	1,972,000	€	17.09.2026		1,804	0.25
McDonald's 0.9%	900,000	€	15.06.2026		870	0.12
McDonald's 2%	2,600,000	€	01.06.2023		2,696	0.37
Merlin Properties Socimi 1.875%	1,043,000	€	02.11.2026		1,051	0.14
Mitchells & Butlers Finance FRN	3,995,681	US\$	15.12.2030		3,401	0.47
Mitchells & Butlers Finance FRN	1,746,000	£	15.12.2033		1,688	0.23
Molnlycke Holding 0.875%	1,335,000	€	05.09.2029		1,213	0.17
Mondelez International Holdings Netherlands 0.875%	2,077,000	€	01.10.2031		1,942	0.27
Morgan Stanley 1%	2,977,000	€	02.12.2022		2,918	0.40
Morgan Stanley 1.375%	3,070,000	€	27.10.2026		2,927	0.40
Morgan Stanley 1.75%	3,893,000	€	30.01.2025		3,848	0.53
NatWest Markets 1%	1,014,000	€	28.05.2024		969	0.13
NET4GAS 2.5%	3,265,000	€	28.07.2021		3,348	0.46
NN Group FRN	5,380,000	€	15.07.2049		5,437	0.74
O2 Telefonica Deutschland Finanzierungs 2.375%	6,949,000	€	10.02.2021		7,043	0.96
Orange 1.125%	400,000	€	15.07.2024		402	0.06
Orange FRN	4,929,000	€	29.10.2049		5,395	0.74
Orange FRN	2,350,000	€	29.12.2049		2,529	0.35
Origin Energy Finance 2.5%	6,979,000	€	23.10.2020		7,034	0.96
Quadiant 2.25%	1,800,000	€	03.02.2025		1,681	0.23
RCI Banque 2%	2,062,000	€	11.07.2024		1,948	0.27
Royal Bank of Scotland Group FRN	2,730,000	€	04.03.2025		2,642	0.36
SEB 1.5%	2,500,000	€	31.05.2024		2,504	0.34
SELP Finance 1.25%	2,675,000	€	25.10.2023		2,687	0.37

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Société Générale 1.75%	5,300,000	€	22.03.2029		5,000	0.68
Suez FRN	900,000	€	31.12.2099		865	0.12
Tele2 1.125%	1,252,000	€	15.05.2024		1,269	0.17
Tele2 2.125%	6,953,000	€	15.05.2028		7,335	1.00
Tesco Corporate Treasury Services 0.875%	2,430,000	€	29.05.2026		2,264	0.31
Thermo Fisher Scientific 1.875%	2,502,000	€	01.10.2049		1,990	0.27
UBS FRN	7,258,000	€	12.02.2026		7,143	0.98
UNIQA Insurance Group FRN	2,500,000	€	31.07.2043		2,641	0.36
Verizon Communications 3.25%	5,590,000	€	17.02.2026		6,160	0.84
Vilmorin 2.375%	1,800,000	€	26.05.2021		1,793	0.25
Vodafone Group 2.2%	6,770,000	€	25.08.2026		7,156	0.98
Vodafone Group 3.75%	2,012,000	US\$	16.01.2024		1,911	0.26
Volkswagen Financial Services 0.75%	3,035,000	€	14.10.2021		2,996	0.41
Volkswagen International Finance 1.625%	731,000	€	16.01.2030		653	0.09
Volkswagen Leasing 1.5%	2,199,000	€	19.06.2026		2,064	0.28
Volkswagen Leasing 2.625%	2,432,000	€	15.01.2024		2,461	0.34
WPC Eurobond 1.35%	1,419,000	€	15.04.2028		1,249	0.17
WPC Eurobond 2.25%	5,600,000	€	19.07.2024		5,670	0.78
'BB' credit rated bonds					50,615	6.93
Banco de Sabadell FRN	1,800,000	€	12.12.2028		1,614	0.22
Banco Santander FRN	2,300,000	€	31.12.2099		2,081	0.28
Bank of Scotland FRN	395,000	£	29.05.2049		519	0.07
Barclays Bank FRN	1,348,000	€	07.02.2028		1,254	0.17
CaixaBank FRN	1,800,000	€	31.12.2099		1,348	0.18
FCE Bank 1.134%	3,413,000	€	10.02.2022		2,985	0.41
FCE Bank 1.615%	1,328,000	€	11.05.2023		1,094	0.15
Ford Motor Credit 2.386%	2,243,000	€	17.02.2026		1,680	0.23
Ford Motor Credit 3.021%	718,000	€	06.03.2024		576	0.08
Heathrow Finance 3.875%	1,710,000	£	01.03.2027		1,659	0.23
Intesa Sanpaolo 3.928%	2,690,000	€	15.09.2026		2,722	0.37
Intesa Sanpaolo FRN	1,542,000	€	29.12.2049		1,429	0.19
Intesa Sanpaolo Vita FRN	4,300,000	€	31.12.2049		4,231	0.58
Kraft Heinz Foods 2%	873,000	€	30.06.2023		854	0.12
Kraft Heinz Foods 2.25%	4,728,000	€	25.05.2028		4,075	0.56
Lloyds Banking Group FRN	1,714,000	€	31.12.2049		1,581	0.22
National Westminster Bank FRN	549,000	€	29.10.2049		476	0.06
Solvay Finance FRN	1,898,000	€	29.11.2049		1,972	0.27
Telefonica Europe FRN	3,200,000	€	31.12.2099		2,991	0.41
Telefonica Europe FRN	2,600,000	€	31.12.2099		2,546	0.35
Time Warner Cable 7.3%	1,795,000	US\$	01.07.2038		2,310	0.32
UBS Group FRN	1,760,000	€	29.12.2049		1,720	0.23
UniCredit 6.95%	760,000	€	31.10.2022		790	0.11
UniCredit FRN	2,184,000	€	15.01.2032		1,742	0.24
UniCredit FRN	2,620,000	€	31.12.2099		2,393	0.33
Vodafone Group FRN	2,103,000	€	03.01.2079		2,032	0.28
ZF Europe Finance 2%	2,400,000	€	23.02.2026		1,941	0.27
Bonds with no credit rating						
Lehman Brothers Holdings FRN ^{[a],[b]}	2,350,000	€	26.09.2040		0	0.00
Debt derivatives					(532)	(0.07)
Interest rate futures					(532)	(0.07)
Deutscher Bobl 5 year Futures	152	€	08.06.2020	161	154	0.02
Deutscher Bund 10 year Futures	(53)	€	08.06.2020	87	290	0.04
Deutscher Bund 10 year Futures	107	€	08.06.2020	115	(57)	(0.01)
US Treasury Notes 10 year Futures	(161)	US\$	19.06.2020	164	(784)	(0.10)
UK Treasury Notes Futures	(58)	£	26.06.2020	96	(135)	(0.02)
CURRENCY					(531)	(0.08)
Forward currency contracts					(531)	(0.08)
Bought for £ 905,065.38, Sold for € 1,008,660.39			08.04.2020		13	0.00
Bought for € 14,927,714.36, Sold for £ 13,030,643.69			08.04.2020		218	0.03
Bought for € 19,455,608.90, Sold for US\$ 22,167,335.89			08.04.2020		(789)	(0.11)
Bought for US\$ 3,562,983.65, Sold for € 3,227,603.72			08.04.2020		27	0.00
Portfolio of investments					705,120	96.55

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
CASH EQUIVALENTS					17,372	2.38
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	17,813,858	€			17,372	2.38
SHARE CLASS HEDGING					86	0.01
Bought for € 175,813.74, Sold for CHF 185,925.33			08.04.2020		0	0.00
Bought for € 364,611.31, Sold for US\$ 402,535.73			08.04.2020		(3)	0.00
Bought for CHF 2,391,103.26, Sold for € 2,246,055.91			08.04.2020		16	0.00
Bought for US\$ 4,951,361.12, Sold for € 4,448,593.10			08.04.2020		73	0.01
Total portfolio					722,578	98.94
Net other assets/(liabilities)					7,677	1.06
NET ASSETS					730,255	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					706,183	96.70
Unrealised gains on futures contracts					444	0.06
Unrealised gains on forward currency contracts					347	0.04
Total Investment assets					706,974	96.80
Investment liabilities						
Unrealised losses on futures contracts					(976)	(0.13)
Unrealised losses on forward currency contracts					(792)	(0.11)
Total Investment liabilities					(1,768)	(0.24)
Total portfolio					705,206	96.56
Cash equivalents					17,372	2.38
Net other assets/(liabilities)					7,677	1.06
NET ASSETS					730,255	100.00

[a] Defaulted Bond.

[b] Unlisted/unquoted.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures		
	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000
Bank of America Merrill Lynch	0	79,653	610
Barclays Bank London	14,928	0	0
Citigroup Global Markets Limited	699	0	0
HSBC Bank Plc	1,095	0	0
JP Morgan Chase	1,138	0	0
Merrill Lynch Pierce Fenner + Smith Inc	19,114	0	0
State Street Bank and Trust Company	7,235	0	0
State Street Bank London	851	0	0
UBS AG London	795	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Euro Corporate Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-4.4	-0.6	-0.1	+3.3	13/01/2003	09/11/2018
Class 'A' Distribution	-4.4	-0.6	-0.1	+1.6	12/07/2013	09/11/2018
Class 'C' Accumulation	-3.9	-0.1	+0.4	+4.0	13/01/2003	09/11/2018
Class 'C' Distribution	-3.9	-0.1	+0.4	+1.2	08/08/2014	09/11/2018
Class 'CI' Accumulation	-3.8	-0.1	+0.4	+4.0	13/01/2003	19/11/2018
Class 'CI' Distribution	-3.8	n/a	n/a	-2.4	n/a	22/02/2019
Swiss franc						
Class 'A-H' Accumulation	-4.7	-1.0	-0.6	+1.5	28/09/2012	09/11/2018
Class 'C-H' Accumulation	-4.2	-0.5	-0.1	+2.0	28/09/2012	09/11/2018
US dollar						
Class 'A-H' Accumulation	-1.6	+2.1	+1.9	+2.5	08/08/2014	09/11/2018
Class 'A-H' Distribution	-1.6	+2.1	+1.9	+2.5	08/08/2014	09/11/2018
Class 'C-H' Accumulation	-1.2	+2.6	+2.5	+3.0	08/08/2014	09/11/2018
Class 'C-H' Distribution	-1.0	+2.6	+2.5	+3.0	08/08/2014	09/11/2018

[a] Fund performance before the launch of the fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G European Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G European Corporate Bond Fund is a UK authorised fund which launched on 13 January 2003 and its non-Sterling share classes merged into M&G (Lux) Euro Corporate Bond Fund on 9 November 2018.

M&G (Lux) Euro Corporate Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'C' Distribution Euro €	Class 'CI' Distribution Euro €	Class 'A-H' Distribution US \$	Class 'C-H' Distribution US \$
to 31 March 2020					
First interim	0.0634	0.0717	0.0393	0.0413	0.0418
Second interim	0.0637	0.0721	0.0395	0.0428	0.0435
Third interim	0.0576	0.0652	0.0357	0.0378	0.0386
Final	0.0564	0.0640	0.0351	0.0383	0.0390

Total Expense Ratio 31.03.2020	TER
Swiss franc	%
Class 'A-H' Accumulation	1.23
Class 'C-H' Accumulation	0.73
US dollar	%
Class 'A-H' Accumulation	1.23
Class 'A-H' Distribution	1.23
Class 'C-H' Accumulation	0.73
Class 'C-H' Distribution	0.74

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	17.3716	18.1642	n/a
Class 'A' Distribution	15.3646	16.3521	n/a
Class 'C' Accumulation	19.5046	20.2918	n/a
Class 'C' Distribution	17.4396	18.4674	n/a
Class 'CI' Accumulation	9.8690	10.2639	n/a
Class 'CI' Distribution	9.5612	10.1204	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	11.2097	11.7633	n/a
Class 'C-H' Accumulation	11.6392	12.1521	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	11.4779	11.6660	n/a
Class 'A-H' Distribution	10.3751	10.7249	n/a
Class 'C-H' Accumulation	11.8126	11.9540	n/a
Class 'C-H' Distribution	10.5737	10.8727	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	730,255	1,272,720	n/a
Swing pricing adjustment (see note 12)	(3,015)	n/a	n/a
Swung net assets	727,240	1,272,720	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	1.21		
Class 'A' Distribution	1.21		
Class 'C' Accumulation	0.71		
Class 'C' Distribution	0.71		
Class 'CI' Accumulation	0.67		
Class 'CI' Distribution	0.67		

M&G (Lux) European Inflation Linked Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of income and capital growth) equal to or greater than European inflation over any three-year period.

Performance Comparator

Eurostat Eurozone Harmonised Index of Consumer Prices

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Investment policy

The Fund will invest at least 50% of its Net Asset Value in inflation-linked investment grade corporate bonds. Exposure may either be gained through direct holdings or synthetically by using combinations of inflation-linked government bonds and derivatives to create similar risk exposures. A minimum of 90% of the Fund's Net Asset Value will be exposed directly to Euro denominated assets or non-Euro exposures which have been hedged back to Euro.

Additionally the Fund may also invest in the following fixed income instruments:

- fixed rate bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies, subject to a maximum of 40% of the Fund's Net Asset Value;
- floating rate notes, subject to a maximum of 50% of the Fund's Net Asset Value;
- bonds from issuers located in emerging markets, subject to a maximum of 20% of the Fund's Net Asset Value;
- unrated bonds and bonds which are rated sub-investment grade, subject to a maximum of 30% of the Fund's Net Asset Value;
- Asset-Backed Securities subject to a maximum of 20% of the Fund's Net Asset Value.

Derivatives can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management. The derivative instruments that the Fund can invest in include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, and Credit Default Swaps.

The Fund may also invest in cash, currencies, near cash, deposits, other debt instruments, other derivatives, preferred shares, warrants and other funds.

Investment approach

Fund performance is measured in comparison to the Eurostat Eurozone Harmonised Index of Consumer Prices. The Fund will invest in a range of fixed interest securities whose returns behave in a similar way to inflation. However, alternate sources of return may be sought where it is felt that this will aid achievement of the Fund's objective.

The Investment Manager adopts a blended approach which combines top-down and bottom-up considerations.

The Fund will typically invest in European securities but may also take global exposures according to where the Investment Manager identifies value.

M&G (Lux) European Inflation Linked Corporate Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

Fixed income markets delivered mixed returns in the review period against a turbulent market backdrop. Following largely supportive conditions throughout 2019 and into the beginning of 2020, markets experienced a dramatic reversal as the spread of the new coronavirus around the world began to dominate headlines from late February onwards.

The change of tone contrasted markedly with the relatively upbeat market conditions that had prevailed before the onset of the crisis. Signs of a tentative pick-up in global economic activity, coupled with the supportive actions of the world's central banks, had helped drive solid returns across fixed income markets during 2019.

Both the European Central Bank (ECB) and the US Federal Reserve implemented a range of stimulus measures in 2019 to help boost growth, including a series of interest rate cuts and the resumption of their bond purchase programmes. This helped drive government bonds yields to record lows by the middle of 2019.

Towards the end of 2019, markets were buoyed by signs of progress in the US/China trade negotiations, along with the avoidance of a no-deal Brexit scenario between the UK and Europe. With healthy labour markets providing further support to consumer confidence, earlier fears of a recession in Europe and the US had largely faded as we moved into 2020.

However, sentiment turned abruptly as the Covid-19 outbreak took hold, devastating financial markets from late February onwards. The virus meant most nations had to adopt strict population lockdowns, causing demand for many goods and services to slump. Governments and central banks scrambled to provide huge levels of monetary and fiscal support. A sharp oil price decline as a result of a slump in demand coupled with a failure to agree supply cuts added to levels of distress in the markets.

Most areas of the corporate bond market sold off heavily in March, with the asset class more than reversing its earlier gains over the past year. Lower-rated bonds generally experienced the largest declines as investors began to price in the likelihood of a rise in company defaults. However, highly rated government bonds offered some respite as investors sought refuge in their perceived safe-haven qualities, with US Treasuries and gilts delivering positive returns in March.

Inflation expectations also fell sharply during March, with breakeven rates in most cases now at or near all-time lows. As a result of these movements, inflation-linked bonds underperformed conventional bonds over the review period.

The sub- delivered a negative total return and lagged behind the change in the Eurostat Eurozone Harmonised Index of Consumer Prices over the 12 months under review. Negative returns were mainly driven by the sharp widening in credit spreads, although losses were partly mitigated by our defensive credit positioning.

Investment activities

Given the strength of the rally in credit markets during 2019, but with the global economy still facing a number of uncertainties, we took measures to gradually de-risk the sub-fund over the year. In our view, valuations were starting to look excessive and we took the opportunity to trim spread duration and switch into more defensive assets which would be expected to hold up better in the event of a market downturn.

In contrast, we saw good value in European breakeven rates, which were pricing in very low European inflation for the foreseeable future, despite the prospect of an extended period of ultra-easy monetary policy and potentially some fiscal stimulus. We therefore maintained a significant allocation to European inflation-linked bonds.

As a result of earlier defensive measures we believe the sub-fund was relatively well positioned to withstand the market selloff which began in late February. Following the extreme widening in spreads in March, we took the opportunity to add some credit risk. We purchased a number of corporate bonds at highly attractive levels, albeit with a focus on high-quality, investment grade names.

We also added some inflation-linked exposure as breakeven rates fell sharply. While in the short term we would expect to see some decrease in inflation, in the long run we think the huge monetary and fiscal stimulus measures are likely put upward pressure on inflation.

Outlook

Coronavirus will clearly cause some major economic disruption in the short term, and there is little doubt that many developed economies will enter recession in the coming months. On the other hand, record stimulus from both governments and central banks should help to alleviate some of the pain. While investor sentiment is likely to remain fragile for some time, if markets start to sense the arrival of more positive news and a return to normality, we think conditions may be ripe for an eventual strong rebound.

Corporate bonds valuations are now at highly attractive levels, in our opinion, presenting a wealth of opportunities for investors willing to weather some volatility and uncertainty in the months ahead. While corporate defaults are expected to rise, markets are pricing in default rates four-to-five times larger than anything seen previously. The ability to carefully select high-quality, attractively priced credit exposure will be crucial over the coming weeks and months.

Wolfgang Bauer Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					58,599	88.28
Debt securities					58,545	88.20
'AAA' credit rated bonds					20,410	30.75
Avoca CLO XVII Designated Activity FRN ^[a]	500,000	€	15.10.2032		456	0.69
Barings Euro CLO FRN	500,000	€	15.10.2030		481	0.73
Dukinfield II FRN	83,625	£	20.12.2052		91	0.14
Duncan Funding FRN	11,335	£	17.04.2063		13	0.02
Finsbury Square FRN	90,834	£	12.09.2065		102	0.15
Friary No. 6 FRN	136,194	£	21.11.2067		150	0.23
Germany (Federal Republic of) I/L 0.1%	11,280,000	€	15.04.2023		12,409	18.70
Germany (Federal Republic of) I/L 0.1%	1,160,000	€	15.04.2026		1,288	1.94
Germany (Federal Republic of) I/L 0.1%	50,000	€	15.04.2046		69	0.10
Germany (Federal Republic of) I/L 0.5%	50,000	€	15.04.2030		61	0.09
Germany (Federal Republic of) I/L 1.75%	1,650,000	€	15.04.2020		1,880	2.83
Harvest CLO VII FRN	206,000	€	12.04.2031		200	0.30
Lloyds Bank FRN	193,000	£	16.05.2024		213	0.32
Precise Mortgage Funding FRN	99,368	£	16.10.2056		109	0.16
Shamrock Residential FRN	93,291	€	24.11.2057		93	0.14
Thrones FRN	26,063	£	18.03.2050		29	0.04
Towd Point Mortgage Funding FRN	124,649	£	20.02.2054		138	0.21
Tower Bridge Funding No 3 FRN	178,978	£	20.12.2061		192	0.29
Trinity Square FRN	78,440	£	15.07.2051		86	0.13
US Treasury I/I 0.125%	900,000	US\$	15.04.2021		878	1.32
US Treasury I/I 0.625%	650,000	US\$	15.01.2024		669	1.01
US Treasury I/I 1.25%	750,000	US\$	15.07.2020		803	1.21
'AA' credit rated bonds					10,815	16.29
E-MAC NL I FRN	178,538	€	25.04.2038		172	0.26
Exxon Mobil 2.992%	300,000	US\$	19.03.2025		283	0.43
First Flexible No 6 FRN	261,466	€	01.12.2035		244	0.37
France (Republic of) 0.1%	3,870,000	€	01.03.2021		4,051	6.10
France (Republic of) 0.25%	420,000	€	25.07.2024		463	0.70
Metropolitan Life Global Funding I 0.375%	231,000	€	09.04.2024		220	0.33
Network Rail Infrastructure Finance 1.75%	400,000	£	22.11.2027		867	1.30
New York Life Global Funding 0.25%	671,000	€	23.01.2027		628	0.94
New York Life Global Funding 1.625%	357,000	£	15.12.2023		396	0.60
Nike 2.4%	385,000	US\$	27.03.2025		363	0.55
Paragon Mortgages No 13 FRN	286,231	€	15.01.2039		263	0.39
SNCF Réseau 2.45%	1,750,000	€	28.02.2023		2,415	3.64
US Bank 2.05%	500,000	US\$	21.01.2025		450	0.68
'A' credit rated bonds					8,901	13.41
Aéroports de Paris 2.125%	300,000	€	02.10.2026		300	0.45
Alba FRN	455,350	€	15.12.2038		384	0.58
Anglian Water Services Financing 4.125%	506,000	£	28.07.2020		1,012	1.52
CK Hutchison Europe Finance 18 1.25%	243,000	€	13.04.2025		241	0.36
Comcast 3.1%	74,000	US\$	01.04.2025		71	0.11
Coöperatieve Rabobank FRN	307,000	US\$	26.09.2023		279	0.42
Coöperatieve Rabobank 2.25%	91,000	£	22.11.2022		158	0.24
Deere 2.75%	373,000	US\$	15.04.2025		349	0.53
EssilorLuxottica 0.125%	200,000	€	27.05.2025		192	0.29
Groupe Bruxelles Lambert 1.875%	200,000	€	19.06.2025		201	0.30
Home Depot 2.5%	500,000	US\$	15.04.2027		459	0.69
HSBC Holdings 4.95%	257,000	US\$	31.03.2030		253	0.38
HSBC Holdings FRN	250,000	€	05.10.2023		232	0.35
Landmark Mortgage Securities No 2 FRN	429,067	€	17.06.2039		347	0.52
Lloyds Bank Corporate Markets 0.25%	101,000	€	04.10.2022		97	0.15
LVMH Moët Hennessy Louis Vuitton 0.125%	300,000	€	11.02.2028		283	0.43
National Grid Electricity Transmission 3.806%	275,000	£	27.07.2020		528	0.80
Nationwide Building Society 3.875%	182,593	£	30.07.2021		656	0.99
Nationwide Building Society 4.25%	136,404	£	23.02.2024		501	0.75
Newgate Funding FRN	381,010	€	15.12.2050		322	0.48
Project Silver 3.967% ^[a]	237,158	US\$	15.07.2044		152	0.23
Santander Consumer Finance 0.375%	200,000	€	27.06.2024		191	0.29
S-Jets 3.967% ^[a]	517,277	US\$	15.08.2042		337	0.51
State Street FRN	160,000	US\$	30.03.2023		147	0.22
Target 2.25%	500,000	US\$	15.04.2025		462	0.70
THFC Indexed 5.65%	22,059	£	30.09.2020		60	0.09
Toyota Motor Credit 3%	750,000	US\$	01.04.2025		687	1.03

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds					16,155	24.34
Arion Banki 1%	135,000	€	20.03.2023		132	0.20
AT&T FRN	500,000	€	05.09.2023		497	0.75
Aviva FRN	300,000	€	04.12.2045		298	0.45
Banco Bilbao Vizcaya Argentaria FRN	400,000	€	16.01.2030		340	0.51
Banco Santander FRN	200,000	US\$	12.04.2023		174	0.26
Bank of America FRN	1,000,000	US\$	15.09.2026		810	1.22
Bayer US Finance II FRN	500,000	US\$	15.12.2023		412	0.62
Brisa-Concessao Rodoviaria 2.375%	200,000	€	10.05.2027		206	0.31
British Telecommunications 3.5%	37,000	£	25.04.2025		84	0.13
Channel Link Enterprises Finance FRN	625,000	€	30.06.2050		620	0.93
Citigroup FRN	100,000	US\$	01.09.2023		87	0.13
CK Hutchison Group Telecom Finance 0.75%	391,000	€	17.04.2026		370	0.56
Crédit Suisse Group FRN	500,000	€	17.07.2025		474	0.71
Daimler International Finance 0.25%	400,000	€	06.11.2023		381	0.57
Danaher 2.1%	750,000	€	30.09.2026		764	1.15
DH Europe Finance II 0.2%	184,000	€	18.03.2026		171	0.26
Digital Dutch Finco 0.125%	100,000	€	15.10.2022		97	0.15
Energy Transfer Operating 4.5%	32,000	US\$	15.04.2024		26	0.04
Fidelity National Information Services 0.125%	158,000	€	03.12.2022		154	0.23
Fiserv 0.375%	111,000	€	01.07.2023		108	0.16
Goldman Sachs Group 3.375%	273,000	€	27.03.2025		288	0.43
Goldman Sachs Group FRN	295,000	€	21.04.2023		275	0.41
Goldman Sachs Group FRN	300,000	US\$	29.11.2023		266	0.40
Goldman Sachs Group FRN	200,000	US\$	28.10.2027		165	0.25
Hiscox FRN	150,000	£	24.11.2045		172	0.26
HSBC Holdings FRN	300,000	€	29.12.2049		280	0.42
Intesa Sanpaolo 3.25%	400,000	US\$	23.09.2024		342	0.52
Italy (Republic of) 2.1%	1,095,000	€	15.09.2021		1,268	1.91
Lloyds Banking Group FRN	122,000	€	12.11.2025		111	0.17
Lloyds Banking Group FRN	267,000	£	15.01.2026		283	0.43
Lloyds Banking Group FRN	172,000	€	01.04.2026		178	0.27
Mitchells & Butlers Finance FRN	56,564	US\$	15.12.2030		48	0.07
Morgan Stanley FRN	750,000	US\$	20.01.2023		640	0.96
Morgan Stanley FRN	200,000	US\$	24.10.2023		175	0.26
Morgan Stanley FRN	200,000	US\$	08.05.2024		172	0.26
National Grid 1.25%	225,000	£	06.10.2021		324	0.49
NET4GAS 2.5%	200,000	€	28.07.2021		205	0.31
Orange FRN	100,000	€	31.12.2099		97	0.15
Quadiant 2.25%	400,000	€	03.02.2025		374	0.56
RCI Banque 2%	223,000	€	11.07.2024		211	0.32
RCI Banque FRN	300,000	€	12.01.2023		282	0.42
Royal Bank of Scotland Group 2.5%	500,000	€	22.03.2023		497	0.75
Royal Bank of Scotland Group FRN	300,000	£	19.09.2026		329	0.50
Santander UK Group Holdings FRN	346,000	€	27.03.2024		323	0.49
Santander UK Group Holdings FRN	263,000	€	28.02.2025		243	0.37
Schaeffler 1.875%	70,000	€	26.03.2024		63	0.10
Severn Trent 1.3%	50,000	£	11.07.2022		68	0.10
Société Générale FRN	800,000	€	22.05.2024		748	1.13
South Eastern Power Networks 3.053%	25,000	£	05.06.2023		52	0.08
Southern Water Services Finance 3.816%	100,000	£	31.03.2023		209	0.31
Tesco Corporate Treasury Services 2.5%	100,000	£	02.05.2025		111	0.17
Thames Water Utilities Finance 3.375%	280,000	£	21.07.2021		547	0.82
UniCredit Leasing Corp IFN 0.502%	400,000	€	18.10.2022		392	0.59
Verizon Communications 3%	221,000	US\$	22.03.2027		212	0.32
'BB' credit rated bonds					2,264	3.41
Catalyst Healthcare Manchester Financing 2.411%	73,408	£	30.09.2040		156	0.24
Ford Motor Credit 1.744%	155,000	€	19.07.2024		121	0.18
Ford Motor Credit 3.021%	110,000	€	06.03.2024		88	0.13
Ford Motor Credit 5.596%	400,000	US\$	07.01.2022		334	0.50
SES FRN	480,000	€	29.12.2049		439	0.66
Telefonica Europe FRN	400,000	€	31.12.2099		374	0.56
Teva Pharmaceutical Finance Netherlands II 0.375%	182,541	€	25.07.2020		179	0.27
Vodafone Group FRN	300,000	£	03.10.2078		330	0.50
ZF Europe Finance 2%	300,000	€	23.02.2026		243	0.37

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Bonds with no credit rating						
Eirles Two FRN ^{[a],[b]}	500,000	€	30.10.2020		0	0.00
Debt derivatives					54	0.08
Credit default swaps					53	0.08
Allianz Dec 2021	500,000	€			6	0.01
America Movil Dec 2023	500,000	US\$			(18)	(0.03)
Anglo American Dec 2022	500,000	€			46	0.07
Aviva Jun 2021	500,000	€			4	0.01
AXA Dec 2021	500,000	€			6	0.01
Barclays Dec 2022	500,000	€			0	0.00
BP Jun 2021	500,000	€			2	0.00
British American Tobacco Dec 2022	1,000,000	€			11	0.02
ENEL Dec 2022	750,000	€			10	0.02
Energy Transfer Partners Dec 2020	1,500,000	US\$			0	0.00
Ford Motor Company Dec 2020	500,000	US\$			(7)	(0.01)
General Electric Dec 2023	1,000,000	US\$			(35)	(0.05)
Glencore International Dec 2021	500,000	€			10	0.01
Glencore International Dec 2022	450,000	€			11	0.02
Glencore International Jun 2023	200,000	€			5	0.01
Heathrow Funding Dec 2020	500,000	€			1	0.00
HSBC Bank Jun 2021	500,000	€			3	0.00
Koninklijke KPN Jun 2024	750,000	€			9	0.01
LafargeHolcim Dec 2021	500,000	€			3	0.00
LafargeHolcim Jun 2023	250,000	€			(1)	0.00
Leonardo Dec 2022	850,000	€			78	0.12
Lloyds Bank Jun 2021	500,000	€			1	0.00
Lloyds Banking Group Jun 2023	150,000	€			0	0.00
Markit CDX North American Investment Grade Series 21 10 Year Dec 2023	5,456,000	US\$			(27)	(0.04)
Markit iTraxx Europe Series 28 3 Year Dec 2027	850,000	€			(10)	(0.01)
Markit iTraxx Europe Series 29 3 Year Jun 2023	400,000	€			2	0.00
Markit iTraxx Europe Series 29 3 Year Jun 2028	450,000	€			(8)	(0.02)
Markit iTraxx Europe Xover Series 33 5 Year Jun 2025	1,500,000	€			(50)	(0.08)
MetLife Dec 2021	500,000	US\$			5	0.01
Repsol Dec 2021	500,000	€			(1)	0.00
Telecom Italia Dec 2021	200,000	€			(2)	0.00
Telecom Italia Dec 2022	500,000	€			(14)	(0.02)
Telefonica Jun 2021	500,000	€			4	0.01
Verizon Communications Sep 2023	1,000,000	US\$			3	0.00
Zurich Insurance Dec 2021	500,000	€			6	0.01
Interest rate futures					1	0.00
Deutscher Bobl 5 year Futures	(76)	€	08.06.2020	80	43	0.06
Deutscher Bund 10 year Futures	(10)	€	08.06.2020	11	22	0.03
Deutscher Schatz 2 year Futures	(51)	€	08.06.2020	52	7	0.01
Euro OAT Futures	3	€	08.06.2020	3	(15)	(0.02)
UK Treasury Notes Futures	(22)	£	26.06.2020	36	(56)	(0.08)
CURRENCY					(233)	(0.35)
Forward currency contracts					(233)	(0.35)
Bought for £ 197,368.11, Sold for € 219,817.87			08.04.2020		2	0.00
Bought for € 8,483,600.71, Sold for £ 7,411,788.75			08.04.2020		117	0.18
Bought for € 11,828,601.19, Sold for US\$ 13,344,101.18			08.04.2020		(357)	(0.54)
Bought for US\$ 778,798.62, Sold for € 706,739.67			08.04.2020		5	0.01
Portfolio of investments					58,366	87.93
CASH EQUIVALENTS					2,169	3.27
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	2,224,329	€			2,169	3.27
SHARE CLASS HEDGING					1	0.00
Bought for € 9,658.80, Sold for CHF 10,218.73			08.04.2020		0	0.00
Bought for CHF 211,205.57, Sold for € 198,381.81			08.04.2020		1	0.00
Total portfolio					60,536	91.20
Net other assets/(liabilities)					5,842	8.80
NET ASSETS					66,378	100.00

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					58,545	88.20
Unrealised gains on futures contracts					72	0.10
Unrealised gains on forward currency contracts					125	0.19
Unrealised gains on swap contracts					226	0.34
Total Investment assets					58,968	88.83
Investment liabilities						
Unrealised losses on futures contracts					(71)	(0.10)
Unrealised losses on forward currency contracts					(357)	(0.54)
Unrealised losses on swap contracts					(173)	(0.26)
Total Investment liabilities					(601)	(0.90)
Total portfolio					58,367	87.93
Cash equivalents					2,169	3.27
Net other assets/(liabilities)					5,842	8.80
NET ASSETS					66,378	100.00

[a] Unlisted/unquoted.

[b] Defaulted Bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps €'000	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	12	0	21,630
Barclays Bank London	7	0	0
BNP Paribas	123	0	0
Citigroup Global Markets Limited	41	0	0
Crédit Suisse First Boston	44	0	0
Deutsche Bank AG	0	21	0
Goldman Sachs International	3	707	0
HSBC Bank Plc	9	8,612	0
JP Morgan Chase	151	4,050	0
Merrill Lynch Pierce Fenner + Smith Inc	5	0	0
State Street Bank and Trust Company	0	208	0
State Street Bank London	0	90	0
UBS AG London	0	7,759	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) European Inflation Linked Corporate Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-4.0	-1.8	-0.9	+0.6	16/09/2010	16/03/2018
Class 'C' Accumulation	-3.4	-1.2	-0.4	+1.1	16/09/2010	16/03/2018
Class 'CI' Accumulation	-3.3	-1.2	-0.4	+1.1	16/09/2010	16/03/2018
Swiss franc						
Class 'A-H' Accumulation	-4.3	-2.2	-1.4	-0.9	28/09/2012	16/03/2018
Class 'C-H' Accumulation	-3.8	-1.6	-0.9	-0.3	28/09/2012	16/03/2018

[a] Fund performance before the launch of the fund on 16 March 2018 is that of the relevant Merged Share Class of the M&G European Inflation Linked Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G European Inflation Linked Corporate Bond Fund is a UK authorised fund which launched on 16 September 2010 and its non-Sterling share classes merged into M&G (Lux) European Inflation Linked Corporate Bond Fund on 16 March 2018.

M&G (Lux) European Inflation Linked Corporate Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	10.5798	11.0154	11.1623
Class 'C' Accumulation	11.1190	11.5072	11.5909
Class 'CI' Accumulation	9.6077	9.9396	10.0079
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.3792	9.8013	9.9713
Class 'C-H' Accumulation	9.7475	10.1275	10.2396
NAV at fund level	€'000	€'000	€'000
Net assets	66,378	84,460	97,705
Swing pricing adjustment (see note 12)	(165)	n/a	n/a
Swung net assets	66,213	84,460	97,705
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	1.26		
Class 'C' Accumulation	0.66		
Class 'CI' Accumulation	0.62		
Swiss franc	%		
Class 'A-H' Accumulation	1.28		
Class 'C-H' Accumulation	0.68		

M&G (Lux) European Strategic Value Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in Europe.

The Fund uses an investment process that is based on the fundamental analysis of companies trading on low valuations relative to their history and the market.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund employs a bottom-up stock picking approach to identify shares of European companies that the Investment Manager believes are undervalued. The Investment Manager seeks to identify companies that are mispriced, while trying to avoid firms that are cheap for a reason and whose share prices are unlikely to improve over time.

The Fund's approach combines strict value-focused screening with rigorous qualitative analysis to ensure the Fund has a consistent and disciplined value bias, without compromising on the robustness of the companies in the portfolio.

The main drivers of returns are expected to be the value style and overall stock selection rather than any individual sector or stock.

Performance Comparator

MSCI Europe Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) European Strategic Value Fund

Investment review

For the year ended 31 March 2020

Performance review

European stock markets declined in the 12 months under review, although the losses were largely concentrated at the end of the period, when the coronavirus outbreak rattled investors.

Prior to this point, the year-long US-China trade war was the dominant issue for investors. After bouts of turbulence, share prices rallied when the world's two largest economies reached an interim trade deal.

The upbeat mood was quickly replaced by risk aversion as the coronavirus spread around the globe. Amid fears about the economic impact of the pandemic, global stock markets plunged and investors flocked to perceived 'safe-haven' assets, such as US government bonds and gold.

In this uncertain environment, shares in consumer staples, healthcare and utilities sectors outperformed. These 'defensive' sectors are generally perceived to be resilient in challenging economic conditions.

In contrast, energy and materials were among the weakest areas, as commodities prices fell on concerns that the pandemic would curb demand. Financials and industrials were laggards too.

Against this backdrop, the sub-fund recorded a negative total return and underperformed its benchmark, the MSCI Europe Net Return Index, over the review period.

In terms of style, cheaper 'value' stocks were out of favour for most of the period and underperformed the broader market by a wide margin. This presented a significant style headwind for the sub-fund's value approach and was arguably a major factor in the sub-fund's underperformance.

In terms of the portfolio holdings, our relatively large allocation to energy was a drag on performance as oil stocks were hit hard by the drop in oil prices. Our holdings in energy giant BP and oil & gas exploration companies Kosmos Energy and Tullow Oil were notable detractors.

Stock selection in financials also detracted with Irish lender Bank of Ireland and UK financial group Royal Bank of Scotland holding back returns.

Travel companies have been badly affected by the coronavirus outbreak, and our holding in German airline Deutsche Lufthansa was a notable drag on performance. The company's share price fell amid fears that the introduction of travel restrictions to contain the virus would lead to a significant drop in passenger demand. However, we believe Lufthansa has a solid balance sheet, and will come out of this crisis in a much better competitive position.

On a positive note, our large weighting in healthcare added value as the sector outperformed. Our shares in UK-based AstraZeneca, Swiss pharmaceutical Roche and UCB, a drugmaker from Belgium, outperformed the falling market.

Investors cheered robust results from Roche, particularly rising sales in China and strong demand for new drugs. This performance helped ease concerns about challenges to Roche's existing drugs.

Elsewhere, our holding in UK defence firm Chemring climbed after reporting better-than-expected full-year profits. UK pub operator Ei Group rose following a takeover approach.

Investment activities

During the period under review, we identified several new opportunities, including healthcare stocks GlaxoSmithKline (GSK) and UCB. In our view, UCB has an exciting portfolio of drugs that is being underappreciated and GSK's planned split into two companies has caused investors to become too pessimistic about its prospects.

We also invested in UK hotel and restaurant operator Whitbread and Tenaris, a global supplier of steel pipes to the energy industry.

These purchases were funded by selling stocks that had performed well including ASM International, a Dutch supplier of equipment to the semiconductor industry, Finnish telecoms firm Elisa and French pharmaceutical firm Sanofi.

Outlook

We are currently in uncharted territory and it is impossible to predict how the coronavirus outbreak will unfold and the long-term impact it will have on economies worldwide. It is likely though that the pandemic will continue to dominate investor sentiment in the short term. At present, fears about the economic damage the virus will cause are being countered by optimism about the spectacular stimulus measures being implemented to protect the economy.

While there is considerable uncertainty about the future, as long-term investors, we believe that confusion and fear can often create opportunities. The panic-driven indiscriminate selling in the first quarter provided us with the chance to buy shares in good companies whose share prices we felt had fallen too far. As the crisis continues, we will look to take advantage of any further volatility to invest in stocks that become attractively valued, from our point of view.

However, given that the economic fallout from the virus is likely to be significant, we will continue to pay close attention to company fundamentals, particularly balance sheets, to identify the stocks that we believe can weather the storm, and in some cases, emerge in a better competitive position.

M&G (Lux) European Strategic Value Fund

Investment review

Outlook (continued)

We believe there are some very exciting opportunities in the market currently, particularly among cheaper value stocks. In the sell-off, the already wide valuation dispersion between value and quality stocks became even more stretched as investors flocked to higher-quality stocks perceived to be safe. In our view, this trend is unsustainable and has created the potential for a significant value recovery when the crisis is over.

Richard Halle

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) European Strategic Value Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					1,480,425	97.83
Energy equipment & services					13,307	0.88
Maersk Drilling	46,404	DKK			810	0.05
Petroleum Geo-Services	7,948,869	NOK			2,054	0.14
Tenaris	1,862,767	€			10,443	0.69
Oil, gas & consumable fuels					176,038	11.63
BP	13,506,120	£			51,363	3.39
Cobalt International Energy ^[a]	228,883	US\$			0	0.00
Euronav	2,029,308	€			20,821	1.38
Euronav	712,830	US\$			7,953	0.52
Kosmos Energy	3,249,547	US\$			2,545	0.17
Royal Dutch Shell 'B'	1,358,857	£			20,558	1.36
TOTAL	2,109,484	€			72,798	4.81
Chemicals					24,232	1.60
Lenzing	154,740	€			7,919	0.52
Yara International	574,214	NOK			16,313	1.08
Construction materials					30,875	2.04
Buzzi Unicem	1,872,080	€			30,178	1.99
Buzzi Unicem Perf.	85,716	€			697	0.05
Containers & packaging					8,443	0.56
Vetropack Holding	3,677	CHF				
Metals & mining					45,588	3.01
APERAM	1,696,088	€			31,636	2.09
Outokumpu	6,214,580	€			13,952	0.92
Paper & forest products					56,478	3.73
UPM-Kymmene	2,265,025	€				
Aerospace & defense					30,854	2.04
Chemring Group	6,696,123	£			15,214	1.01
QinetiQ Group	4,406,249	£			15,640	1.03
Construction & engineering					3,181	0.21
Boskalis Westminster	198,139	€				
Electrical equipment					6,794	0.45
NKT	411,871	DKK				
Industrial conglomerates					16,683	1.10
Rheinmetall	262,021	€				
Machinery					9,694	0.64
Alstom	257,539	€				
Commercial services & supplies					55,214	3.65
Bilfinger	883,238	€			12,988	0.86
Securitas 'B'	3,795,443	SEK			36,350	2.40
Société BIC	115,558	€			5,876	0.39
Professional services					25,063	1.66
Adecco Group	224,762	CHF			8,018	0.53
Randstad	540,344	€			17,045	1.13
Airlines					47,157	3.12
Deutsche Lufthansa	3,294,501	€			28,577	1.89
easyJet	2,815,228	£			18,580	1.23
Marine					20,155	1.33
AP Moller - Maersk 'B'	24,668	DKK				
Automobiles					31,669	2.09
Volkswagen Pref. (non voting)	303,840	€				
Household durables					3,531	0.23
Metall Zug 'B'	2,432	CHF				
Hotels, restaurants & leisure					53,817	3.56
TUI	1,896,942	£			7,797	0.52
Whitbread	583,989	£			19,931	1.32
William Hill	33,963,944	£			26,089	1.72
Multiline retail					23,038	1.52
Next	503,361	£				
Specialty retail					41,842	2.77
CECONOMY	3,593,671	€			7,237	0.48
Fnac Darty	296,188	€			7,135	0.47

M&G (Lux) European Strategic Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Specialty retail (continued)						
Hornbach Holding	540,398	€			20,657	1.37
Kingfisher	4,218,569	£			6,813	0.45
Food & staples retailing						
Koninklijke Ahold Delhaize	1,997,246	€			42,581	2.81
Beverages						
Britvic	2,207,612	£			16,998	1.12
Food products						
Orkla	1,778,858	NOK			13,478	0.89
Health care providers & services						
Spire Healthcare Group	15,820,360	£			14,012	0.93
Pharmaceuticals						
AstraZeneca	641,653	£			338,210	22.35
Bayer	837,528	€			51,085	3.37
GlaxoSmithKline	1,790,764	£			44,611	2.95
Ipsen	258,509	€			30,115	1.99
Novartis	1,042,610	CHF			11,969	0.79
Roche Holding	221,064	CHF			77,117	5.10
UCB	563,086	€			65,602	4.33
Vectura Group	12,893,440	£			43,679	2.89
					14,032	0.93
Banks						
Bank of Ireland Group	11,312,194	€			136,068	8.99
Bankia	8,313,192	€			19,496	1.29
BNP Paribas	555,404	€			8,236	0.54
CaixaBank	6,582,011	€			15,242	1.01
Erste Group Bank	748,581	€			11,005	0.73
ING Groep	1,429,112	€			12,832	0.85
Lloyds Banking Group	75,936,757	£			6,851	0.45
Permanent TSB Group Holdings	12,272,790	€			28,027	1.85
Royal Bank of Scotland Group	14,313,741	£			6,695	0.44
Société Générale	590,677	€			18,673	1.23
					9,011	0.60
Insurance						
FBD Holdings	2,621,605	€			47,791	3.16
Mapfre	12,841,542	€			17,381	1.15
Storebrand	2,853,677	NOK			20,039	1.32
					10,371	0.69
IT services						
TietoEVRY	48,839	€			978	0.07
Communications equipment						
Nokia	5,851,648	€			39,111	2.58
Telefonaktiebolaget LM Ericsson 'B'	3,149,349	SEK			16,518	1.09
					22,593	1.49
Technology hardware, storage & peripherals						
Quadient	547,393	€			7,494	0.50
Diversified telecommunication services						
Deutsche Telekom	1,622,486	€			19,296	1.28
Wireless telecommunication services						
Vodafone Group	10,869,099	£			13,904	0.92
Entertainment						
Vivendi	1,132,178	€			22,443	1.48
Electric utilities						
BKW	189,268	CHF			14,322	0.95
Multi-utilities						
E.ON	2,934,612	€			28,202	1.86
Real estate management & development						
St Modwen Properties	494,423	£			1,884	0.12
Portfolio of investments					1,480,425	97.83
CASH EQUIVALENTS					11,857	0.78
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	12,158,400	€			11,857	0.78
Total portfolio					1,492,282	98.61
Net other assets/(liabilities)					20,992	1.39
NET ASSETS					1,513,274	100.00

M&G (Lux) European Strategic Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					1,480,425	97.83
Total Investment assets					1,480,425	97.83
Total portfolio					1,480,425	97.83
Cash equivalents					11,857	0.78
Net other assets/(liabilities)					20,992	1.39
NET ASSETS					1,513,274	100.00

[a] Suspended.

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) European Strategic Value Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-23.3	-8.8	-4.9	+1.8	01/02/2008	20/09/2018
Class 'A' Distribution	n/a	n/a	n/a	-28.0	n/a	06/12/2019
Class 'B' Accumulation	n/a	n/a	n/a	-28.1	n/a	06/12/2019
Class 'C' Accumulation	-22.7	-8.1	-4.1	+2.6	01/02/2008	20/09/2018
Class 'C' Distribution	n/a	n/a	n/a	-27.9	n/a	06/12/2019
Class 'CI' Accumulation	-22.7	-8.1	-4.2	+2.6	01/02/2008	20/09/2018
Class 'CI' Distribution	n/a	n/a	n/a	-27.8	n/a	06/12/2019
Class 'J' Accumulation	-22.5	n/a	n/a	-18.9	n/a	20/09/2018
Class 'JI' Accumulation	-22.5	n/a	n/a	-18.9	n/a	20/09/2018
US dollar						
Class 'A' Accumulation	-25.2	-8.1	-4.5	-4.2	08/08/2014	20/09/2018
Class 'C' Accumulation	-24.7	-7.4	-3.8	-3.5	08/08/2014	20/09/2018

[a] Fund performance before the launch of the fund on 18 September 2018 is that of the relevant Merged Share Class of the M&G European Strategic Value Fund, which includes UK taxes but excludes entry and exit charges. The M&G European Strategic Value Fund is a UK authorised fund which launched on 1 February 2008 and its non-Sterling share classes merged into M&G (Lux) European Strategic Value Fund on 7 December 2018.

M&G (Lux) European Strategic Value Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 6 December 2019 (the launch date of the classes) to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	06.12.19	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'C' Distribution Euro €	Class 'CI' Distribution Euro €
to 31 March 2020			
Final	0.1764	0.1761	0.0961

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	7.1474	9.3191	n/a
Class 'A' Distribution	7.1971	n/a	n/a
Class 'B' Accumulation	7.1856	n/a	n/a
Class 'C' Accumulation	7.2469	9.3777	n/a
Class 'C' Distribution	7.2143	n/a	n/a
Class 'CI' Accumulation	7.2357	9.3596	n/a
Class 'CI' Distribution	7.2151	n/a	n/a
Class 'J' Accumulation	7.2586	9.3692	n/a
Class 'JI' Accumulation	7.2635	9.3721	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	6.6786	8.9315	n/a
Class 'C' Accumulation	6.7549	8.9661	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	1,513,274	1,986,401	n/a
Swing pricing adjustment (see note 12)	(2,042)	n/a	n/a
Swung net assets	1,511,232	1,986,401	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.71
Class 'A' Distribution	1.71
Class 'B' Accumulation	2.21
Class 'C' Accumulation	0.95
Class 'C' Distribution	0.96
Class 'CI' Accumulation	0.92
Class 'CI' Distribution	0.92
Class 'J' Accumulation	0.71
Class 'JI' Accumulation	0.67
US dollar	%
Class 'A' Accumulation	1.71
Class 'C' Accumulation	0.96

M&G (Lux) Floating Rate High Yield Solution

Investment objective and policy

Investment objective

The Fund aims to provide a competitive global high yield bond market exposure whilst limiting interest rate risk. Performance will be measured versus a global high yield composite index* over any five year period.

* Composite index consists of 2/3 the Markit CDX North American High Yield 5Y Excess Return Index ("CDX.NA.HY Index") and 1/3 of the Markit iTraxx Europe Crossover 5Y Excess Return Index and Overnight LIBOR.

Investment policy

The Fund invests at least 70% of its Net Asset Value synthetically in floating rate high yield bonds. This exposure is achieved via a combination of high yield credit default swap indices ("CDX") and government floating rate bonds (rated A or above by S&P), from anywhere in the world, or cash. This synthetic structure achieves the Fund's desired credit exposure in a highly liquid manner and with low interest rate risk.

CDX are over the counter agreements which exchange the credit risk of the bonds composing the index between parties. The components of the index and their relative weightings are determined by an index provider (e.g. Markit) according to a set of pre-defined and published rules. There is no minimum credit rating requirement for entities included in the indices.

This exchange of credit risk allows one party, known as the protection buyer, to hedge credit risk, and the other party, known as the protection seller, to add long credit exposure. When acting as the protection seller, the Fund may use CDX to gain exposure to an index of bonds. This is similar to holding a physical portfolio of these bonds in that the Fund will receive coupons and be exposed to the capital value of the bonds, in return for assuming the default risk of those bonds. However in comparison to physical bonds, Credit Default Swaps allow the Fund to gain this credit exposure in a highly liquid manner and without interest rate risk.

The Fund uses a top down macro driven investment process within the following parameters:

- high yield bond market exposure is managed between 70% and 130%;
- the geographical neutral position of the fund is 2/3 North America and 1/3 Europe relative to the overall high yield bond market exposure (between 70-130%);
- the maximum deviation of geographical allocations, both overweight and underweight, is based on 25% of the overall high yield bond market exposure (i.e., 70-130%). This is applied individually to the European and American allocations.

Currency exposures within the Fund will be typically in USD or hedged into USD.

Derivatives can be used to meet the Fund's investment objective for hedging purposes and for efficient portfolio management. The derivative instruments that the Fund may invest in include Credit Default Swaps, Spot and Forward Contracts, Exchange Traded Futures, Swaps and Total Return Swaps.

The Fund may also invest in government bonds, cash, currencies, near cash, deposits, other debt instruments, other derivatives, preferred shares, warrants and other funds.

Investment approach

The Fund is globally diversified and, through the underlying CDX, seeks to provide exposure to a broad range of high yield bond issuers across a variety of industrial sectors.

The Investment Manager has the flexibility to adjust the Fund's credit exposure and regional allocations depending on the assessment of current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

By using CDX, rather than individual physical bonds to gain its exposure to credit, the Fund is designed to provide a more liquid and cost-effective solution for investors seeking exposure to high yield credit, but with limited interest rate risk.

The Markit CDX North American High Yield 5Y Excess Return Index is published by Markit and is composed of 100 liquid North American entities with high yield credit ratings that trade in the CDS market. Each entity in the index has equal or approximately equal weightings: the weighting of each entity is equal to 1/the number entities in the index, expressed as a percentage to 3 decimal places. Determination of constituents will be based on the relevant rating of each entity: for example, the long-term credit rating assigned by Standard & Poor's, Moody's or Fitch.

Markit refers to several criteria to select the 100 liquid North American entities: (i) the entity must not be a swap dealer, (ii) the entity must not be guaranteed or controlled by an affiliate that has a higher ranking on the liquidity list established by Markit on a continuous basis, (iii) the entity must not be otherwise ineligible due to the roll exclusions, and (iv) the entity must be rated maximum "BBB-".

The liquidity list aims to rank the liquidity of the entities by using the average weekly trading activity and will be based on the following criteria: (i) determining all entities for which single-name CDS are traded, (ii) assigned a maximum rating of "BBB-", and (iii) ranking the entities from the most liquid to the least liquid.

Further information on the Markit CDX North American High Yield 5Y Excess Return Index, including information on the index calculation and rebalancing methodology, is available at www.markit.com, Markit CDX High Yield and & Markit CDX Investment Grade Rules, www.markit.com/Product/CDX. A new

M&G (Lux) Floating Rate High Yield Solution

Investment objective and policy

Investment approach (continued)

series of the index is produced every six months. There are minimal trading costs associated with new series and details can be found at www.markit.com/Product/CDX.

The Markit iTraxx Europe Crossover 5Y Excess Return Index is published by Markit and is composed of up to 75 European entities which do not have investment grade credit ratings. Each entity in the index have equal of approximately equal weightings: the weighting of each entity is equal to 1/the number entities in the index, expressed as a percentage to 3 decimal places. Determination of constituents is governed by the "Markit iTraxx Crossover General Criteria" which is published on the Markit website (www.markit.com/Product/ITraxx).

Markit refers to several criteria to select the 75 European entities: (i) the entity must not be a swap dealer, (ii) the entity must not be guaranteed or controlled by an affiliate that has a higher ranking on the liquidity list established by Markit on a continuous basis, (iii) the entity must not be otherwise ineligible due to the roll exclusions, and (iv) the entity must be rated maximum "BBB-".

The liquidity risk aims to rank the liquidity of the entities by using the average weekly trading activity and will be based on the following criteria: (i) incorporated in and classified as "Europe", meaning the EU and the European free trade association, (ii) trading activity greater than zero, and (iii) a maximum rating of "BBB-".

Further information on the Markit iTraxx Europe Crossover 5Y Excess Return Index, including information on the index calculation and rebalancing methodology, is available at www.markit.com, Markit iTraxx Europe Index Rules, www.markit.com/Product/ITraxx. A new series of the index is produced every six months. There are minimal trading costs associated with new series and details can be found at: www.markit.com/Product/ITraxx.

Derivatives on indices involve also specific risks. These risks relate specifically to market risks, management risk, counterparty risk, liquidity risk, the risk of mispricing or improper valuation of derivatives and the risk that derivatives may not correlate perfectly with underlying indices.

Performance Comparator

Composite index made of the following indices:

- 2/3 Markit CDX North American High Yield 5Y Excess Return Index ("CDX.NA.HY Index")
- 1/3 Markit iTraxx Europe Crossover 5Y Excess Return Index and Overnight LIBOR

M&G (Lux) Floating Rate High Yield Solution

Investment review

For the year ended 31 March 2020

Performance review

Fixed income markets delivered mixed returns in the review period against a turbulent market backdrop. Following largely supportive conditions throughout 2019 and into the beginning of 2020, markets experienced a dramatic reversal as the spread of the new coronavirus around the world began to dominate headlines from late February onwards.

The change of tone contrasted markedly with the relatively upbeat market conditions that had prevailed before the onset of the crisis. Signs of a tentative pick-up in global economic activity, coupled with the supportive actions of the world's central banks, had helped drive solid returns across fixed income markets during 2019.

Both the European Central Bank (ECB) and the US Federal Reserve implemented a range of stimulus measures to help boost growth in 2019, including a series of interest rate cuts and the resumption of their bond purchase programmes. This helped drive government bonds yields to record lows by the middle of 2019.

Towards the end of 2019, markets were buoyed by signs of progress in the US/China trade negotiations, along with the avoidance of a no-deal Brexit scenario between the UK and Europe. With healthy labour markets providing further support to consumer confidence, earlier fears of a recession in Europe and the US had largely faded as we moved into 2020.

However, sentiment turned abruptly as the Covid-19 outbreak took hold, devastating financial markets from late February onwards. The virus meant most nations had to adopt strict population lockdowns, causing demand for many goods and services to slump. Governments and central banks scrambled to provide huge levels of monetary and fiscal support. A sharp oil price decline as a result of a slump in demand coupled with a failure to agree supply cuts added to levels of distress in the markets.

Most areas of the corporate bond market sold off heavily in March, with the asset class more than reversing its earlier gains over the past year. Lower-rated bonds generally experienced the largest declines as investors began to price in the likelihood of a rise in company defaults. However, highly rated government bonds offered some respite as investors sought refuge in their perceived safe-haven qualities, with US Treasuries and gilts delivering positive returns in March.

High yield CDS indices held up better than physical high yield bonds during the selloff, which we think can be largely explained by their greater liquidity during periods of market stress. On the other hand, CDS indices do not contain any interest rate duration, which meant they did not benefit from the fall in government bond yields – as duration is a measure of the sensitivity of a bond's price to changes in interest rates.

The sub-fund delivered a negative total return and lagged behind its benchmark during the 12 months under review. Relative returns were held back by our defensive credit

positioning and modest cash allocation for much of the period, which meant we did not fully participate in the earlier rally in high yield markets. This was partly offset by our bias towards US high yield debt, which outperformed.

Investment activities

Given the strength of the rally in high yield markets during 2019, but with the global economy still facing a number of uncertainties, we kept the sub-fund somewhat defensively positioned throughout the review period. Credit exposure was held below its neutral position of 100%, with the sub-fund holding a modest cash allocation.

As a result of this defensive stance, we believe the sub-fund was relatively well positioned to withstand the market selloff which began in late February. We took advantage of the sharp widening in credit spreads to increase our credit exposure from around 90% at the beginning of February to about 106% by the end of March. The sub-fund is therefore now slightly leveraged in order to capture the attractive value we are now seeing in high yield markets.

From a regional perspective we maintained a bias towards US over European high yield. This positioning reflects our more positive assessment for the US economy, as well as the fact that European credit markets have been distorted by the European Central Bank's bond purchase programme. As a result, we think US credit generally offers more compelling value on a risk-adjusted basis.

Outlook

While we expect high yield default rates to rise over the coming months, we think these will be concentrated in certain sectors, such as energy, airlines and leisure. We also believe that the unprecedented government actions to support businesses and consumers will take some of the pressure off the worst affected areas.

High yield spreads are now pricing in a worst-case scenario, implying a rise in defaults much higher than previous default peaks. Given the diversified nature of the high yield market, coupled with government measures to support businesses and the wider economy, we think this is extremely unlikely.

Therefore, while high yield markets are likely to remain volatile in the short term, on a medium-term view we think the asset class offers the potential for strong returns as spreads come back to more normal levels.

Stefan Isaacs and James Tomlins

Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Floating Rate High Yield Solution

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
DEBT SECURITIES					5,595	93.73
Investment grade government bonds					5,873	98.39
US Treasury Note FRN	169,000	US\$	30.04.2020		169	2.83
US Treasury Note FRN	921,000	US\$	31.07.2020		921	15.43
US Treasury Note FRN	921,000	US\$	31.10.2020		921	15.43
US Treasury Note FRN	1,003,000	US\$	31.01.2021		1,003	16.80
US Treasury Note FRN	844,000	US\$	30.04.2021		845	14.16
US Treasury Note FRN	924,000	US\$	31.07.2021		925	15.50
US Treasury Note FRN	1,086,000	US\$	31.10.2021		1,089	18.24
Debt derivatives					(278)	(4.66)
Credit default swaps					(278)	(4.66)
Markit CDX North American High Yield Series 34 5 Year Jun 2025	4,265,000	US\$			(208)	(3.49)
Markit iTraxx Europe Xover Series 33 5 Year Jun 2025	1,920,000	€			(70)	(1.17)
Portfolio of investments					5,595	93.73
CASH EQUIVALENTS					232	3.89
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	232,000	US\$			232	3.89
SHARE CLASS HEDGING					(47)	(0.78)
Bought for £ 25,463.93, Sold for US\$ 32,422.10			08.04.2020		(1)	(0.02)
Bought for € 5,450,800.87, Sold for US\$ 6,063,011.56			08.04.2020		(94)	(1.57)
Bought for CHF 100,507.28, Sold for US\$ 105,044.68			08.04.2020		0	0.00
Bought for SG\$ 75,877.19, Sold for US\$ 54,632.99			08.04.2020		0	0.00
Bought for US\$ 6,889.26, Sold for £ 5,553.08			08.04.2020		0	0.00
Bought for US\$ 1,308,968.79, Sold for € 1,178,560.02			08.04.2020		16	0.27
Bought for US\$ 20,740.86, Sold for CHF 19,756.15			08.04.2020		0	0.00
Bought for US\$ 10,813.80, Sold for SG\$ 15,305.06			08.04.2020		0	0.00
Bought for £ 690,958.02, Sold for US\$ 819,380.79			09.04.2020		35	0.59
Bought for US\$ 87,046.11, Sold for £ 72,904.05			09.04.2020		(3)	(0.05)
Total portfolio					5,780	96.84
Net other assets/(liabilities)					189	3.16
NET ASSETS					5,969	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					5,873	98.39
Unrealised gains on forward currency contracts					51	0.86
Total Investment assets					5,924	99.25
Investment liabilities						
Unrealised losses on forward currency contracts					(98)	(1.64)
Unrealised losses on swap contracts					(278)	(4.66)
Total Investment liabilities					(376)	(6.30)
Total portfolio					5,548	92.95
Cash equivalents					232	3.89
Net other assets/(liabilities)					189	3.16
NET ASSETS					5,969	100.00

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures	
	Swaps US\$'000	Forward currency contracts US\$'000
BNP Paribas	208	0
JP Morgan Chase	71	0
State Street Bank and Trust Company	0	8,509

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Floating Rate High Yield Solution

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A-H' Accumulation	-12.3	n/a	n/a	-4.7	24/08/2017
Class 'A-H' Distribution	-12.4	n/a	n/a	-4.7	24/08/2017
Class 'B-H' Accumulation	-12.8	n/a	n/a	-5.2	24/08/2017
Class 'B-H' Distribution	-12.8	n/a	n/a	-5.2	24/08/2017
Class 'C-H' Accumulation	-12.0	n/a	n/a	-4.3	24/08/2017
Class 'C-H' Distribution	-11.9	n/a	n/a	-4.3	24/08/2017
Singapore dollar					
Class 'A-H' Distribution	-10.5	n/a	n/a	-2.8	24/08/2017
Class 'A-H M' Distribution	-10.5	n/a	n/a	-2.8	24/08/2017
Class 'C-H M' Distribution	-10.1	n/a	n/a	-2.3	24/08/2017
Sterling					
Class 'C-H' Accumulation	-11.1	n/a	n/a	-3.4	24/08/2017
Class 'C-H' Distribution	-11.1	n/a	n/a	-3.3	24/08/2017
Swiss franc					
Class 'A-H' Accumulation	-12.5	n/a	n/a	-5.0	24/08/2017
Class 'A-H' Distribution	-12.5	n/a	n/a	-5.0	24/08/2017
Class 'C-H' Accumulation	-12.1	n/a	n/a	-4.6	24/08/2017
Class 'C-H' Distribution	-12.2	n/a	n/a	-4.6	24/08/2017
US dollar					
Class 'A' Accumulation	-9.8	n/a	n/a	-2.0	24/08/2017
Class 'A' Distribution	-9.8	n/a	n/a	-2.0	24/08/2017
Class 'A M' Distribution	-9.8	n/a	n/a	-2.0	24/08/2017
Class 'C' Accumulation	-9.4	n/a	n/a	-1.6	24/08/2017
Class 'C' Distribution	-9.4	n/a	n/a	-1.6	24/08/2017
Class 'C M' Distribution	-9.4	n/a	n/a	-1.6	24/08/2017
Class 'CI' Accumulation	-9.4	n/a	n/a	-1.5	24/08/2017

M&G (Lux) Floating Rate High Yield Solution

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H' Distribution	Class 'B-H' Distribution	Class 'C-H' Distribution	Class 'A-H' Distribution	Class 'C-H' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	SGD €	UK p
First interim	0.1496	0.1476	0.1501	0.1539	0.1528
Second interim	0.1497	0.1481	0.1510	0.1578	0.1543
Third interim	0.1421	0.1405	0.1437	0.1485	0.1515
Final	0.1587	0.1566	0.1604	0.1698	0.1655

	Class 'A-H' Distribution	Class 'C-H' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Swiss €	Swiss €	US €	US €
First interim	0.1441	0.1451	0.1587	0.1600
Second interim	0.1494	0.1508	0.1605	0.1619
Third interim	0.1395	0.1409	0.1494	0.1511
Final	0.1577	0.1594	0.1723	0.1744

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H M' Distribution	Class 'C-H M' Distribution	Class 'A M' Distribution	Class 'C M' Distribution
to 31 March 2020	SGD €	SGD €	US €	US €
First interim	0.0510	0.0515	0.0539	0.0543
Second interim	0.0529	0.0533	0.0538	0.0542
Third interim	0.0498	0.0502	0.0502	0.0507
Fourth interim	0.0553	0.0558	0.0563	0.0566
Fifth interim	0.0514	0.0518	0.0522	0.0527
Sixth interim	0.0506	0.0511	0.0511	0.0516
Seventh interim	0.0406	0.0410	0.0406	0.0410
Eighth interim	0.0342	0.0345	0.0350	0.0354
Ninth interim	0.0718	0.0726	0.0731	0.0739
Tenth interim	0.0824	0.0834	0.0843	0.0853
Eleventh interim	0.0403	0.0407	0.0429	0.0434
Final	0.0424	0.0429	0.0443	0.0448

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A-H' Accumulation	8.8148	10.0561	10.0391
Class 'A-H' Distribution	7.6484	9.3002	9.8641
Class 'B-H' Accumulation	8.7036	9.9777	10.0116
Class 'B-H' Distribution	7.5457	9.2239	9.8345
Class 'C-H' Accumulation	8.9119	10.1288	10.0655
Class 'C-H' Distribution	7.7433	9.3670	9.8874

Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Distribution	8.0650	9.6061	9.9694
Class 'A-H M' Distribution	7.9509	9.5072	9.8857
Class 'C-H M' Distribution	8.0459	9.5765	9.9121

Sterling	£	£	£
Class 'C-H' Accumulation	9.1513	10.2990	10.1217
Class 'C-H' Distribution	7.9409	9.5253	9.9451

Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	8.7484	9.9992	10.0148
Class 'A-H' Distribution	7.5949	9.2476	9.8381
Class 'C-H' Accumulation	8.8411	10.0621	10.0362
Class 'C-H' Distribution	7.6831	9.3142	9.8619

US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.4830	10.5147	10.1884
Class 'A' Distribution	8.2348	9.7291	10.0078
Class 'A M' Distribution	8.1148	9.6277	9.9144
Class 'C' Accumulation	9.5985	10.5926	10.2161
Class 'C' Distribution	8.3325	9.7990	10.0349
Class 'C M' Distribution	8.2108	9.6962	9.9407
Class 'C' Accumulation	9.6063	10.5976	10.2187

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	5,969	64,703	1,034
Swing pricing adjustment (see note 12)	(1)	n/a	n/a
Swung net assets	5,968	64,703	1,034

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A-H' Accumulation	0.98
Class 'A-H' Distribution	0.98
Class 'B-H' Accumulation	1.48
Class 'B-H' Distribution	1.48
Class 'C-H' Accumulation	0.53
Class 'C-H' Distribution	0.52
Singapore dollar	%
Class 'A-H' Distribution	0.98
Class 'A-H M' Distribution	0.98
Class 'C-H M' Distribution	0.53
Sterling	%
Class 'C-H' Accumulation	0.53
Class 'C-H' Distribution	0.52
Swiss franc	%
Class 'A-H' Accumulation	0.97
Class 'A-H' Distribution	0.98
Class 'C-H' Accumulation	0.52
Class 'C-H' Distribution	0.53

M&G (Lux) Floating Rate High Yield Solution

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2020	TER
US dollar	%
Class 'A' Accumulation	0.96
Class 'A' Distribution	0.96
Class 'A M' Distribution	0.96
Class 'C' Accumulation	0.51
Class 'C' Distribution	0.52
Class 'C M' Distribution	0.52
Class 'CI' Accumulation	0.47

M&G (Lux) Global Convertibles Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the convertibles market over any five-year period.

Investment policy

The Fund invests at least 70% of its Net Asset Value in convertible securities denominated in any currency. Issuers of these securities may be located in any country, including emerging markets. Exposure to these securities may be achieved, either directly or indirectly, through various combinations of corporate bonds, equities and derivatives.

The investment process of the Fund is based on a bottom-up, global approach to stock picking among convertibles based on a thorough analysis of the issuer's credit quality, equity fundamentals and the technical characteristics of the convertible.

The Fund may also hold up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities.

Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purposes of hedging. These derivative instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options and Credit Default Swaps.

The Fund may also invest in other assets including debt securities, equity securities, collective investment schemes, cash and near cash, deposits and warrants.

Investment approach

Convertible Bonds offer attractive risk adjusted returns by having the ability to participate in the equity upside whilst also benefiting from the downside protection features of bonds.

The Investment Manager focuses on Convertible Bonds that provide the best risk-reward features in their view. For these convertible securities the potential gain from the option on the share price exceeds the potential loss from the share price falling back to the value of the bond.

Risk is also managed by reducing the potential loss that the convertible might suffer if the share price of the company and the value of the embedded option declined markedly.

For the Convertible Bond to provide downside protection the company's credit quality is also analysed and monitored.

The Investment Manager has no set geographical guidelines or limits determined by macroeconomic or sector views.

Performance Comparator

Refinitiv Global Focus Convertible Bond Index*

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

For Currency Hedged Share Classes, the performance comparator is hedged to the Share Class currency.

* Until 24 February 2020 the name of the benchmark was Thomson Reuters Global Focus Convertible Bond Index

M&G (Lux) Global Convertibles Fund

Investment review

For the year ended 31 March 2020

Performance review

The investment environment changed markedly over the review period. Initially, investors were encouraged by the increasingly accommodative stance of central banks and hopes that a trade deal could be agreed between the US and China, meaning that most assets rose in price. However, the impact of the coronavirus and the effect of the measures being taken to contain it caused a massive reversal. All the previous gains in equities were quickly wiped out as investors flocked into cash. Convertibles reflected the falls in share prices but not to the same extent, as their prices were supported by their bond floors to some degree.

Over the 12 months, equities declined, led by emerging markets, the UK and Europe. Mainstream government bonds, on the other hand, rose. Investment grade credit did reasonably well, while high yield and emerging market government bonds weakened. Convertibles outperformed equities and high yield corporate bonds, but lagged government and investment grade bonds.

Against this background, the sub-fund declined and trailed its benchmark, the Refinitiv Global Focus Convertible Bond Index. The hedged share class did not benefit from the strength of the yen and US dollar relative to the euro and fell further than the unhedged share class.

In absolute terms, the largest detractors in the year included convertibles from Proofpoint, Airbus (into Dassault), Yandex, BP and Almirall. Although Proofpoint reported disappointing results, most of the detractors were judged to be exposed to lower demand due to the impact of the coronavirus.

Among the holdings that generated positive contributions were convertibles from STMicroelectronics, Sony, Dexcom and Extra Space Storage, all of which announced better-than-expected results.

The sub-fund suffered relative to the benchmark from not owning three large convertibles from Tesla. These highly equity-sensitive convertibles contributed hugely to the index as they all rose when Tesla shares rallied strongly. Not owning a bond from Microchip technology also cost some relative performance.

Among the factors that supported relative performance, avoiding convertibles from Transocean, Wayfair, Aurora Cannabis and China Evergrande was beneficial, as was owning convertibles from STMicroelectronics, Sony, RingCentral and Adidas.

Investment activity

During the review period, we reduced exposure to both highly equity-sensitive convertibles that could be vulnerable to equity price falls and to bond-like convertibles that would not share in much equity appreciation if it were to occur. Among the holdings that we sold after price rises were convertibles from Siemens, NXP Semiconductor and Extra Space Storage, while we reduced positions in Jazz Pharma and Sony. We also sold a CRRC convertible as it had minimal equity sensitivity.

More recently, we cut exposure to sectors likely to be hit hard by the effects of the coronavirus. Thus, we sold our entire position in Booking Holdings and Total convertibles.

Throughout the year, we invested in many attractively priced new issues giving us exposure to a variety of issuers, including Proofpoint, Tencent, Palo Alto, Twitter, Worldline and CyberArk. We bought positions in several convertibles from US technology companies to ensure that the sub-fund's weighting in the software sector remained in line with the convertibles universe. The importance of the industry had increased due to new issuance and robust performance, and it was crucial that the sub-fund reflected the change.

Outlook

Convertibles tend to perform well in times of elevated uncertainty and volatility, so the current situation should be the ideal backdrop to invest in the asset class. While no-one can predict exactly what will happen in the coming months, it seems clear that the economy and corporate earnings will suffer a period of sharp weakness.

It is possible that the imminent virus-induced recession will not be a 'traditional', long drawn-out one. The downturn is not caused by bad policy decisions or misallocation of capital; instead, it is being 'voluntarily' imposed on the world's economy in order to protect the health of the population. The bottom might be reached quickly and, once the virus has passed, the economy may be able to recover faster than some commentators think. We have seen unprecedented levels of support being given by governments and central banks, which should boost the recovery once we get over the worst of the effects of the virus. As markets tend to move ahead of anticipated improvements, any possible rebound could be rapid. With their link to equity prices, convertibles would join in this potential recovery.

If, on the other hand, lockdowns are extended, or any easing of travel restrictions leads to a further rise in the number of virus cases, then equity markets could re-test recent lows. Convertibles would be expected to hold up relatively well in such a scenario, particularly as many now stand close to their bond floors.

After all the recent volatility, we believe the convertibles universe offers compelling opportunities for stock picking, with prices having fallen and terms having become more attractive.

Léonard Vinville

Sub-fund manager

Investment review information as at 31 March 2020

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					2,817	0.56
United States					2,817	0.56
US equities						
NextEra Energy	63,076	USD			2,817	0.56
FIXED INCOME					484,195	95.44
United Kingdom					15,607	3.08
Investment grade corporate bonds					10,997	2.17
Barclays Bank 0%	3,948,000	USD	18.02.2025		3,877	0.77
BP Capital Markets 1%	5,700,000	GBP	28.04.2023		7,120	1.40
Corporate bonds with no credit rating						
Ocado Group 0.875%	3,900,000	GBP	09.12.2025		4,610	0.91
Belgium					914	0.18
Corporate bonds with no credit rating						
Akka Technologies FRN	1,100,000	EUR	31.12.2099		914	0.18
Denmark					4,497	0.89
Corporate bonds with no credit rating						
GN Store Nord 0%	4,200,000	EUR	21.05.2024		4,497	0.89
France					39,562	7.80
Investment grade corporate bonds					20,890	4.12
Compagnie Générale des Établissements Michelin 0%	4,600,000	USD	10.01.2022		4,366	0.86
Veolia Environnement 0%	3,724,069	EUR	01.01.2025		4,211	0.83
Vinci 0.375%	11,600,000	USD	16.02.2022		12,313	2.43
Corporate bonds with no credit rating					18,672	3.68
Atos 0%	6,800,000	EUR	06.11.2024		8,239	1.62
Edenred 0%	1,907,378	EUR	06.09.2024		2,036	0.40
Kering 0%	4,600,000	EUR	30.09.2022		4,955	0.98
Remy Cointreau 0.125%	2,648,387	EUR	07.09.2026		3,442	0.68
Germany					12,306	2.43
Corporate bonds with no credit rating					12,306	2.43
Adidas 0.05%	5,800,000	EUR	12.09.2023		6,779	1.34
Delivery Hero 0.25%	2,400,000	EUR	23.01.2024		2,502	0.49
Delivery Hero 1%	2,900,000	EUR	23.01.2027		3,025	0.60
Ireland					8,094	1.59
Corporate bonds with no credit rating						
Jazz Investments I 1.5%	9,265,000	USD	15.08.2024		8,094	1.59
Italy					3,048	0.60
Investment grade corporate bonds						
Snam 0%	2,700,000	EUR	20.03.2022		3,048	0.60
Luxembourg					16,134	3.18
Investment grade corporate bonds						
Grand City Properties 0.25%	7,500,000	EUR	02.03.2022		8,222	1.62
Corporate bonds with no credit rating						
Elliott Capital 0%	7,800,000	EUR	30.12.2022		7,912	1.56
Netherlands (The)					34,534	6.81
Investment grade corporate bonds					11,777	2.32
Airbus 0%	8,800,000	EUR	14.06.2021		9,399	1.85
STMicroelectronics 0%	2,000,000	USD	03.07.2022		2,378	0.47
Corporate bonds with no credit rating					22,757	4.49
ELM for Swiss Re 3.25%	6,400,000	USD	13.06.2024		6,016	1.19
Pharming Group 3%	2,100,000	EUR	21.01.2025		2,109	0.41
Qiagen 0.5%	4,200,000	USD	13.09.2023		4,550	0.90
QIAGEN 1%	2,000,000	USD	13.11.2024		2,079	0.41
Yandex 0.75% [a]	9,200,000	USD	03.03.2025		8,003	1.58
Spain					14,347	2.83
Below investment grade corporate bonds					14,347	2.83
Almirall 0.25%	7,500,000	EUR	14.12.2021		7,483	1.48
Cellnex Telecom 0.5%	5,800,000	EUR	05.07.2028		6,864	1.35
Switzerland					3,071	0.60
Investment grade corporate bonds						
Sika 0.15%	2,760,000	CHF	05.06.2025		3,071	0.60
United States					202,228	39.86
Investment grade corporate bonds					34,310	6.76
BofA Finance 0.125%	5,772,000	USD	01.09.2022		5,633	1.11
JPMorgan Chase Bank 0%	13,100,000	USD	07.08.2022		14,174	2.79

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
United States (continued)						
Investment grade corporate bonds (continued)						
JPMorgan Chase Bank 0.125%	4,911,000	USD	01.01.2023		5,028	0.99
JPMorgan Chase Financial 0.25%	10,064,000	USD	01.05.2023		9,475	1.87
Below investment grade corporate bonds					22,384	4.41
II VI 0.25%	6,435,000	USD	01.09.2022		5,991	1.18
Nuance Communications 1.25%	3,466,000	USD	01.04.2025		3,733	0.74
Nuance Communications 1.5%	1,552,000	USD	01.11.2035		1,642	0.32
ON Semiconductor 1.625%	4,320,000	USD	15.10.2023		4,370	0.86
Western Digital 1.5%	7,518,000	USD	01.02.2024		6,648	1.31
Corporate bonds with no credit rating					145,534	28.69
Akamai Technologies 0.125%	6,579,000	USD	01.05.2025		7,482	1.47
Akamai Technologies 0.375%	5,968,000	USD	01.09.2027		6,053	1.19
Altair Engineering 0.25%	3,801,000	USD	01.06.2024		3,265	0.64
BioMarin Pharmaceutical 0.599%	3,291,000	USD	01.08.2024		3,412	0.67
Blackline 0.125%	3,314,000	USD	01.08.2024		3,261	0.64
Chegg 0.125%	11,238,000	USD	15.03.2025		10,793	2.13
Coupa Software 0.125%	2,254,000	USD	15.06.2025		2,612	0.52
DocuSign 0.5%	3,031,000	USD	15.09.2023		4,112	0.81
Enphase Energy 0.25%	2,920,000	USD	01.03.2025		2,340	0.46
Exact Sciences 0.375%	7,905,000	USD	15.03.2027		6,766	1.33
Exact Sciences 1%	934,000	USD	15.01.2025		1,017	0.20
Greenbrier 2.875%	2,106,000	USD	01.02.2024		1,860	0.37
Guidewire Software 1.25%	2,718,000	USD	15.03.2025		2,695	0.53
Helix Energy Solutions Group 4.25%	2,597,000	USD	01.05.2022		1,907	0.38
Integra LifeSciences Holdings 0.5%	3,626,000	USD	15.08.2025		3,107	0.61
InterDigital 2%	5,658,000	USD	01.06.2024		5,216	1.03
JPMorgan Chase Bank 0%	5,000,000	EUR	18.09.2022		5,659	1.12
Ligand Pharmaceuticals 0.75%	5,529,000	USD	15.05.2023		4,589	0.90
Live Nation Entertainment 2.5%	2,745,000	USD	15.03.2023		2,623	0.52
NRG Energy 2.75%	6,142,000	USD	01.06.2048		5,970	1.18
Palo Alto Networks 0.75%	13,709,000	USD	01.07.2023		13,209	2.60
Proofpoint 0.25%	15,116,000	USD	15.08.2024		14,474	2.85
Pure Storage 0.125%	4,730,000	USD	15.04.2023		4,139	0.82
Supernus Pharmaceuticals 0.625%	6,130,000	USD	01.04.2023		4,957	0.98
Tabula Rasa HealthCare 1.75%	3,751,000	USD	15.02.2026		3,775	0.74
Twitter 0.25%	14,643,000	USD	15.06.2024		13,017	2.57
Vonage Holdings 1.75%	4,882,000	USD	01.06.2024		3,494	0.69
Zynga 0.25%	3,572,000	USD	01.06.2024		3,730	0.74
Canada					5,070	1.00
Corporate bonds with no credit rating					5,070	1.00
Osisko Gold Royalties 4%	4,935,000	CAD	31.12.2022		3,291	0.65
SSR Mining 2.5%	1,769,000	USD	01.04.2039		1,779	0.35
Japan					24,491	4.83
Corporate bonds with no credit rating					24,491	4.83
JINS Holdings 0% ^[a]	200,000,000	JPY	28.02.2023		1,832	0.36
JINS Holdings 0% ^[a]	100,000,000	JPY	28.02.2025		916	0.18
MINEBEA MITSUMI 0%	240,000,000	JPY	03.08.2022		2,303	0.46
Mitsubishi Chemical Holdings 0%	770,000,000	JPY	29.03.2024		6,858	1.35
Rohm 0%	130,000,000	JPY	05.12.2024		1,184	0.23
Ship Healthcare Holdings 0% ^[a]	830,000,000	JPY	13.12.2023		8,087	1.60
Sony 0%	273,000,000	JPY	30.09.2022		3,311	0.65
Australia					1,944	0.38
Investment grade corporate bonds						
DEXUS Finance 2.3%	3,500,000	AUD	19.06.2026		1,944	0.38
China					22,794	4.49
Corporate bonds with no credit rating					22,794	4.49
Momo 1.25%	7,850,000	USD	01.07.2025		6,262	1.23
WuXi AppTec 0%	6,000,000	USD	17.09.2024		6,708	1.32
Zhejiang Expressway 0%	3,100,000	EUR	21.04.2022		3,388	0.67
Zhongsheng Group Holdings 0%	48,000,000	HKD	23.05.2023		6,436	1.27
Hong Kong					7,146	1.41
Corporate bonds with no credit rating						
Lenovo Group 3.375%	7,340,000	USD	24.01.2024		7,146	1.41

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Singapore					6,600	1.30
Corporate bonds with no credit rating						
Suntec Real Estate Investment Trust 1.75%	9,750,000	SGD	30.11.2024		6,600	1.30
Israel					7,969	1.57
Corporate bonds with no credit rating						
CyberArk Software 0%	9,038,000	USD	15.11.2024		7,969	1.57
Bermuda					11,098	2.19
Below investment grade corporate bonds					8,514	1.68
Horizon Pharma Investment 2.5%	4,311,000	USD	15.03.2022		4,995	0.99
Jazz Investments I 1.875%	3,678,000	USD	15.08.2021		3,519	0.69
Corporate bonds with no credit rating						
Luye Pharma Group 1.5%	2,660,000	USD	09.07.2024		2,584	0.51
British Virgin Islands					8,245	1.62
Investment grade corporate bonds						
Link 2019 CB 1.6%	23,000,000	HKD	03.04.2024		2,837	0.56
Corporate bonds with no credit rating						
Sure First 2%	5,200,000	USD	16.01.2025		5,408	1.06
Cayman Islands					25,508	5.03
Corporate bonds with no credit rating					25,508	5.03
China Education Group Holdings 2%	52,000,000	HKD	28.03.2024		6,506	1.28
iQIYI 2%	6,817,000	USD	01.04.2025		6,096	1.20
Trip.com Group 1.99%	13,243,000	USD	01.07.2025		12,906	2.55
Cyprus						
Investment grade corporate bonds						
Abigrove 0%	9,000,000	USD	16.02.2022		8,988	1.77
CURRENCY					319	0.06
Bought for ¥ 3,820,000,000.00, Sold for US\$ 34,915,339.44			14.05.2020		319	0.06
Portfolio of investments					487,331	96.06
CASH EQUIVALENTS					14,333	2.82
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	14,333,000	USD			14,333	2.82
SHARE CLASS HEDGING					(2,184)	(0.43)
Bought for ¥ 515,204,616.00, Sold for € 4,368,224.25			08.04.2020		(41)	(0.01)
Bought for € 167,638,118.73, Sold for US\$ 186,577,004.70			08.04.2020		(3,009)	(0.59)
Bought for € 3,940,902.75, Sold for S\$ 6,071,380.62			08.04.2020		56	0.01
Bought for € 1,514,226.90, Sold for CHF 1,611,355.02			08.04.2020		(10)	0.00
Bought for € 1,545,086.66, Sold for CA\$ 2,297,880.14			08.04.2020		78	0.02
Bought for € 27,490,996.87, Sold for ¥ 3,286,195,306.00			08.04.2020		(152)	(0.03)
Bought for € 8,689,426.93, Sold for HK\$ 75,159,036.32			08.04.2020		(177)	(0.03)
Bought for € 5,706,999.18, Sold for € 4,971,905.40			08.04.2020		103	0.02
Bought for £ 817,666.73, Sold for € 906,411.47			08.04.2020		19	0.00
Bought for US\$ 56,893,830.23, Sold for € 51,201,435.39			08.04.2020		828	0.16
Bought for € 866,244.78, Sold for AU\$ 1,558,486.79			08.04.2020		0	0.00
Bought for S\$ 1,674,984.47, Sold for € 1,063,322.51			08.04.2020		11	0.00
Bought for HK\$ 21,388,163.58, Sold for € 2,483,026.08			08.04.2020		39	0.01
Bought for ¥ 29,651,652.00, Sold for US\$ 279,460.04			08.04.2020		(5)	0.00
Bought for US\$ 689,612.50, Sold for £ 539,227.26			08.04.2020		23	0.00
Bought for US\$ 3,183,353.03, Sold for ¥ 342,327,697.00			08.04.2020		30	0.01
Bought for US\$ 183,232.07, Sold for CA\$ 245,138.75			08.04.2020		11	0.00
Bought for US\$ 993,916.14, Sold for HK\$ 7,722,046.35			08.04.2020		(2)	0.00
Bought for US\$ 366,484.72, Sold for CHF 350,798.67			08.04.2020		3	0.00
Bought for US\$ 460,698.88, Sold for S\$ 637,916.05			08.04.2020		13	0.00
Bought for US\$ 103,722.97, Sold for AU\$ 167,927.90			08.04.2020		2	0.00
Bought for HK\$ 1,609,263.08, Sold for US\$ 207,473.99			08.04.2020		0	0.00
Bought for ¥ 1,557,827.00, Sold for CHF 13,913.91			08.04.2020		0	0.00
Bought for CHF 1,238,632.10, Sold for US\$ 1,294,880.94			08.04.2020		(11)	0.00
Bought for CHF 30,251.26, Sold for S\$ 43,843.52			08.04.2020		0	0.00
Bought for CHF 209,278.49, Sold for ¥ 23,508,176.00			08.04.2020		0	0.00
Bought for CHF 44,935.54, Sold for £ 36,867.74			08.04.2020		1	0.00
Bought for CHF 64,524.78, Sold for HK\$ 524,325.26			08.04.2020		(1)	0.00
Bought for CHF 12,008.09, Sold for CA\$ 16,809.30			08.04.2020		0	0.00
Bought for CHF 687,883.31, Sold for € 647,892.73			08.04.2020		3	0.00
Bought for £ 3,648.97, Sold for CHF 4,296.35			08.04.2020		0	0.00
Bought for CHF 6,733.83, Sold for AU\$ 11,445.72			08.04.2020		0	0.00

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for HK\$ 92,609.61, Sold for CHF 11,479.26			08.04.2020		0	0.00
Bought for SG\$ 8,688.71, Sold for CHF 5,852.09			08.04.2020		0	0.00
Bought for AU\$ 389.10, Sold for CHF 219.01			08.04.2020		0	0.00
Bought for AU\$ 173,014.62, Sold for € 93,437.32			08.04.2020		3	0.00
Bought for CA\$ 211,041.34, Sold for € 135,234.56			08.04.2020		0	0.00
Bought for £ 68,884.12, Sold for US\$ 83,843.61			08.04.2020		1	0.00
Bought for SG\$ 139,967.42, Sold for US\$ 97,663.51			08.04.2020		0	0.00
Bought for CA\$ 5,566.39, Sold for US\$ 4,030.08			08.04.2020		0	0.00
Bought for AU\$ 9,434.03, Sold for US\$ 5,426.28			08.04.2020		0	0.00
Total portfolio					499,480	98.45
Net other assets/(liabilities)					7,850	1.55
NET ASSETS					507,330	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					2,817	0.56
Debt securities					484,195	95.44
Unrealised gains on forward currency contracts					1,543	0.29
Total Investment assets					488,555	96.29
Investment liabilities						
Unrealised losses on forward currency contracts					(3,408)	(0.66)
Total Investment liabilities					(3,408)	(0.66)
Total portfolio					485,147	95.63
Cash equivalents					14,333	2.82
Net other assets/(liabilities)					7,850	1.55
NET ASSETS					507,330	100.00

[a] Unlisted/unquoted.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts US\$'000	Collateral held as security US\$'000
Goldman Sachs International	34,915	0
State Street Bank and Trust Company	384,730	1,112

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Convertibles Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-3.9	-3.6	-1.3	+3.5	13/07/2007	09/11/2018
Class 'A' Distribution	-3.9	-3.6	-1.3	+3.1	12/07/2013	09/11/2018
Class 'A-H' Accumulation	-8.2	-5.2	-2.6	+2.0	21/05/2010	09/11/2018
Class 'A-H' Distribution	-7.9	-5.1	-2.6	+0.2	12/07/2013	09/11/2018
Class 'B' Accumulation	-4.4	-4.1	-1.8	+2.7	26/07/2013	09/11/2018
Class 'B' Distribution	-4.4	-4.1	n/a	-0.4	11/09/2015	09/11/2018
Class 'B-H' Accumulation	-8.6	-5.6	-3.1	-0.6	26/07/2013	09/11/2018
Class 'B-H' Distribution	-8.6	-5.7	n/a	-2.5	11/09/2015	09/11/2018
Class 'C' Accumulation	-3.1	-2.9	-0.6	+4.2	13/07/2007	09/11/2018
Class 'C' Distribution	-3.1	-2.9	-0.6	+3.4	08/08/2014	09/11/2018
Class 'C-H' Accumulation	-7.4	-4.4	-1.9	+2.9	21/05/2010	09/11/2018
Class 'C-H' Distribution	-7.4	-4.4	-1.8	-0.4	08/08/2014	09/11/2018
Class 'CI' Accumulation	-3.1	-2.9	-0.6	+4.2	13/07/2007	19/11/2018
Class 'CI-H' Accumulation	-7.6	-4.4	-1.9	+2.9	21/05/2010	19/11/2018
Swiss franc						
Class 'A-H' Accumulation	-8.4	-5.5	-3.1	+0.8	28/09/2012	09/11/2018
Class 'C-H' Accumulation	-7.9	-4.9	-2.4	+1.5	28/09/2012	09/11/2018
US dollar						
Class 'A-H' Accumulation	-5.4	-2.5	-0.6	+2.7	28/09/2012	09/11/2018
Class 'A-H' Distribution	-5.4	-2.6	-0.6	+0.7	08/08/2014	09/11/2018
Class 'C-H' Accumulation	-4.7	-1.8	+0.2	+3.5	28/09/2012	09/11/2018
Class 'C-H' Distribution	-4.8	-1.5	+0.4	+1.7	08/08/2014	09/11/2018
Class 'CI-H' Accumulation	-4.7	n/a	n/a	-2.5	n/a	19/11/2018

[a] Fund performance before the launch of the fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G Global Convertibles Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Convertibles Fund is a UK authorised fund which launched on 13 July 2007 and its non-Sterling share classes merged into M&G (Lux) Global Convertibles Fund on 7 December 2018.

M&G (Lux) Global Convertibles Fund

Financial highlights

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	01.04.19	31.03.20	17.04.20	20.04.20	23.04.20
	Class 'A' Distribution	Class 'A-H' Distribution	Class 'B' Distribution	Class 'B-H' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	Euro €	Euro €
Final	0.1215	0.0959	0.0803	0.0724	0.1356
		Class 'C-H' Distribution	Class 'A-H' Distribution	Class 'C-H' Distribution	
to 31 March 2020		Euro €	US \$	US \$	
Final			0.1032	0.0969	0.0876

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	15.4287	16.0496	n/a
Class 'A' Distribution	13.9022	14.5041	n/a
Class 'A-H' Accumulation	12.2075	13.2941	n/a
Class 'A-H' Distribution	11.0570	12.0431	n/a
Class 'B' Accumulation	11.9095	12.4515	n/a
Class 'B' Distribution	9.1678	9.6132	n/a
Class 'B-H' Accumulation	9.6336	10.5376	n/a
Class 'B-H' Distribution	8.3136	9.1262	n/a
Class 'C' Accumulation	16.9695	17.5199	n/a
Class 'C' Distribution	15.2562	15.7953	n/a
Class 'C-H' Accumulation	13.2785	14.3402	n/a
Class 'C-H' Distribution	11.9288	12.9242	n/a
Class 'CI' Accumulation	9.9507	10.2697	n/a
Class 'CI-H' Accumulation	9.2629	10.0198	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	10.6341	11.6049	n/a
Class 'C-H' Accumulation	11.2182	12.1797	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	12.2529	12.9520	n/a
Class 'A-H' Distribution	11.2342	11.9119	n/a
Class 'C-H' Accumulation	12.9636	13.6064	n/a
Class 'C-H' Distribution	11.7543	12.3770	n/a
Class 'CI-H' Accumulation	9.6655	10.1388	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	507,330	1,037,500	n/a
Swing pricing adjustment (see note 12)	(3,788)	n/a	n/a
Swung net assets	503,542	1,037,500	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.72
Class 'A' Distribution	1.72
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'B' Accumulation	2.22
Class 'B' Distribution	2.22
Class 'B-H' Accumulation	2.24
Class 'B-H' Distribution	2.24
Class 'C' Accumulation	0.97
Class 'C' Distribution	0.98
Class 'C-H' Accumulation	0.99
Class 'C-H' Distribution	0.99
Class 'CI' Accumulation	0.93
Class 'CI-H' Accumulation	0.95
Swiss franc	%
Class 'A-H' Accumulation	1.74
Class 'C-H' Accumulation	0.99
US dollar	%
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.99
Class 'C-H' Distribution	0.99
Class 'CI-H' Accumulation	0.95

M&G (Lux) Global Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global investment grade corporate bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in investment grade corporate bonds denominated in any currency. The Fund does not take currency views and aims to hedge any non-USD assets to USD. Issuers of these securities may be located in any country, including emerging markets.

The Fund may also invest in high yield corporate bonds, government and public securities denominated in any currency. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The Fund uses an investment process that is based on both a top-down macroeconomic view and fundamental analysis of individual securities.

The Fund may invest up to a combined maximum of 20% of the Fund's Net Asset Value in below investment grade and unrated securities.

The Fund may hold up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities and up to 20% of its Net Asset Value in Contingent Convertible Debt Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchanged Traded Futures, Credit Default Swaps and Interest Rate Swaps.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants and other debt securities.

Investment approach

The Investment Manager considers macroeconomic, asset class, sector, geographic and individual credit-level factors. A dynamic investment approach combining top-down and bottom-up stock selection is followed, allowing the Investment Manager to change the blend of duration and credit exposure based on the outlook for bond markets. An in-house team of credit analysts assists the Investment Manager in individual credit selection along with the monitoring of names held by the Fund.

Performance Comparator

Bloomberg Barclays Global Aggregate Corporate Index USD Hedged

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

For Currency Hedged Share Classes, the performance comparator is hedged to the Share Class currency.

M&G (Lux) Global Corporate Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

The period under review began in a positive vein, as the global risk-on sentiment that pervaded for much of the preceding three months continued. However, by May, the optimistic mood was somewhat dampened, as renewed fears about the prospects for global trade caused investors to prefer safer assets once again.

During the summer, there was a series of interest rate decisions from central banks in response to mounting uncertainties on the path of global economic growth.

In the final few months of 2019, the Federal Reserve cut interest rates, there were signs of a resolution to trade wars, and Brexit was on the cusp of clearing the final hurdle following victory for the pro-Brexit Conservative Party in December's UK general election. The European Central Bank resuming its bond-buying programme (in November) was an additional source of support for European corporate bonds. Investor sentiment improved as a result.

A promising start to 2020 had fallen away by the middle of January as investors retreated on the news of the coronavirus outbreak in China. Thereafter, as the number of coronavirus cases increased across Europe, 'risk-off' sentiment returned to markets with a vengeance.

By March this year, employment, consumer demand and broader economic activity took a major blow. Investors reacted by exiting risk strategies, which resulted in significant price falls across most asset classes.

The sub-fund delivered a positive total return and was ahead of its benchmark, the Bloomberg Barclays Global Aggregate Corporate Index, over the 12 months under review. A large part of the sub-fund's positive return in the period was due to the strong performance of US investment grade corporate bonds during most of 2019. However, the price of these securities fell in 2020 as investors worried about the prospect of companies being able to meet their debt obligations because of the 'stay at home' recession; this development affected sub-fund performance as the period drew to a close.

Investment activity

Sub-fund returns are driven by a number of factors, including duration (interest rate risk) and credit risk, with currency exposure hedged to the sub-fund's base currency – the US dollar. Over the period, we maintained the portfolio's exposure to high-quality investment grade bonds with the average credit rating of issuers at around A+. The portfolio was diversified across leading banks, technology firms like Microsoft, and renowned global finance houses such as the International Bank of Reconstruction and Development. Holdings of riskier bond assets, such as high yield corporate bonds, was kept at minimum throughout the period under review.

Outlook

The economic environment as we see it in the coming months, in this extraordinary period for all of us, could resemble a 'T'-shaped recession/recovery. This means we get a very sharp fall in growth followed by an equally fast rise once we come out of the crisis. By June, with a possible easing of the lockdown worldwide, we could see job offers come back – restaurants and bars looking to refill those roles lost in March, for example. The bounce in spending and growth could therefore be as dynamic as the sharp drop encountered at the beginning of the lockdown.

Ben Lord

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					21,490	97.98
Debt securities					21,496	98.01
'AAA' credit rated bonds					5,984	27.28
Commonwealth Bank of Australia FRN	431,000	£	16.01.2025		518	2.36
Coventry Building Society FRN	148,000	£	15.01.2025		178	0.81
DLL UK Equipment Finance FRN	48,151	£	25.03.2028		60	0.27
Finsbury Square FRN	91,465	£	12.09.2065		113	0.52
Germany (Federal Republic of) 1%	100,000	€	15.08.2025		120	0.55
Holmes Master Issuer FRN	467,474	US\$	15.10.2054		465	2.12
Holmes Master Issuer FRN ^[a]	257,143	US\$	15.10.2054		255	1.16
Lanark Master Issuer FRN ^[a]	155,000	US\$	22.12.2069		154	0.70
Microsoft 2.4%	500,000	US\$	08.08.2026		528	2.41
Microsoft 3.5%	400,000	US\$	12.02.2035		470	2.14
Permanent Master Issuer FRN	300,000	US\$	15.07.2058		298	1.36
Permanent Master Issuer FRN	400,000	US\$	15.07.2058		400	1.82
Polaris Holdings FRN	105,150	£	27.04.2057		123	0.56
Royal Bank of Canada FRN	543,000	£	03.10.2024		656	2.99
Santander UK FRN	164,000	£	12.11.2024		198	0.90
Together Asset Backed Securitisation FRN	221,672	£	15.07.2061		259	1.18
US Treasury I/I 0.125%	900,000	US\$	15.07.2024		982	4.48
US Treasury I/I 0.125%	200,000	US\$	15.01.2030		207	0.95
'AA' credit rated bonds					2,077	9.47
Apple 4.65%	150,000	US\$	23.02.2046		199	0.91
Exxon Mobil 3.294%	150,000	US\$	19.03.2027		154	0.70
Exxon Mobil 3.482%	150,000	US\$	19.03.2030		161	0.73
MassMutual Global Funding II 1.375%	280,000	£	15.12.2026		319	1.46
MassMutual Global Funding II 2.75%	500,000	US\$	22.06.2024		503	2.29
New York Life Global Funding 0.25%	107,000	€	23.01.2027		110	0.50
New York Life Global Funding 2.9%	504,000	US\$	17.01.2024		519	2.37
Walmart 3.7%	100,000	US\$	26.06.2028		112	0.51
'A' credit rated bonds					4,978	22.70
Air Liquide Finance 2.25%	200,000	US\$	10.09.2029		190	0.87
Bank of America FRN	200,000	US\$	23.04.2027		207	0.94
Cigna 4.8%	150,000	US\$	15.07.2046		172	0.78
Coca-Cola 3.45%	250,000	US\$	25.03.2030		281	1.28
Comcast 3.4%	300,000	US\$	01.04.2030		323	1.47
Comcast 4.95%	200,000	US\$	15.10.2058		274	1.25
Deere 2.75%	149,000	US\$	15.04.2025		153	0.70
Diageo Finance 2.5%	100,000	€	27.03.2032		114	0.52
Home Depot 2.7%	400,000	US\$	15.04.2030		405	1.85
Intel 3.9%	250,000	US\$	25.03.2030		281	1.28
Japan (Kingdom of) 0.1% ^[a]	12,000,000	¥	10.03.2028		112	0.51
JPMorgan Chase FRN	200,000	US\$	15.10.2030		197	0.90
PepsiCo 2.625%	100,000	US\$	19.03.2027		104	0.47
Siemens Financieringsmaatschappij 1%	100,000	£	20.02.2025		118	0.54
S-Jets 3.967% ^[a]	198,952	US\$	15.08.2042		142	0.65
Southern California Edison 3.65%	250,000	US\$	01.02.2050		244	1.11
State Street FRN	113,000	US\$	30.03.2026		114	0.52
Target 2.25%	300,000	US\$	15.04.2025		304	1.39
Toyota Motor Credit 3%	350,000	US\$	01.04.2025		351	1.60
United Parcel Service 4.45%	200,000	US\$	01.04.2030		226	1.03
Walt Disney 2%	300,000	US\$	01.09.2029		284	1.30
Walt Disney 3.7%	150,000	US\$	23.03.2027		162	0.74
Walt Disney 3.8%	100,000	US\$	22.03.2030		110	0.50
Wells Fargo FRN	100,000	US\$	04.04.2031		110	0.50
'BBB' credit rated bonds					8,275	37.73
AbbVie 4.05%	73,000	US\$	21.11.2039		76	0.35
AbbVie 4.25%	77,000	US\$	21.11.2049		83	0.38
Albermarle New Holding 1.125%	100,000	€	25.11.2025		103	0.47
Altria Group 2.2%	100,000	€	15.06.2027		106	0.48
Altria Group 5.8%	236,000	US\$	14.02.2039		260	1.19
Altria Group 6.2%	23,000	US\$	14.02.2059		26	0.12
Anglo American Capital 4.5%	200,000	US\$	15.03.2028		198	0.90
Anheuser-Busch InBev Worldwide 5.45%	150,000	US\$	23.01.2039		174	0.79
Anheuser-Busch InBev Worldwide 5.8%	200,000	US\$	23.01.2059		248	1.13
Banco Bilbao Vizcaya Argentaria 0.5%	200,000	€	14.01.2027		194	0.88
Banco Bilbao Vizcaya Argentaria FRN	300,000	€	16.01.2030		279	1.27
BAT Capital 4.758%	50,000	US\$	06.09.2049		47	0.21

M&G (Lux) Global Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Bayer US Finance II 4.625%	152,000	US\$	25.06.2038		165	0.75
Boston Scientific 0.625%	141,000	€	01.12.2027		141	0.64
CK Hutchison Group Telecom Finance 1.125%	120,000	€	17.10.2028		122	0.56
CK Hutchison Group Telecom Finance 1.5%	151,000	€	17.10.2031		151	0.69
CVS Health 3.625%	200,000	US\$	01.04.2027		204	0.93
CVS Health 4.78%	250,000	US\$	25.03.2038		267	1.22
DH Europe Finance II 1.8%	100,000	€	18.09.2049		88	0.40
Digital Dutch Finco 1.5%	100,000	€	15.03.2030		96	0.44
Energy Transfer Operating 4.5%	16,000	US\$	15.04.2024		14	0.06
Energy Transfer Operating 5.8%	325,000	US\$	15.06.2038		285	1.30
General Electric 4.875%	175,000	£	18.09.2037		201	0.92
General Motors 6.25%	300,000	US\$	02.10.2043		235	1.07
Goldman Sachs Group 3.375%	73,000	€	27.03.2025		84	0.38
Imperial Brands Finance 3.875%	250,000	US\$	26.07.2029		235	1.07
Intesa Sanpaolo 2.5%	100,000	£	15.01.2030		108	0.49
Intesa Sanpaolo 4%	350,000	US\$	23.09.2029		322	1.47
Lear 4.25%	82,000	US\$	15.05.2029		76	0.35
Legal & General Group FRN	150,000	£	27.10.2045		192	0.88
Lloyds Banking Group FRN	234,000	£	15.01.2026		272	1.24
McDonald's 3.625%	400,000	US\$	01.09.2049		406	1.85
Morgan Stanley FRN	150,000	US\$	24.10.2023		143	0.65
Morgan Stanley FRN	250,000	US\$	08.05.2024		236	1.08
Morgan Stanley FRN	122,000	US\$	24.03.2051		164	0.75
MPLX 4.5%	200,000	US\$	15.04.2038		147	0.67
Mylan 5.4%	150,000	US\$	29.11.2043		156	0.71
Nationwide Building Society FRN	223,000	US\$	08.03.2029		232	1.06
Quadiant 2.25%	200,000	€	03.02.2025		205	0.94
Reynolds American 5.85%	350,000	US\$	15.08.2045		372	1.70
Sabine Pass Liquefaction 5.875%	200,000	US\$	30.06.2026		182	0.83
Tesco 3.322%	50,000	£	05.11.2025		123	0.56
Thermo Fisher Scientific 1.875%	147,000	€	01.10.2049		128	0.58
Verizon Communications 3.15%	150,000	US\$	22.03.2030		161	0.73
Vodafone Group 4.25%	150,000	US\$	17.09.2050		151	0.69
Vodafone Group 5.125%	150,000	US\$	19.06.2059		166	0.76
Weyerhaeuser 4%	250,000	US\$	15.04.2030		251	1.14
'BB' credit rated bonds						
Kraft Heinz Foods 4.625%	200,000	US\$	01.10.2039		182	0.83
Debt derivatives					(6)	(0.03)
Credit default swaps					(8)	(0.04)
Markit CDX North American Investment Grade Series 34 5 Year Jun 2025	1,000,000	US\$			(4)	(0.02)
Markit iTraxx Europe Xover Series 29 5 Year Dec 2023	100,000	US\$			(4)	(0.02)
Interest rate futures					2	0.01
Deutscher Bobl 5 year Futures	6	€	08.06.2020	7	(3)	(0.01)
Deutscher Bund 10 year Futures	(1)	€	08.06.2020	2	6	0.03
Deutscher Bund 10 year Futures	4	€	08.06.2020	5	(1)	0.00
Canada Government Bonds 10 year Futures	6	CA\$	19.06.2020	5	23	0.10
US Treasury Notes 10 year Futures	(1)	US\$	19.06.2020	1	0	0.00
US Treasury Notes 10 year Futures	(8)	US\$	19.06.2020	9	(18)	(0.08)
US Treasury Notes 30 year Futures	(1)	US\$	19.06.2020	1	1	0.00
US Ultra Bond Futures	(2)	US\$	19.06.2020	3	0	0.00
UK Treasury Notes Futures	(2)	£	26.06.2020	3	(6)	(0.03)
CURRENCY					339	1.55
Forward currency contracts					339	1.55
Bought for £ 1,169,745.12, Sold for US\$ 1,508,925.66			08.04.2020		(62)	(0.28)
Bought for ¥ 429,779.00, Sold for US\$ 4,058.29			08.04.2020		0	0.00
Bought for € 288,876.90, Sold for US\$ 318,312.16			08.04.2020		(2)	(0.01)
Bought for US\$ 5,236,061.06, Sold for £ 3,993,195.07			08.04.2020		300	1.37
Bought for US\$ 123,727.04, Sold for ¥ 12,650,234.00			08.04.2020		7	0.03
Bought for US\$ 2,470,110.50, Sold for € 2,167,226.56			08.04.2020		96	0.44
Portfolio of investments					21,829	99.53
CASH EQUIVALENTS					1,011	4.61
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	1,011,000	US\$			1,011	4.61

M&G (Lux) Global Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING						
Bought for € 20,590,310.03, Sold for US\$ 22,909,148.26			08.04.2020		(336)	(1.53)
Bought for CHF 55,293.00, Sold for US\$ 57,803.06			08.04.2020		(360)	(1.64)
Bought for US\$ 3,125,483.79, Sold for € 2,830,174.42			08.04.2020		0	0.00
Bought for US\$ 6,164.29, Sold for CHF 5,931.34			08.04.2020		24	0.11
					0	0.00
Total portfolio					22,504	102.61
Net other assets/(liabilities)					(570)	(2.61)
NET ASSETS					21,934	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					21,496	98.01
Unrealised gains on futures contracts					30	0.13
Unrealised gains on forward currency contracts					427	1.95
Total Investment assets					21,953	100.09
Investment liabilities						
Unrealised losses on futures contracts					(28)	(0.12)
Unrealised losses on forward currency contracts					(424)	(1.93)
Unrealised losses on swap contracts					(8)	(0.04)
Total Investment liabilities					(460)	(2.09)
Total portfolio					21,493	98.00
Cash equivalents					1,011	4.61
Net other assets/(liabilities)					(570)	(2.61)
NET ASSETS					21,934	100.00

[a] Unlisted/unquoted.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures			
	Swaps US\$'000	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as security US\$'000
Bank of America Merrill Lynch	0	0	4,848	0
BNP Paribas	8	5,262	0	0
Crédit Suisse International	0	1	0	0
Deutsche Bank AG	0	853	0	0
Goldman Sachs International	0	235	0	0
HSBC Bank Plc	0	1	0	0
JP Morgan Chase	0	856	0	0
Standard Chartered Bank	0	156	0	0
State Street Bank and Trust Company	0	26,099	0	92
State Street Bank London	0	2,260	0	0
UBS AG London	0	37	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Corporate Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A-H' Accumulation	+2.3	+1.3	+1.1	+2.6	05/09/2013	07/12/2018
Class 'A-H' Distribution	+2.2	+1.3	+1.1	+2.6	05/09/2013	07/12/2018
Class 'C-H' Accumulation	+2.7	+1.8	+1.6	+3.1	05/09/2013	07/12/2018
Class 'C-H' Distribution	+2.7	+1.8	+1.7	+3.1	05/09/2013	07/12/2018
Class 'CI-H' Accumulation	+2.8	+1.8	+1.7	+3.1	05/09/2013	17/12/2018
Swiss franc						
Class 'A-H' Accumulation	+1.9	+0.9	+0.6	+2.1	05/09/2013	07/12/2018
Class 'C-H' Accumulation	+2.4	+1.4	+1.1	+2.6	05/09/2013	07/12/2018
US dollar						
Class 'A' Accumulation	+5.3	+4.1	+3.3	+4.3	05/09/2013	07/12/2018
Class 'A' Distribution	+5.3	+4.1	+3.3	+3.5	08/08/2014	07/12/2018
Class 'C' Accumulation	+5.8	+4.6	+3.8	+4.8	05/09/2013	07/12/2018
Class 'C' Distribution	+5.8	+4.6	+3.8	+4.0	08/08/2014	07/12/2018
Class 'CI' Accumulation	+5.9	+4.6	+3.8	+4.8	05/09/2013	17/12/2018

[a] Fund performance before the launch of the fund on 7 December 2018 is that of the relevant Merged Share Class of the M&G Global Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Corporate Bond Fund is a UK authorised fund which launched on 5 September 2013 and its non-Sterling share classes merged into M&G (Lux) Global Corporate Bond Fund on 7 December 2018.

M&G (Lux) Global Corporate Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H' Distribution Euro €	Class 'C-H' Distribution Euro €	Class 'A' Distribution US \$	Class 'C' Distribution US \$
to 31 March 2020				
First interim	0.0919	0.0926	0.1017	0.1034
Second interim	0.0821	0.0831	0.0922	0.0939
Third interim	0.0812	0.0823	0.0890	0.0909
Final	0.0676	0.0682	0.0768	0.0783

Total Expense Ratio 31.03.2020	TER
US dollar	%
Class 'A' Accumulation	1.38
Class 'A' Distribution	1.38
Class 'C' Accumulation	0.88
Class 'C' Distribution	0.87
Class 'CI' Accumulation	0.84

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A-H' Accumulation	11.8486	11.5864	n/a
Class 'A-H' Distribution	10.0682	10.2097	n/a
Class 'C-H' Accumulation	12.2272	11.9005	n/a
Class 'C-H' Distribution	10.2121	10.3017	n/a
Class 'CI-H' Accumulation	10.6790	10.3899	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	11.4299	11.2215	n/a
Class 'C-H' Accumulation	11.8355	11.5616	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	13.1665	12.5026	n/a
Class 'A' Distribution	11.3223	11.1447	n/a
Class 'C' Accumulation	13.6104	12.8613	n/a
Class 'C' Distribution	11.5704	11.3307	n/a
Class 'CI' Accumulation	11.1017	10.4861	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	21,934	20,085	n/a
Swing pricing adjustment (see note 12)	112	n/a	n/a
Swung net assets	22,046	20,085	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A-H' Accumulation	1.40		
Class 'A-H' Distribution	1.40		
Class 'C-H' Accumulation	0.90		
Class 'C-H' Distribution	0.90		
Class 'CI-H' Accumulation	0.86		
Swiss franc	%		
Class 'A-H' Accumulation	1.39		
Class 'C-H' Accumulation	0.89		

M&G (Lux) Global Dividend Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to deliver a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period and;
- to deliver an income stream that increases every year in US Dollar terms.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund usually holds fewer than 50 stocks.

The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies. Dividend yield is not the primary consideration for stock selection.

The Investment Manager aims to create a diversified portfolio with exposure to a broad range of countries and sectors. Stocks with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions.

Performance Comparator

MSCI ACWI Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Dividend Fund

Investment review

For the year ended 31 March 2020

Performance review

Stock markets around the world declined during the 12 months under review, following an abrupt downturn towards the end of the period. Markets rose for most of the period, reaching all-time highs in February, before falling sharply as the spread of the coronavirus heralded the prospect of an imminent recession. Emerging markets led the declines. Europe underperformed, not helped by the weakness of the UK. Japan and the US held up best, benefiting from the safe-haven status of their currencies.

Against this backdrop, the sub-fund declined and underperformed the MSCI ACWI Net Return Index, led by energy-related stocks. Methanex, Keyera and Gibson Energy detracted after becoming embroiled in a broader sector malaise, which was exacerbated towards the end of the review period by the dual shock of an OPEC supply increase and lower demand triggered by the virus outbreak. We continue to have confidence in methanol producer Methanex given its dominance in a long-term growth market and the distressed valuation which remains on a significant discount to its replacement cost of assets. Keyera and Gibson Energy remain core holdings. Unlike oil & gas producers, the cashflows generated by pipeline businesses have limited direct exposure to the underlying commodity price, but the negative sentiment has infiltrated all areas of the energy industry. We believe the current situation has parallels with 2015 before the sector recovered strongly in 2016.

Imperial Brands underperformed among our holdings in defensive sectors, although our other holdings in consumer staples fared considerably better. Colgate-Palmolive and PepsiCo outperformed in a falling market, backed by solid fundamentals.

Our healthcare holdings also benefited from the market's scramble for safety. Stock selection too played its part as Roche and Bristol-Myers Squibb outperformed the sector.

Stock selection added value in technology, led by Microsoft. Tokyo Electron and ASML made sizeable gains in semiconductors.

The sub-fund also benefited from dividend increases across a variety of sectors and countries. Most of our holdings raised their dividends in the core 5% to 15% range, in line with previous years. Technology delivered the highest growth rates, led by Taiwan Semiconductor Manufacturing Company, Tokyo Electron and Visa which boosted their dividends by 20% or more.

Investment activities

It was a busy year as we took steps to refresh the portfolio with new ideas. We also sought to take advantage of buying opportunities as volatility increased late in the review period. We made 15 new purchases and 16 complete sales – a level of turnover which remains consistent with our investment timeframe of three to five years.

The sub-fund's exposure to consumer staples increased after three new purchases: Danone, Colgate-Palmolive and Treasury Wine Estates. Unilever was sold as a source of cash.

The healthcare weighting rose as we added Anthem and Bristol-Myers Squibb.

Technology maintained its overweight position after we bought Automatic Data Processing (ADP) and KLA. Broadcom, Lam Research and ASML exited the portfolio with substantial profits.

Consumer discretionary saw three new purchases: Lowe's, Richemont and LVMH. Starbucks and Las Vegas Sands made way.

The weighting in industrials declined following the sale of Union Pacific, Kone, Siemens and Epiroc B; Vinci was the only new purchase in the sector.

The financials exposure was lower after we sold three banks: US Bancorp, Wells Fargo and DBS Group. The sub-fund is meaningfully underweight in banks, but overweight in insurance following the purchase of Travelers.

Outlook

Stock markets have been rattled by the coronavirus pandemic, but the sharp declines in share prices are creating buying opportunities, in our view. We have been seeking to take advantage of the situation with decisive action. The opportunity is most apparent, in our view, in companies with the strongest growth characteristics where premium growth is available at realistic prices. We believe the situation is reminiscent of 2016 when we invested in the likes of MasterCard and Nike. These stocks subsequently delivered strong performance and we are optimistic that our actions today can lead to similar outcomes in the future.

Despite the lack of visibility in the short term, we believe that any market recovery is likely to be significant and quick. Missing out on this initial snapback will have major consequences for investors' long-term returns, in our view. We are positioning the portfolio accordingly.

We are also aware that dividends will be tested in 2020. Dividends are under political pressure in many parts of the world and it would be reasonable to expect more dividend cuts as the year progresses. Being selective will be paramount.

Balance sheet strength is therefore a key consideration in our company research to ensure that dividends are sustainable in the current climate. We take comfort from the fact that many of our holdings have net cash. We will not be immune to dividend cuts, but we have an established process to deliver a favourable outcome for our clients.

M&G (Lux) Global Dividend Fund

Investment review

Outlook (continued)

We continue to believe that the majority of our holdings can sustain dividend growth in the 5% to 15% range and that the sub-fund is well placed to grow the income stream. The abundance of growth in the portfolio also bodes well for capital growth over the long term, in our view. We are confident about the prospects ahead.

Stuart Rhodes

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Dividend Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					1,731,635	96.53
United Kingdom					246,259	13.73
Imperial Brands	7,116,842	£			133,702	7.45
St James's Place	5,282,080	£			49,319	2.75
Standard Life Aberdeen	22,326,478	£			63,238	3.53
Denmark						
Pandora	1,171,641	DKK			38,070	2.12
France					78,991	4.40
Danone	753,494	€			48,038	2.68
LVMH Moët Hennessy Louis Vuitton	35,622	€			13,406	0.74
Vinci	222,252	€			17,547	0.98
Ireland						
Medtronic	530,113	US\$			48,800	2.72
Norway						
Prosafe	3,849,160	NOK			377	0.02
Sweden						
Epiroc 'A'	1,120,502	SEK			10,752	0.60
Switzerland					135,466	7.55
Cie Financiere Richemont	563,338	CHF			30,623	1.71
Novartis	297,878	CHF			24,122	1.34
Roche Holding	248,447	CHF			80,721	4.50
United States					752,273	41.94
Anthem	170,905	US\$			39,406	2.20
Arthur J Gallagher	763,594	US\$			63,512	3.54
Automatic Data Processing	287,223	US\$			39,571	2.21
Bristol-Myers Squibb	1,008,451	US\$			54,865	3.06
Cisco Systems	1,042,052	US\$			42,010	2.34
Colgate-Palmolive	421,325	US\$			28,056	1.56
Constellation Brands 'A'	106,173	US\$			15,566	0.87
Johnson & Johnson	85,564	US\$			11,373	0.63
JPMorgan Chase	223,967	US\$			20,931	1.17
KLA	96,973	US\$			14,497	0.81
Lowe's	585,343	US\$			51,920	2.89
Martin Marietta Materials	201,321	US\$			36,138	2.02
Microsoft	570,469	US\$			91,452	5.10
PepsiCo	323,499	US\$			40,607	2.26
Travelers	111,230	US\$			11,412	0.64
Trinseo	2,954,130	US\$			55,316	3.08
UnitedHealth Group	122,732	US\$			30,831	1.72
Visa 'A'	484,757	US\$			80,247	4.47
Walt Disney	246,110	US\$			24,563	1.37
Canada					189,154	10.55
Gibson Energy	9,658,677	CA\$			99,574	5.55
Keyera	3,717,793	CA\$			30,628	1.71
Methanex	4,849,999	US\$			58,952	3.29
Japan						
Tokyo Electron	263,100	¥			49,206	2.74
Australia					78,406	4.37
Amcor	6,805,998	AU\$			54,036	3.01
Treasury Wine Estates	4,008,678	AU\$			24,370	1.36
Hong Kong						
AIA Group	5,009,400	HK\$			45,344	2.53
South Korea						
Samsung Electronics	447,468	KRW			17,561	0.98
Taiwan						
Taiwan Semiconductor Manufacturing	2,488,000	TW\$			22,501	1.25
South Africa					18,475	1.03
Imperial Logistics	6,641,553	ZAR			9,922	0.55
Motus Holdings	5,809,490	ZAR			8,553	0.48
Portfolio of investments					1,731,635	96.53

M&G (Lux) Global Dividend Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
CASH EQUIVALENTS					36,275	2.02
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	36,275,000	US\$			36,275	2.02
Total portfolio					1,767,910	98.55
Net other assets/(liabilities)					25,968	1.45
NET ASSETS					1,793,878	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					1,731,635	96.53
Total Investment assets					1,731,635	96.53
Total portfolio					1,731,635	96.53
Cash equivalents					36,275	2.02
Net other assets/(liabilities)					25,968	1.45
NET ASSETS					1,793,878	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Global Dividend Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-20.5	-4.7	-1.1	+6.7	18/07/2008	20/09/2018
Class 'A' Distribution	-20.5	-4.7	-1.1	+2.8	12/07/2013	20/09/2018
Class 'C' Accumulation	-19.7	-3.7	-0.1	+7.7	18/07/2008	20/09/2018
Class 'C' Distribution	-19.7	-3.8	-0.1	+3.1	08/08/2014	20/09/2018
Class 'CI' Accumulation	-19.7	-3.7	-0.1	+7.7	18/07/2008	20/09/2018
Class 'CI' Distribution	-19.7	-3.7	-0.1	+3.1	08/08/2014	20/09/2018
Class 'G' Accumulation	-19.9	n/a	n/a	-3.5	21/07/2017	20/09/2018
Singapore dollar						
Class 'A' Accumulation	-18.5	-3.3	-0.0	+1.4	16/01/2015	20/09/2018
Class 'A' Distribution	-18.5	-3.2	0.0	+1.5	16/01/2015	20/09/2018
Class 'C' Accumulation	-17.6	-2.3	+1.0	+2.5	16/01/2015	20/09/2018
Class 'C' Distribution	-17.6	-2.3	+1.0	+2.5	16/01/2015	20/09/2018
Sterling						
Class 'C' Accumulation	-17.0	n/a	n/a	-15.3	n/a	22/02/2019
Class 'C' Distribution	-17.0	n/a	n/a	-15.3	n/a	22/02/2019
Class 'CI' Accumulation	-17.0	n/a	n/a	-15.2	n/a	14/03/2019
Class 'CI' Distribution	-17.0	n/a	n/a	-15.1	n/a	14/03/2019
US dollar						
Class 'A' Accumulation	-22.5	-3.9	-0.7	+3.3	18/07/2008	20/09/2018
Class 'A' Distribution	-22.5	-3.9	-0.7	-1.5	08/08/2014	20/09/2018
Class 'C' Accumulation	-21.7	-2.9	+0.3	+4.4	18/07/2008	20/09/2018
Class 'C' Distribution	-21.7	-2.9	+0.3	-0.5	08/08/2014	20/09/2018
Class 'CI' Accumulation	-21.7	-2.9	+0.3	+4.4	18/07/2008	20/09/2018

[a] Fund performance before the launch of the fund on 18 September 2018 is that of the relevant Merged Share Class of the M&G Global Dividend Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Dividend Fund is a UK authorised fund which launched on 18 July 2008 and its non-Sterling share classes merged into M&G (Lux) Global Dividend Fund on 7 December 2018.

M&G (Lux) Global Dividend Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following table sets out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'C' Distribution	Class 'CI' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	SGD €	SGD €
First interim	0.0699	0.0705	0.0703	0.0673	0.0676
Second interim	0.0818	0.0825	0.0826	0.0770	0.0779
Third interim	0.0602	0.0608	0.0608	0.0566	0.0572
Final	0.0951	0.0965	0.0965	0.0926	0.0940

	Class 'C' Distribution	Class 'CI' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	UK p	UK p	US €	US €
First interim	0.0739	0.0742	0.0680	0.0683
Second interim	0.0859	0.0861	0.0762	0.0770
Third interim	0.0607	0.0607	0.0577	0.0583
Final	0.1003	0.1004	0.0888	0.0901

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	8.0532	10.1309	n/a
Class 'A' Distribution	7.7199	10.0270	n/a
Class 'C' Accumulation	8.1785	10.1855	n/a
Class 'C' Distribution	7.8372	10.0771	n/a
Class 'CI' Accumulation	8.1851	10.1901	n/a
Class 'CI' Distribution	7.8377	10.0750	n/a
Class 'G' Accumulation	8.1486	10.1738	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A' Accumulation	7.8442	9.6212	n/a
Class 'A' Distribution	7.5182	9.5206	n/a
Class 'C' Accumulation	7.9657	9.6717	n/a
Class 'C' Distribution	7.6347	9.5706	n/a
Sterling	£	£	£
Class 'C' Accumulation	8.3258	10.0311	n/a
Class 'C' Distribution	8.1466	10.0320	n/a
Class 'CI' Accumulation	8.4170	10.1376	n/a
Class 'CI' Distribution	8.1576	10.1376	n/a

NAV per share	31.03.2020	31.03.2019	31.03.2018
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	7.5242	9.7092	n/a
Class 'A' Distribution	7.2127	9.6094	n/a
Class 'C' Accumulation	7.6413	9.7618	n/a
Class 'C' Distribution	7.3238	9.6592	n/a
Class 'CI' Accumulation	7.6469	9.7654	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	1,793,878	2,871,443	n/a
Swing pricing adjustment (see note 12)	(2,681)	n/a	n/a
Swung net assets	1,791,197	2,871,443	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.96
Class 'A' Distribution	1.96
Class 'C' Accumulation	0.96
Class 'C' Distribution	0.96
Class 'CI' Accumulation	0.92
Class 'CI' Distribution	0.92
Class 'G' Accumulation	1.22

Singapore dollar	%
Class 'A' Accumulation	1.96
Class 'A' Distribution	1.96
Class 'C' Accumulation	0.97
Class 'C' Distribution	0.96

Sterling	%
Class 'C' Accumulation	0.96
Class 'C' Distribution	0.96
Class 'CI' Accumulation	0.92
Class 'CI' Distribution	0.92

US dollar	%
Class 'A' Accumulation	1.96
Class 'A' Distribution	1.96
Class 'C' Accumulation	0.96
Class 'C' Distribution	0.96
Class 'CI' Accumulation	0.92

M&G (Lux) Global Emerging Markets Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global emerging markets equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies domiciled in, or conducting the major part of their economic activity in, emerging market countries.

The investment process of the Fund is based on the fundamental analysis of companies with a specific focus on their return on capital profile, their corporate governance practices and the valuation of the shares.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund employs a bottom-up stock picking approach to identify companies whose long-term prospects are, in the Investment Manager's opinion, being undervalued. The Fund's approach incorporates three elements: return on capital, valuations and corporate governance.

It is the core belief of the Investment Manager that company-specific factors, in particular their profitability (which is measured in terms of return on capital), drive share prices over the long run. The Fund's country and sector exposure is not influenced by top-down views.

Performance Comparator

MSCI Emerging Markets Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Emerging Markets Fund

Investment review

For the year ended 31 March 2020

Performance review

Company share prices in emerging markets declined in the 12 months under review, although the losses were largely concentrated at the end of the period, when the Covid-19 outbreak rattled investors.

Prior to this point, the year-long US-China trade war was the dominant issue for investors. After bouts of turbulence, share prices rallied when the world's two largest economies reached an interim trade deal.

However, the upbeat mood faded quickly as Covid-19 spread around the globe and entire countries went into lockdown. Fears that the pandemic would cause a global economic recession sparked a dramatic stock market sell-off and investors flocked to perceived 'safe-haven' assets, such as US government bonds and gold.

Commodity-producing nations such as Brazil, Chile and Peru were among the biggest fallers. South Africa and Indonesia were laggards too. In contrast, China was one of the best-performing markets, despite being the source of the original outbreak. Taiwan also outperformed.

Sector performance reflected the risk-off sentiment, with economically sensitive areas such as financials and industrials underperforming. Energy was the weakest sector as oil prices plunged. Materials also lagged.

On the other hand, information technology was the standout area. 'Defensive' sectors such as consumer staples and healthcare were also among the best performers. Defensives are generally perceived to be resilient in challenging economic conditions.

In this environment, the sub-fund delivered a negative total return and lagged behind its benchmark, the MSCI Emerging Markets Net Return Index. The sub-fund's relatively large allocation to economically sensitive areas, particularly financials, held back performance as companies struggled amid concerns about the economic outlook. Our holdings in Brazilian lender Banco Bradesco and South African bank Absa were notable detractors.

In the energy sector, the drop in oil prices (sparked by a lack of demand and oversupply) weighed heavily on our holdings in oil services firm Petrofac and oil & gas exploration companies Kosmos Energy and Tullow Oil. Tullow's share price also slid following disappointing exploration results and production issues at its major oil field in Ghana.

In addition, not holding any shares in Chinese internet stocks Alibaba and Tencent hurt relative performance as the large index constituents bucked the falls in the wider market.

On a positive note, some of our Brazilian and Chinese stocks made significant gains during the period. In China, our shares in plastic pipe manufacturer China Lesso more than doubled in the 12 months, while Li Ning, a sportswear retailer, and Xinyi Solar, a solar glass company, also rallied.

Meanwhile, in Brazil, our holdings in Cosan, a conglomerate with interests in fuel distribution and sugar production, and housebuilder Cyrela Brazil Realty were among the leading contributors.

Investment activities

During the review period, we sold a number of holdings that we considered to be fully valued after good share price performance and identified a number of new opportunities.

We sold our entire stakes in Brazilian firms Cosan and Cyrela Brazil Realty, as well as Li Ning and Xinyi Solar from China. We also took some profits by reducing our position in China Lesso.

These holdings were replaced by several new investments including Ping An Insurance (Group) Company of China, a Chinese personal financial services provider, and China Mobile, the largest Chinese telecommunications firm. We believe Ping An is well-placed to benefit from rising demand for insurance as wealth increases, while China Mobile is in a good position to benefit from the development of 5G networks.

In the sudden sell-off at the end of the period, we started a position in Anglo-Australian mining firm BHP. We think BHP is a high-quality diversified business with a strong balance sheet that should be able to ride out this downturn.

Outlook

The coronavirus pandemic has caused turmoil in financial markets as investors worry about the impact on the global economy. Given the significant disruption to economic activity so far, and the fact that the virus continues to spread, it is likely that we will experience a severe economic slowdown this year.

The challenge for investors is that we are in uncharted territory and it is impossible to predict how the crisis will unfold. At present, fears about the economic damage the virus will cause are being countered by optimism about the spectacular stimulus measures being implemented to protect the economy.

While there is considerable uncertainty about the near future, as long-term investors we believe that the severe panic-driven market sell-off has created some attractive investment opportunities. Valuations of emerging market stocks are now trading at levels reached during the global financial crisis in 2008/09.

Although stock markets are likely to remain volatile as investors try and assess the impact of coronavirus, we think there are some exciting opportunities available for careful stock pickers, particularly among the cheaper, value parts of the market that have been overlooked lately.

M&G (Lux) Global Emerging Markets Fund

Investment review

Outlook (continued)

In this environment, we will continue to apply our disciplined stock-picking approach to try and identify companies whose long-term prospects are being undervalued.

Michael Bourke

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Emerging Markets Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					416,854	96.51
United Kingdom					11,765	2.72
Petrofac	1,643,337	£			4,069	0.94
Standard Chartered	1,380,280	HK\$			7,696	1.78
Russia					33,799	7.83
Etalon Group	3,556,396	US\$			4,598	1.07
LUKOIL ADR	150,584	US\$			8,931	2.07
Novatek	13,368	US\$			1,573	0.36
Sberbank of Russia ADR	1,455,603	US\$			13,793	3.19
X5 Retail Group	184,491	US\$			4,904	1.14
Turkey					9,808	2.27
Haci Omer Sabanci Holding	8,618,324	TRY				
United States					3,628	0.84
Kosmos Energy	4,231,364	US\$				
Canada					3,711	0.86
First Quantum Minerals	758,890	CA\$				
Brazil					21,692	5.02
Banco Bradesco Pref. (voting)	2,519,542	BRL			10,431	2.41
CCR	3,503,567	BRL			8,300	1.92
Cogna Educação	3,042,111	BRL			2,961	0.69
Mexico					25,729	5.96
Alfa 'A'	15,939,472	MXN			4,621	1.07
Banco Santander México ADR	966,870	US\$			3,113	0.72
Fibra Uno Administracion	6,262,854	MXN			4,907	1.14
Grupo Financiero Banorte 'O'	2,522,350	MXN			6,851	1.59
Orbia Advance	5,572,470	MXN			6,237	1.44
Australia					2,532	0.59
BHP Group	165,105	ZAR				
China					91,697	21.23
Baidu ADR	122,545	US\$			12,128	2.81
BeiGene ADR	6,546	US\$			820	0.19
China Construction Bank 'H'	689,000	HK\$			563	0.13
China Lesso Group Holdings	1,200,800	HK\$			1,581	0.37
China Petroleum & Chemical 'H'	12,816,000	HK\$			6,307	1.46
China Railway Signal & Communication 'H'	8,652,000	HK\$			4,358	1.01
CNOOC	10,533,000	HK\$			11,039	2.56
Greatview Aseptic Packaging	34,486,000	HK\$			10,654	2.47
Hollysys Automation Technologies	935,182	US\$			11,807	2.73
Lenovo Group	8,968,000	HK\$			4,806	1.11
PICC Property & Casualty 'H'	9,708,000	HK\$			9,385	2.17
Ping An Insurance Group of China 'H'	1,321,000	HK\$			12,971	3.00
Trip.com Group ADR	234,509	US\$			5,278	1.22
Hong Kong					36,458	8.44
AIA Group	961,200	HK\$			8,701	2.01
China Mobile	1,195,500	HK\$			8,879	2.06
Far East Horizon	13,913,000	HK\$			11,225	2.60
First Pacific	24,727,721	HK\$			4,593	1.06
Nine Dragons Paper Holdings	3,363,000	HK\$			3,060	0.71
Indonesia					8,870	2.05
Bank Mandiri Persero	30,878,400	IDR				
India					5,712	1.32
NTPC	5,122,220	INR				
Philippines					8,147	1.89
GT Capital Holdings	632,916	PHP			5,033	1.17
Metro Pacific Investments	64,515,200	PHP			3,114	0.72
Pakistan					4,070	0.94
Habib Bank	2,388,783	PKR			1,440	0.33
United Bank	4,346,947	PKR			2,630	0.61
Singapore					0	0.00
Ezion Holdings (Warrant 16.04.23) ^[a]	16,076,030	SG\$			0	0.00
Ezion Holdings (Warrant 24.04.20) ^[b]	664,068	SG\$			0	0.00
South Korea					75,038	17.37
Hana Financial Group	601,659	KRW			11,405	2.64
Hyundai Motor	26,687	KRW			1,943	0.45

M&G (Lux) Global Emerging Markets Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
South Korea (continued)						
Samsung Electronics	998,671	KRW			39,193	9.07
Samsung Fire & Marine Insurance	38,752	KRW			4,910	1.14
Samsung Heavy Industries	784,042	KRW			2,510	0.58
Shinhan Financial Group	642,286	KRW			15,077	3.49
Taiwan					48,829	11.30
Catcher Technology	1,021,000	TW\$			6,592	1.52
Chicony Electronics	3,042,000	TW\$			7,640	1.77
Delta Electronics	2,201,000	TW\$			8,752	2.03
eMemory Technology	302,000	TW\$			2,357	0.54
Silicon Motion Technology ADR	242,003	US\$			9,145	2.12
Taiwan Semiconductor Manufacturing	1,586,000	TW\$			14,343	3.32
United Arab Emirates						
DP World	672,582	US\$			10,223	2.37
South Africa					15,146	3.51
Absa Group	1,185,011	ZAR			4,719	1.09
Barloworld	621,820	ZAR			2,235	0.52
Imperial Logistics	1,449,351	ZAR			2,165	0.50
Motus Holdings	667,124	ZAR			982	0.23
Sanlam	1,787,884	ZAR			5,045	1.17
Portfolio of investments					416,854	96.51
CASH EQUIVALENTS						
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	8,111,000	US\$			8,111	1.88
SHARE CLASS HEDGING						
Bought for € 2,523,495.30, Sold for US\$2,805,797.42			08.04.2020		(29)	(0.01)
Bought for CHF 2,115,360.93, Sold for US\$2,209,177.05			08.04.2020		(43)	(0.01)
Bought for CHF 2,115,360.93, Sold for US\$2,209,177.05			08.04.2020		(17)	0.00
Bought for US\$ 1,037,376.96, Sold for €928,723.58			08.04.2020		21	0.00
Bought for US\$ 693,306.28, Sold for CHF658,819.82			08.04.2020		10	0.00
Total portfolio					424,936	98.38
Net other assets/(liabilities)					7,010	1.62
NET ASSETS					431,946	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					416,854	96.51
Unrealised gains on forward currency contracts					31	0.00
Total Investment assets					416,885	96.51
Investment liabilities						
Unrealised losses on forward currency contracts					(60)	(0.01)
Total Investment liabilities					(60)	(0.01)
Total portfolio					416,825	96.50
Cash equivalents					8,111	1.88
Net other assets/(liabilities)					7,010	1.62
NET ASSETS					431,946	100.00

[a] Unlisted/unquoted.

[b] Suspended.

All securities are on an official stock exchange listing except where referenced.

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company	6,746

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Emerging Markets Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-26.3	-8.6	-4.2	+7.0	05/02/2009	26/10/2018
Class 'A' Distribution	-26.3	-8.6	-4.2	-2.3	08/08/2014	26/10/2018
Class 'A-H' Accumulation	-30.0	-10.5	n/a	-10.1	24/02/2017	26/10/2018
Class 'C' Accumulation	-25.5	-7.7	-3.2	+8.1	05/02/2009	26/10/2018
Class 'C' Distribution	-25.5	-7.7	-3.2	-1.3	08/08/2014	26/10/2018
Class 'C-H' Accumulation	-29.4	-9.7	n/a	-9.3	24/02/2017	26/10/2018
Class 'CI' Accumulation	-25.5	-7.7	-3.2	+8.1	05/02/2009	06/11/2018
Class 'CI-H' Accumulation	n/a	n/a	n/a	-31.9	n/a	12/04/2019
Class 'J' Accumulation	-25.4	n/a	n/a	-12.9	04/05/2018	26/10/2018
Singapore dollar						
Class 'A' Accumulation	-24.4	-7.3	-3.1	-2.0	16/01/2015	26/10/2018
Class 'A' Distribution	-24.4	-7.3	-3.1	-2.0	16/01/2015	26/10/2018
Class 'C' Accumulation	-23.6	-6.3	-2.1	-1.0	16/01/2015	26/10/2018
Class 'C' Distribution	-23.6	-6.3	-2.1	-1.0	16/01/2015	26/10/2018
Swiss franc						
Class 'A-H' Accumulation	-30.1	-10.7	n/a	-10.4	24/02/2017	26/10/2018
Class 'C-H' Accumulation	-29.3	-9.8	n/a	-9.4	24/02/2017	26/10/2018
Class 'CI-H' Accumulation	-29.3	-9.8	n/a	-9.4	24/02/2017	06/11/2018
US dollar						
Class 'A' Accumulation	-28.1	-7.9	-3.8	+5.5	05/02/2009	26/10/2018
Class 'A' Distribution	-28.1	-7.9	-3.8	-5.7	08/08/2014	26/10/2018
Class 'C' Accumulation	-27.4	-7.0	-2.8	+6.5	05/02/2009	26/10/2018
Class 'C' Distribution	-27.4	-6.9	-2.8	-4.8	08/08/2014	26/10/2018
Class 'CI' Accumulation	-27.4	-6.9	-2.8	+6.5	05/02/2009	06/11/2018
Class 'J' Accumulation	-27.3	n/a	n/a	-16.9	04/05/2018	26/10/2018

[a] Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Global Emerging Markets Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Emerging Markets Fund is a UK authorised fund which launched on 5 February 2009 and its non-Sterling share classes merged into M&G (Lux) Global Emerging Markets Fund on 26 October 2018.

M&G (Lux) Global Emerging Markets Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	01.04.19	31.03.20	17.04.20	20.04.20	23.04.20
	Class 'A' Distribution Euro €	Class 'C' Distribution Euro €	Class 'A' Distribution SGD €	Class 'C' Distribution SGD €	Class 'A' Distribution US €
to 31 March 2020					
Final	1.0197	1.1030	0.4332	0.4466	0.8669
	Class 'C' Distribution US €				
to 31 March 2020					
Final	0.9385				

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	21.2878	28.8705	n/a
Class 'A' Distribution	19.6663	26.8285	n/a
Class 'A-H' Accumulation	7.1801	10.2587	n/a
Class 'C' Accumulation	23.7803	31.9285	n/a
Class 'C' Distribution	21.3971	28.8964	n/a
Class 'C-H' Accumulation	7.3904	10.4619	n/a
Class 'CI' Accumulation	8.1199	10.8984	n/a
Class 'CI-H' Accumulation	6.8073	n/a	n/a
Class 'J' Accumulation	7.6876	10.3105	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A' Accumulation	9.0155	11.9212	n/a
Class 'A' Distribution	8.3554	11.1121	n/a
Class 'C' Accumulation	9.4961	12.4282	n/a
Class 'C' Distribution	8.6594	11.4004	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	7.1294	10.2066	n/a
Class 'C-H' Accumulation	7.3589	10.4124	n/a
Class 'CI-H' Accumulation	7.4813	10.5808	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	18.1008	25.1813	n/a
Class 'A' Distribution	16.7208	23.3965	n/a
Class 'C' Accumulation	20.2315	27.8628	n/a
Class 'C' Distribution	18.2060	25.2194	n/a
Class 'CI' Accumulation	7.7940	10.7304	n/a
Class 'J' Accumulation	7.0314	9.6749	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	431,946	566,657	n/a
Swing pricing adjustment (see note 12)	1,416	n/a	n/a
Swung net assets	433,362	566,657	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	2.02
Class 'A' Distribution	2.02
Class 'A-H' Accumulation	2.04
Class 'C' Accumulation	1.02
Class 'C' Distribution	1.02
Class 'C-H' Accumulation	1.04
Class 'CI' Accumulation	0.98
Class 'CI-H' Accumulation	1.00
Class 'J' Accumulation	0.92
Singapore dollar	%
Class 'A' Accumulation	2.02
Class 'A' Distribution	2.02
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.02
Swiss franc	%
Class 'A-H' Accumulation	2.04
Class 'C-H' Accumulation	1.04
Class 'CI-H' Accumulation	1.00
US dollar	%
Class 'A' Accumulation	2.02
Class 'A' Distribution	2.02
Class 'C' Accumulation	1.03
Class 'C' Distribution	1.02
Class 'CI' Accumulation	0.98
Class 'J' Accumulation	0.92

M&G (Lux) Global Enhanced Equity Premia Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income), than that of the global equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including Emerging Markets.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The Fund applies a systematic investment approach to select stocks the Investment Manager expects to outperform other companies in the global equity market.

From the Fund's investible universe, each stock is ranked on five key criteria or 'Factors': Value, Quality, Momentum, Volatility and Size. Historically, stocks with exposure to these factors (attractive valuation, high quality, positive momentum, low volatility and small company size) have generated excess returns, or equity premia.

These rankings are then combined to provide a single 'score' for each stock. The weighting of each factor in the single score is determined by the Investment Manager and reflects prevailing market conditions. Stocks with high scores are candidates for inclusion in the Fund's portfolio. Consideration is also given to the sector and country breakdown of the Fund's comparator benchmark to ensure a diversified portfolio.

As part of the portfolio construction process, differences between the Fund's characteristics and those of its performance comparator (such as sector, country or risk factor weightings) may be constrained. Managing the Fund in this way limits the magnitude by which the Fund is expected to deviate from the performance comparator.

Performance Comparator

MSCI ACWI Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

The performance comparator also acts as a constraint on the Fund's portfolio construction, as certain limits, such as constraints on sector or geographic exposure, may apply.

M&G (Lux) Global Enhanced Equity Premia Fund

Investment review

For the period from 10 December 2019 (launch date of the sub-fund) to 31 March 2020

Launched in December 2019, the M&G (Lux) Global Enhanced Equity Premia Fund is an active equity (company shares) sub-fund, using a dynamic multi-factor equity approach. Factor investing is based on the premise that a significant portion of returns over time can be explained by the excess return generated by stocks that reflect certain characteristics, or risk factors.

We apply a systematic investment approach to select stocks we expect to outperform other companies in the global equity market. We invest at least 80% of the sub-fund in company shares across any sector and of any size, from anywhere in the world.

From the sub-fund's investible universe, the MSCI ACWI Index, each stock is ranked on five key criteria, or factors: value, quality, momentum, volatility and size. Based on analysis of simulated past returns, stocks with exposure to these factors (attractive valuation, high quality, positive momentum, low volatility and small company size) have historically tended to deliver superior risk-adjusted returns.

These rankings are then combined to provide a single 'score' for each stock. Stocks with high scores are candidates for inclusion in the sub-fund.

The weighting we allocate to each factor in the process of arriving at the single score reflects our view of the prevailing market conditions. The potential returns of individual factors might vary depending on their valuation and price action, as well as general market conditions. For example, if in our view a risk factor is attractively valued, it will have a greater weighting in the score than if we regard it as unattractively valued. Typically, each risk factor will have an equal weighting (ie 20%). No factor can have a weighting of less than 0% or greater than 50%.

As part of the portfolio construction process, differences between the sub-fund's characteristics and the index (such as stock, sector, country or risk factor weightings) may be constrained. Managing the sub-fund in this way limits the magnitude by which the sub-fund is expected to deviate from the benchmark.

Factor investing is a well-established practice and supported by large bodies of academic research. It is cost-effective, with the potential to achieve excess returns. By combining factors, we mitigate the risk of any single factor being out of favour at a given time. Factors generally have low levels of correlation – they often do not move in the same direction as the market or as each other. In some cases in the past factors have even displayed negative correlation, moving in opposite directions to the markets and/or each other.

The recent bout of stock market volatility has exacerbated some of the pricing differentials between factors. More specifically, the valuations of the value and size factors relative to the market are approaching levels last seen during the technology bubble of the late 1990s. We have therefore increased the portfolio's exposure

slightly towards the value and small size factors. At the same time, portfolio risk is diversified by having meaningful exposures to the momentum, quality and low volatility factors.

Gautam Samarth

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Enhanced Equity Premia Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					2,462	99.64
United Kingdom					84	3.40
3i Group	2,214	£			21	0.85
Barratt Developments	3,250	£			18	0.73
Ferguson	367	£			22	0.89
Johnson Matthey	261	£			6	0.24
Rio Tinto	147	AU\$			8	0.32
Smiths Group	627	£			9	0.37
Belgium						
Ageas	586	€			24	0.97
Denmark						
Novo Nordisk 'B'	156	DKK			9	0.36
Finland						
Kone 'B'	146	€			8	0.32
France					86	3.48
Arkema	308	€			21	0.85
Compagnie Générale des Établissements Michelin	285	€			24	0.97
Legrand	122	€			8	0.33
Publicis Groupe	214	€			6	0.24
Schneider Electric	315	€			27	1.09
Germany					23	0.93
Deutsche Börse	46	€			6	0.24
HeidelbergCement	403	€			17	0.69
Hungary						
Richter Gedeon	721	HUF			14	0.57
Ireland					45	1.82
CRH	257	£			7	0.28
James Hardie Industries	467	AU\$			5	0.20
Medtronic	358	US\$			33	1.34
Netherlands (The)						
Akzo Nobel	99	€			7	0.28
Poland						
Cyfrowy Polsat	1,299	PLN			8	0.32
Spain						
Endesa	1,181	€			25	1.01
Sweden					44	1.78
Skanska 'B'	1,377	SEK			20	0.81
Swedish Match	435	SEK			24	0.97
Switzerland					121	4.90
Garmin	311	US\$			24	0.97
Nestle	389	CHF			40	1.62
Roche Holding	114	CHF			37	1.50
Swiss Life Holding	61	CHF			20	0.81
United States					1,334	53.99
AbbVie	110	US\$			8	0.32
Aflac	615	US\$			22	0.89
AGNC Investment	543	US\$			6	0.24
Allstate	86	US\$			8	0.32
Alphabet 'C'	25	US\$			29	1.17
Amazon.com	15	US\$			29	1.17
Amgen	152	US\$			32	1.30
Amphenol 'A'	91	US\$			7	0.28
Apple	308	US\$			78	3.16
Applied Materials	578	US\$			27	1.09
Arthur J Gallagher	103	US\$			9	0.37
AT&T	1,239	US\$			38	1.54
AutoZone	28	US\$			24	0.97
Booz Allen Hamilton Holding	221	US\$			16	0.65
Bristol-Myers Squibb	152	US\$			8	0.32
Cardinal Health	131	US\$			6	0.24
Carnival	512	£			6	0.24
CDW	261	US\$			25	1.01
Cerner	130	US\$			8	0.32
Comcast 'A'	213	US\$			8	0.32
Copart	353	US\$			25	1.01
Danaher	202	US\$			28	1.13
DISH Network 'A'	829	US\$			17	0.69
Dollar General	80	US\$			12	0.49

M&G (Lux) Global Enhanced Equity Premia Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
United States (continued)						
Dover	83	US\$			7	0.28
DR Horton	713	US\$			26	1.05
Eaton	105	US\$			8	0.32
Entergy	101	US\$			10	0.41
Expedia Group	300	US\$			17	0.69
Facebook 'A'	45	US\$			7	0.28
Fidelity National Information Services	245	US\$			31	1.26
Fiserv	122	US\$			12	0.49
Fortune Brands Home & Security	145	US\$			6	0.24
Fox 'A'	574	US\$			14	0.57
General Mills	257	US\$			14	0.57
Global Payments	184	US\$			28	1.13
Harley-Davidson	814	US\$			15	0.61
Hershey	66	US\$			9	0.36
Illinois Tool Works	55	US\$			8	0.32
Intel	702	US\$			39	1.58
International Business Machines	177	US\$			20	0.81
Jacobs Engineering Group	144	US\$			11	0.45
Johnson & Johnson	69	US\$			9	0.37
Kansas City Southern	173	US\$			22	0.89
Keysight Technologies	110	US\$			9	0.36
Kimberly-Clark	68	US\$			9	0.37
L3Harris Technologies	49	US\$			9	0.37
Lam Research	33	US\$			8	0.32
Lamb Weston Holdings	342	US\$			20	0.81
LKQ	387	US\$			8	0.32
LyondellBasell Industries 'A'	339	US\$			17	0.69
Marathon Petroleum	608	US\$			15	0.61
Mastercard 'A'	159	US\$			40	1.62
Match Group	221	US\$			15	0.61
Merck	384	US\$			30	1.21
Microsoft	590	US\$			95	3.85
PACCAR	415	US\$			26	1.05
Phillips 66	313	US\$			17	0.69
Procter & Gamble	77	US\$			9	0.36
Quest Diagnostics	295	US\$			25	1.01
Raytheon	115	US\$			16	0.65
Seagate Technology	168	US\$			8	0.32
Skyworks Solutions	184	US\$			17	0.69
STERIS	71	US\$			10	0.41
Sysco	409	US\$			19	0.77
T Rowe Price Group	262	US\$			26	1.05
Thermo Fisher Scientific	109	US\$			31	1.26
TJX	414	US\$			20	0.81
VICI Properties	843	US\$			14	0.57
Walgreens Boots Alliance	181	US\$			8	0.32
Walmart	85	US\$			10	0.41
Western Digital	156	US\$			7	0.28
Western Union	364	US\$			7	0.28
Canada					60	2.43
IGM Financial	330	CA\$			6	0.24
Keyera	1,244	CA\$			10	0.41
National Bank of Canada	174	CA\$			6	0.24
Power Corp of Canada	1,296	CA\$			20	0.81
Royal Bank of Canada	122	CA\$			7	0.28
Sun Life Financial	356	CA\$			11	0.45
Colombia						
Grupo Aval Acciones y Valores	74,283	COP			17	0.69
Mexico						
Megacable Holdings	7,522	MXN			20	0.81
Japan					176	7.12
ABC-Mart	200	¥			10	0.41
Aozora Bank	1,200	¥			23	0.93
Astellas Pharma	1,500	¥			23	0.93
Bridgestone	700	¥			21	0.85
ITOCHU	800	¥			16	0.65
Japan Airlines	300	¥			5	0.20
KDDI	600	¥			18	0.73
Square Enix Holdings	300	¥			13	0.53

M&G (Lux) Global Enhanced Equity Premia Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Japan (continued)						
Toyo Suisan Kaisha	200	¥			10	0.40
Toyota Motor	500	¥			30	1.21
USS	500	¥			7	0.28
Australia					55	2.23
Challenger	2,683	AU\$			7	0.29
Coca-Cola Amatil	4,686	AU\$			25	1.01
Sonic Healthcare	1,576	AU\$			23	0.93
China					101	4.09
BYD Electronic International	3,500	HK\$			6	0.24
Changchun High & New Technology Industry Group 'A'	200	CNY			15	0.61
China Everbright Bank 'A'	16,200	CNY			8	0.32
China Medical System Holdings	21,000	HK\$			23	0.93
China National Building Material 'H'	6,000	HK\$			7	0.28
China Shenhua Energy 'H'	5,500	HK\$			10	0.41
PICC Property & Casualty 'H'	18,000	HK\$			17	0.69
Postal Savings Bank of China 'H'	14,000	HK\$			9	0.37
Shenzhen Expressway 'H'	6,000	HK\$			6	0.24
Hong Kong					5	0.20
China Resources Cement Holdings	4,000	HK\$				
Malaysia					37	1.50
MISC	12,700	MYR			22	0.89
RHB Bank	6,900	MYR			8	0.33
Westports Holdings	9,500	MYR			7	0.28
Philippines					8	0.32
Robinsons Land	25,600	PHP				
Singapore					19	0.77
BOC Aviation	2,900	HK\$				
Taiwan					86	3.48
CTBC Financial Holding	13,000	TW\$			8	0.32
Novatek Microelectronics	3,000	TW\$			17	0.69
SinoPac Financial Holdings	64,000	TW\$			24	0.97
Standard Foods	5,000	TW\$			10	0.40
Taiwan Cement	11,000	TW\$			14	0.57
Wistron	16,000	TW\$			13	0.53
Israel					15	0.61
Mizrahi Tefahot Bank	791	ILS				
South Africa					31	1.26
Fortress REIT 'A'	22,542	ZAR			13	0.53
Life Healthcare Group Holdings	17,679	ZAR			18	0.73
Resilient REIT	332	ZAR			0	0.00
Portfolio of investments					2,462	99.64
CASH EQUIVALENTS					3	0.12
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	3,000	US\$			3	0.12
Total portfolio					2,465	99.76
Net other assets/(liabilities)					6	0.24
NET ASSETS					2,471	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					2,462	99.64
Total Investment assets					2,462	99.64
Total portfolio					2,462	99.64
Cash equivalents					3	0.12
Net other assets/(liabilities)					6	0.24
NET ASSETS					2,471	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Global Enhanced Equity Premia Fund

Financial highlights

Sub-fund performance

As the sub-fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the sub-fund's Key Investor Information Document (available from our website at www.mandg.lu) for recently available performance information.

M&G (Lux) Global Enhanced Equity Premia Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 10 December 2019 (the launch date of the fund) to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	10.12.19	31.03.20	17.04.20	20.04.20	23.04.20
	Class 'A' Distribution	Class 'C' Distribution	Class 'CI' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	SGD €	SGD €
Final	0.0593	0.0594	0.0594	0.0615	0.0615
	Class 'A' Distribution	Class 'C' Distribution	Class 'A' Distribution	Class 'C' Distribution	
to 31 March 2020	Swiss €	Swiss €	US €	US €	
Final	0.0574	0.0574	0.0586	0.0586	

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the financial period from 10 December 2019 (the launch date of the fund) to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	7.9425	n/a	n/a
Class 'A' Distribution	7.9425	n/a	n/a
Class 'C' Accumulation	7.9486	n/a	n/a
Class 'C' Distribution	7.9486	n/a	n/a
Class 'CI' Accumulation	7.9499	n/a	n/a
Class 'CI' Distribution	7.9499	n/a	n/a
Class 'ZI' Accumulation	7.9535	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A' Accumulation	8.2256	n/a	n/a
Class 'A' Distribution	8.2256	n/a	n/a
Class 'C' Accumulation	8.2320	n/a	n/a
Class 'C' Distribution	8.2320	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	7.6850	n/a	n/a
Class 'A' Distribution	7.6850	n/a	n/a
Class 'C' Accumulation	7.6910	n/a	n/a
Class 'C' Distribution	7.6910	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	7.8455	n/a	n/a
Class 'A' Distribution	7.8455	n/a	n/a
Class 'C' Accumulation	7.8516	n/a	n/a
Class 'C' Distribution	7.8516	n/a	n/a
Class 'CI' Accumulation	7.8526	n/a	n/a
Class 'ZI' Accumulation	7.8563	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	2,471	n/a	n/a
Swing pricing adjustment (see note 12)	5	n/a	n/a
Swung net assets	2,476	n/a	n/a
Total Expense Ratio 31.03.2020			TER
Euro			%
Class 'A' Accumulation ^[a]			0.61
Class 'A' Distribution ^[a]			0.61
Class 'C' Accumulation ^[a]			0.36
Class 'C' Distribution ^[a]			0.36
Class 'CI' Accumulation ^[a]			0.32
Class 'CI' Distribution ^[a]			0.32
Class 'ZI' Accumulation ^[a]			0.17
Singapore dollar			%
Class 'A' Accumulation ^[a]			0.61
Class 'A' Distribution ^[a]			0.61
Class 'C' Accumulation ^[a]			0.36
Class 'C' Distribution ^[a]			0.36
Swiss franc			%
Class 'A' Accumulation ^[a]			0.61
Class 'A' Distribution ^[a]			0.61
Class 'C' Accumulation ^[a]			0.36
Class 'C' Distribution ^[a]			0.36
US dollar			%
Class 'A' Accumulation ^[a]			0.61
Class 'A' Distribution ^[a]			0.61
Class 'C' Accumulation ^[a]			0.36
Class 'C' Distribution ^[a]			0.36
Class 'CI' Accumulation ^[a]			0.32
Class 'ZI' Accumulation ^[a]			0.17

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Global Floating Rate High Yield Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global floating rate high yield bond market over any five-year period.

Investment policy

The Fund invests at least 70% of its Net Asset Value in high yield floating rate bonds issued by companies or governments anywhere in the world and denominated in any currency. The Fund does not take currency views and aims to hedge any non-USD assets to USD. Exposure to these securities may be achieved, either directly or synthetically, through various combinations of government securities, corporate bonds and derivatives.

The investment process of the Fund is based on the bottom-up analysis of individual bond issues whilst remaining aware of macroeconomics developments.

In addition to high yield securities, the Fund may invest in unrated debt securities up to a combined maximum of 100% of the Fund's Net Asset Value. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The Fund may hold up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities and up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities.

Derivative instruments, both long and short can be used to meet the Fund's objective, for efficient portfolio management and for the purpose of hedging. These derivative instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps, Interest Rate Swaps and Total Return Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, equities, warrants and other debt securities.

Investment approach

The Fund is designed to provide an attractive level of income, along with a natural hedge against rising interest rates, by investing mainly in high yield floating rates notes (FRNs). Part of this exposure is expected to be gained through the use of derivatives.

FRNs are bonds which pay a variable rate of income, which is regularly reset in line with changes in interest rates. If interest rates rise, investors in FRNs will benefit from a higher income as their coupons are automatically adjusted upwards (equally, should interest rates fall, then the coupons will be adjusted downwards).

The Fund focuses on bonds issued by high yield companies, which typically pay higher rates of interest to compensate investors for the greater risk of default. The Fund will be globally diversified and the Investment Manager will seek to provide exposure to a broad range of individual issuers across a variety of industrial sectors.

The Investment Manager has the flexibility to adjust the Fund's credit exposure, sector positioning and regional allocations depending on the assessment of current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

Individual credit selection is carried out in conjunction with the in-house team of credit analysts, which provides bottom-up analysis of the corporate bond markets to complement the Investment Manager's views.

Performance Comparator

ICE BofAML Global Floating Rate High Yield Index (3% constrained) USD Hedged

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

For Currency Hedged Share Classes, the performance comparator is hedged to the Share Class currency.

M&G (Lux) Global Floating Rate High Yield Fund

Investment review

For the year ended 31 March 2020

Performance review

Fixed income markets delivered mixed returns in the review period against a turbulent market backdrop. Following largely supportive conditions throughout 2019 and into the beginning of 2020, markets experienced a dramatic reversal as the spread of the new coronavirus around the world began to dominate headlines from late February onwards.

The change of tone contrasted markedly with the relatively upbeat market conditions that had prevailed before the onset of the crisis. Signs of a tentative pick-up in global economic activity, coupled with the supportive actions of the world's central banks, had helped drive solid returns across fixed income markets during 2019.

Over the course of 2019, both the European Central Bank (ECB) and the US Federal Reserve implemented a range of stimulus measures to help boost growth, including a series of interest rate cuts and the resumption of bond purchasing programmes. This helped drive government bonds yields to record lows by the middle of 2019.

Towards the end of 2019, markets were buoyed by signs of progress in the US/China trade negotiations, along with the avoidance of a no-deal Brexit scenario between the UK and Europe. With healthy labour markets providing further support to consumer confidence, earlier fears of a recession in Europe and the US had largely faded as we moved into 2020.

However, sentiment turned abruptly as the Covid-19 outbreak took hold, devastating financial markets from late February onwards. The virus meant most nations had to adopt strict population lockdowns, causing demand for many goods and services to slump. Governments and central banks scrambled to provide huge levels of monetary and fiscal support. A sharp oil price decline as a result of a slump in demand, coupled with a failure to agree supply cuts, only added to levels of distress in the markets.

Most areas of the corporate bond market sold off heavily in March, with the asset class more than reversing earlier gains over the past year. Lower-rated bonds, which are considered riskier, generally experienced the largest declines as investors began to price in the likelihood of a rise in company defaults. On the other hand, highly rated government bonds offered some respite as investors sought refuge in their perceived safe-haven qualities, with US Treasuries and gilts delivering positive returns in March.

Despite their defensive, senior secured characteristics, high yield floating rate notes (FRNs) also suffered sharp losses. We believe the sell-off in these assets was exacerbated by poor liquidity conditions, which were evident within this smaller sub-set of the high yield market.

The sub-fund delivered a negative total return and lagged behind its benchmark in the 12 months under review. While the sub-fund's defensive sector positioning proved helpful overall, credit selection within the basic industry, insurance and healthcare sectors weighed on returns.

Investment Activities

Throughout the review period we maintained the sub-fund's defensive sector stance, with a preference for senior secured issues from less cyclical parts of the market. The main area of activity was within the primary high yield FRN market, where we participated in a wide range of attractively priced new issues across a variety of sectors. We also steadily reduced the sub-fund's synthetic FRN exposure during the year as we switched our focus back towards physical high yield FRNs.

The sub-fund was defensively positioned going into the drawdown, and also well-placed from a liquidity perspective, with an allocation to liquid CDS indices and a modest cash position. As a result, the sub-fund was well-placed to invest into the market weakness.

Following the extreme widening in spreads in March, we took the opportunity to add small amounts of credit risk, mainly by moving into longer-dated CDS indices. We also sold some of our defensive positions (such as some very short-dated senior banking paper) in order to purchase names where we see the strongest recovery potential, such as car park operator Q Park.

We remain defensively positioned, with a very limited exposure to the most stressed areas of the market, where we think defaults are likely to be clustered. The sub-fund has only one energy holding, which is an investment grade rated pipeline business accounting for just 1% of the sub-fund. The sub-fund has no exposure to following areas: AT1s, airlines, cinemas, shipping or cruise liners.

Outlook

While we expect high yield default rates to rise over the coming months, we think these will be concentrated in certain sectors, such as energy, airlines and leisure, where we continue to keep a minimal exposure. We also believe that the unprecedented government actions to support businesses and consumers will take some of the pressure off the worst affected areas.

High yield spreads are now pricing in a worst case scenario, implying a rise in defaults much higher than previous default peaks. Given the diversified nature of the high yield FRN index, coupled with government measures to support businesses and the wider economy, we think this is extremely unlikely.

Therefore, while high yield markets are likely to remain volatile in the short term, on a medium-term view we think the asset class offers the potential for strong returns as spreads return to more normal levels.

James Tomlins Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Floating Rate High Yield Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					1,456,822	85.37
Debt securities					1,479,098	86.68
'AAA' credit rated bonds					264,618	15.51
US Treasury Note FRN	90,248,900	US\$	30.04.2020		90,251	5.29
US Treasury Note FRN	96,000,000	US\$	31.07.2021		96,155	5.64
US Treasury Note FRN	78,000,000	US\$	31.10.2021		78,212	4.58
'AA' credit rated bonds						
Paragon Mortgages No 15 FRN	5,880,000	€	15.12.2039		4,483	0.26
'A' credit rated bonds					5,153	0.30
Bank of America FRN	1,771,000	US\$	20.01.2023		1,713	0.10
JPMorgan Chase FRN	1,845,000	US\$	24.10.2023		1,765	0.10
UBS Group FRN	1,787,000	US\$	23.05.2023		1,675	0.10
'BBB' credit rated bonds					37,009	2.17
American International Group FRN	8,900,000	€	15.03.2037		7,998	0.47
Barclays FRN	5,966,000	US\$	10.01.2023		5,570	0.33
Citigroup FRN	8,099,000	US\$	25.08.2036		5,918	0.35
Corestates Capital III FRN	2,055,000	US\$	15.02.2027		1,761	0.10
Everest Reinsurance Holdings FRN	6,400,000	US\$	15.05.2037		4,841	0.28
General Electric FRN	1,969,000	US\$	05.05.2026		1,598	0.09
Mitchells & Butlers Finance FRN	8,286,057	US\$	15.12.2030		7,721	0.45
Royal Bank of Scotland Group FRN	1,703,000	US\$	15.05.2023		1,602	0.10
'BB' credit rated bonds					190,567	11.17
Arena Luxembourg Finance FRN	3,775,000	€	01.02.2027		3,912	0.23
Arrow Global Finance FRN	36,116,000	€	01.04.2025		34,862	2.04
Arrow Global Finance FRN	25,211,000	€	01.03.2026		24,335	1.43
Cemex 5.7%	12,990,000	US\$	11.01.2025		11,118	0.65
Energy Transfer Operating FRN	50,130,000	US\$	01.11.2066		23,605	1.38
Ford Motor Credit FRN	14,000,000	€	01.12.2024		10,819	0.64
Lincoln Financing FRN	52,735,000	€	01.04.2024		45,792	2.68
Q-Park Holding I FRN	22,339,000	€	01.03.2026		21,290	1.25
Standard Chartered FRN	19,300,000	US\$	29.01.2049		14,834	0.87
'B' credit rated bonds					933,287	54.69
3AB Optique Developpement FRN	14,565,257	€	01.10.2023		11,152	0.65
Algeco Global Finance FRN	18,981,000	€	15.02.2023		15,251	0.89
AnaCap Financial Europe SICAV-RAIF FRN	24,397,000	€	01.08.2024		19,647	1.15
Assemblin Financing FRN	9,167,000	€	15.05.2025		8,962	0.53
Bormioli Pharma Bidco FRN	28,000,000	€	15.11.2024		25,128	1.47
Burger King France FRN	16,408,000	€	01.05.2023		13,271	0.78
Cabot Financial 7.5%	12,327,000	£	01.10.2023		14,246	0.84
Cabot Financial Luxembourg II FRN	18,884,000	€	14.06.2024		19,071	1.12
Carlson Travel FRN	20,467,000	€	15.06.2023		16,761	0.98
Cirsa Finance International FRN	25,620,000	€	30.09.2025		18,938	1.11
Diocle FRN	6,961,000	€	30.06.2026		6,823	0.40
EVOCA FRN	42,006,000	€	01.11.2026		31,963	1.87
Fabric BC FRN	12,870,000	€	30.11.2024		12,356	0.72
Fabric BC FRN	2,050,000	€	31.08.2026		1,829	0.11
Fire FRN	64,914,000	€	30.09.2024		54,370	3.19
Galaxy Bidco FRN ^[a]	19,522,000	€	31.07.2026		19,450	1.14
Gamenet Group FRN	18,224,000	€	27.04.2023		15,185	0.89
Garfunkelux Holdco 3 FRN	22,032,000	€	01.09.2023		16,882	0.99
Garfunkelux Holdco 3 FRN	35,074,000	€	01.09.2023		27,251	1.60
Groupe Ecore Holding FRN	25,383,000	€	15.11.2023		19,622	1.15
Guala Closures Italy FRN	18,054,000	€	15.04.2024		17,643	1.03
Iceland Bondco 4.625%	11,956,000	£	15.03.2025		11,942	0.70
International Design Group FRN	23,095,000	€	15.11.2025		16,562	0.97
IPD 3 FRN	15,447,000	€	15.07.2022		16,912	0.99
Kapla Holding FRN	5,000,000	€	15.12.2026		3,575	0.21
Limacorporate FRN	23,354,000	€	15.08.2023		22,742	1.33
Louvre Bidco FRN	13,679,000	€	30.09.2024		14,065	0.82
LSF10 Wolverine Investments FRN	19,664,151	€	15.03.2024		19,696	1.15
Marcolin FRN	18,547,000	€	15.02.2023		16,786	0.98
Monitchem HoldCo 3 FRN	7,480,000	€	15.03.2025		6,943	0.41
Newday Bondco FRN	14,562,000	£	01.02.2023		13,051	0.77
Novafives FRN	11,290,000	€	15.06.2025		6,558	0.38
Novem Group FRN ^[a]	35,113,000	€	15.05.2024		25,284	1.48
Paprec Holding FRN	22,489,000	€	31.03.2025		17,564	1.03
Parts Europe FRN	25,843,674	€	01.05.2022		21,986	1.29

M&G (Lux) Global Floating Rate High Yield Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
Picard Groupe FRN	47,250,000	€	30.11.2023		48,388	2.84
Premier Foods Finance FRN	16,263,000	£	15.07.2022		18,358	1.08
Promontoria Holding 264 FRN	25,145,000	€	15.08.2023		14,021	0.82
Reynolds Group Issuer FRN	23,242,000	US\$	15.07.2021		22,655	1.33
Rossini FRN	6,032,000	€	30.10.2025		5,774	0.34
Selecta Group FRN	34,463,000	€	01.02.2024		19,520	1.14
Sisal Pay FRN	4,980,000	€	17.12.2026		4,620	0.27
Synlab Bondco FRN	46,689,000	€	01.07.2022		47,689	2.79
TeamSystem FRN	24,942,000	€	15.04.2023		25,539	1.50
Tendam Brands FRN	25,151,000	€	15.09.2024		18,703	1.10
Tenneco FRN	24,313,000	€	15.04.2024		18,265	1.07
Trivium Packaging Finance FRN	34,689,000	€	15.08.2026		33,249	1.95
United Group FRN ^[a]	27,648,000	€	15.05.2025		25,274	1.48
United Group FRN	1,648,000	€	15.02.2026		1,414	0.08
WEPA Hygieneprodukte FRN	19,993,000	€	15.12.2026		19,262	1.13
Ziggo 4.25%	10,179,000	€	15.01.2027		11,089	0.65
'CCC' credit rated bonds					43,000	2.52
Hema Bondco I FRN	26,776,000	€	15.07.2022		12,763	0.75
TVL Finance FRN	16,798,000	£	15.07.2025		15,779	0.92
Verisure Midholding FRN	144,750,000	SEK	01.12.2023		14,458	0.85
Bonds with no credit rating						
House of Fraser Funding FRN ^[b]	14,382,000	£	15.09.2020		981	0.06
Debt derivatives					(22,276)	(1.31)
Credit default swaps						
Markit CDX North American High Yield Series 34 5 Year Jun 2025	392,655,000	US\$			(19,159)	(1.13)
Interest rate swaps					(3,117)	(0.18)
Pay 5.375% Receive Var. Jul 2021	654,000	US\$			(25)	0.00
Pay 5.375% Receive Var. Sep 2021	12,327,000	US\$			(390)	(0.03)
Pay 7.5% Receive Var. Sep 2021	4,109,000	£			(98)	(0.01)
Pay 4.25% Receive Var. Sep 2022	24,654,000	€			(1,212)	(0.06)
Pay 2.75% Receive Var. Mar 2022	1,300,000	€			(11)	0.00
Pay 2.75% Receive Var. Sep 2022	12,327,000	€			(166)	(0.01)
Pay 3.25% Receive Var. Mar 2022	197,000	€			(4)	0.00
Pay 3.25% Receive Var. Sep 2022	6,164,000	€			(53)	0.00
Pay 5.7% Receive Var. Jan 2023	663,000	US\$			(53)	0.00
Pay 5.7% Receive Var. Sep 2023	8,218,000	US\$			(383)	(0.02)
Pay 4.25% Receive Var. Sep 2024	4,109,000	€			(262)	(0.02)
Pay 4.625% Receive Var. Sep 2025	16,224,000	£			(460)	(0.03)
CURRENCY					27,652	1.62
Forward currency contracts					27,652	1.62
Bought for £ 27,045,976.92, Sold for US\$ 33,421,064.26			08.04.2020		12	0.00
Bought for € 328,506,713.49, Sold for US\$ 362,850,272.36			08.04.2020		(3,125)	(0.18)
Bought for SEK 5,580,447.47, Sold for US\$ 561,196.70			08.04.2020		(10)	0.00
Bought for US\$ 123,318,198.55, Sold for £ 94,173,373.08			08.04.2020		6,906	0.40
Bought for US\$ 1,390,273,194.39, Sold for € 1,248,922,345.09			08.04.2020		22,665	1.33
Bought for US\$ 15,994,903.65, Sold for SEK 149,778,525.13			08.04.2020		1,204	0.07
Portfolio of investments					1,484,474	86.99
CASH EQUIVALENTS					166,956	9.78
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	166,955,987	US\$			166,956	9.78
SHARE CLASS HEDGING					(20,898)	(1.24)
Bought for £ 2,697,115.85, Sold for US\$ 3,450,517.30			08.04.2020		(117)	(0.01)
Bought for € 1,543,390,633.52, Sold for US\$ 1,717,830,960.26			08.04.2020		(27,771)	(1.63)
Bought for CHF 64,659,579.32, Sold for US\$ 67,608,401.01			08.04.2020		(630)	(0.04)
Bought for HK\$ 1,024,951.24, Sold for US\$ 131,918.85			08.04.2020		0	0.00
Bought for SG\$ 13,867,174.10, Sold for US\$ 10,016,919.12			08.04.2020		(289)	(0.02)
Bought for US\$ 719,914.44, Sold for £ 586,341.41			08.04.2020		(4)	0.00
Bought for US\$ 510,911,681.63, Sold for € 459,569,876.28			08.04.2020		7,668	0.45
Bought for US\$ 16,773,709.93, Sold for CHF 15,961,877.59			08.04.2020		238	0.01
Bought for US\$ 22,971.19, Sold for HK\$ 178,395.89			08.04.2020		0	0.00
Bought for US\$ 3,501,550.17, Sold for SG\$ 4,996,043.29			08.04.2020		(2)	0.00
Bought for AU\$ 529,813.03, Sold for US\$ 312,709.91			09.04.2020		10	0.00

M&G (Lux) Global Floating Rate High Yield Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for US\$ 55,441.29, Sold for AU\$ 94,502.12			09.04.2020		(1)	0.00
Total portfolio					1,630,532	95.53
Net other assets/(liabilities)					75,921	4.47
NET ASSETS					1,706,453	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					1,479,098	86.68
Unrealised gains on forward currency contracts					38,703	2.26
Total Investment assets					1,517,801	88.94
Investment liabilities						
Unrealised losses on forward currency contracts					(31,949)	(1.88)
Unrealised losses on swap contracts					(22,276)	(1.31)
Total Investment liabilities					(54,225)	(3.19)
Total portfolio					1,463,576	85.75
Cash equivalents					166,956	9.78
Net other assets/(liabilities)					75,921	4.47
NET ASSETS					1,706,453	100.00

[a] Unlisted/unquoted.

[b] Defaulted Bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures			
	Swaps US\$'000	Forward currency contracts US\$'000	Collateral held as cash US\$'000	Collateral held as deposit US\$'000
Bank of America Merrill Lynch	0	0	1,297	0
Barclays Bank London	19,159	297	0	0
BNP Paribas	0	29,127	0	0
Citigroup Global Markets Limited	436	0	0	1,896
Goldman Sachs International	877	35,057	1,570	836
HSBC Bank Plc	587	142,420	0	0
JP Morgan Chase	81	159,449	793	0
Merrill Lynch Pierce Fenner + Smith Inc	1,137	0	0	0
Standard Chartered Bank	0	19,553	0	1,028
State Street Bank and Trust Company	0	2,331,337	0	0
State Street Bank London	0	1,467,107	0	0
UBS AG London	0	73,410	680	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Floating Rate High Yield Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Australian dollar						
Class 'A-H' Accumulation	n/a	n/a	n/a	-16.6	n/a	08/04/2019
Class 'A-H M' Distribution	n/a	n/a	n/a	-16.7	n/a	08/04/2019
Class 'C-H' Accumulation	n/a	n/a	n/a	-16.2	n/a	08/04/2019
Class 'C-H M' Distribution	n/a	n/a	n/a	-16.2	n/a	08/04/2019
Euro						
Class 'A-H' Accumulation	-16.4	-5.7	-2.3	-2.0	11/09/2014	21/09/2018
Class 'A-H' Distribution	-16.4	-5.7	-2.3	-2.1	11/09/2014	21/09/2018
Class 'B-H' Accumulation	-16.8	-6.1	n/a	-3.0	11/09/2015	21/09/2018
Class 'B-H' Distribution	-16.8	-6.2	n/a	-3.0	11/09/2015	21/09/2018
Class 'C-H' Accumulation	-15.9	-5.1	-1.7	-1.4	11/09/2014	21/09/2018
Class 'C-H' Distribution	-15.9	-5.1	-1.8	-1.5	11/09/2014	21/09/2018
Class 'CI-H' Accumulation	-15.8	-5.1	-1.7	-1.4	11/09/2014	21/09/2018
Hong Kong dollar						
Class 'A-H' Accumulation	n/a	n/a	n/a	-14.5	n/a	08/04/2019
Class 'A-H M' Distribution	n/a	n/a	n/a	-14.5	n/a	08/04/2019
Class 'C-H' Accumulation	n/a	n/a	n/a	-14.0	n/a	08/04/2019
Class 'C-H M' Distribution	n/a	n/a	n/a	-14.0	n/a	08/04/2019
Singapore dollar						
Class 'A-H' Distribution	-14.8	-3.9	-0.6	-0.3	16/01/2015	21/09/2018
Class 'A-H M' Distribution	-14.8	-3.9	n/a	-0.6	09/10/2015	21/09/2018
Class 'C-H M' Distribution	-14.3	-3.3	n/a	-0.0	09/10/2015	21/09/2018
Sterling						
Class 'A-H' Accumulation	n/a	n/a	n/a	-17.1	n/a	05/07/2019
Class 'A-H' Distribution	n/a	n/a	n/a	-17.1	n/a	05/07/2019
Class 'C-H' Distribution	-15.5	n/a	n/a	-13.4	n/a	22/02/2019
Class 'CI-H' Distribution	-15.6	n/a	n/a	-14.7	n/a	14/03/2019

M&G (Lux) Global Floating Rate High Yield Fund

Financial highlights

Sub-fund performance (continued)

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Swiss franc						
Class 'A-H' Accumulation	-16.6	-6.0	-2.8	-2.5	11/09/2014	21/09/2018
Class 'A-H' Distribution	-16.6	-6.0	n/a	-2.4	14/12/2015	21/09/2018
Class 'C-H' Accumulation	-16.1	-5.4	-2.2	-1.9	11/09/2014	21/09/2018
Class 'C-H' Distribution	-16.1	-5.4	n/a	-1.8	14/12/2015	21/09/2018
Class 'CI-H' Accumulation	-16.1	-5.4	-2.2	-1.9	11/09/2014	21/09/2018
US dollar						
Class 'A' Accumulation	-13.9	-3.1	-0.3	-0.1	11/09/2014	21/09/2018
Class 'A' Distribution	-13.9	-3.1	-0.3	-0.1	11/09/2014	21/09/2018
Class 'A M' Distribution	-13.9	-3.1	n/a	-0.2	09/10/2015	21/09/2018
Class 'C' Accumulation	-13.4	-2.5	+0.3	+0.5	11/09/2014	21/09/2018
Class 'C' Distribution	-13.4	-2.5	+0.3	+0.4	11/09/2014	21/09/2018
Class 'C M' Distribution	-13.4	-2.5	n/a	+0.4	09/10/2015	21/09/2018
Class 'CI' Accumulation	-13.3	-2.5	+0.3	+0.5	11/09/2014	21/09/2018

[a] Fund performance before the launch of the fund on 13 September 2018 is that of the relevant Merged Share Class of the M&G Global Floating Rate High Yield Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Floating Rate High Yield Fund is a UK authorised fund which launched on 11 September 2014 and its non-Sterling share classes merged into M&G (Lux) Global Floating Rate High Yield Fund on 7 December 2018.

M&G (Lux) Global Floating Rate High Yield Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetable and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H' Distribution Euro €	Class 'B-H' Distribution Euro €	Class 'C-H' Distribution Euro €	Class 'A-H' Distribution SGD €	Class 'A-H' Distribution UK p
to 31 March 2020	0.1297	0.1216	0.1224	0.1239	n/a
First interim	0.1173	0.1168	0.1180	0.1213	0.1159
Second interim	0.1204	0.1197	0.1212	0.1233	0.1298
Third interim	0.1170	0.1161	0.1178	0.1235	0.1241

	Class 'C-H' Distribution UK p	Class 'CI-H' Distribution UK p	Class 'A-H' Distribution Swiss €	Class 'C-H' Distribution Swiss €	Class 'A' Distribution US €
to 31 March 2020	0.1297	0.1276	0.1177	0.1197	0.1258
First interim	0.1242	0.1222	0.1175	0.1180	0.1223
Second interim	0.1315	0.1297	0.1185	0.1193	0.1232
Third interim	0.1258	0.1239	0.1167	0.1177	0.1235

	Class 'C' Distribution US €
to 31 March 2020	0.1262
First interim	0.1230
Second interim	0.1239
Third interim	0.1247

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H M' Distribution AUD €	Class 'C-H M' Distribution AUD €	Class 'A-H M' Distribution HKD €	Class 'C-H M' Distribution HKD €	Class 'A-H M' Distribution SGD €
to 31 March 2020	0.0299	0.0299	0.2991	0.2988	0.0437
First interim	0.0425	0.0426	0.4271	0.4271	0.0419
Second interim	0.0395	0.0395	0.3942	0.3949	0.0389
Third interim	0.0426	0.0426	0.4247	0.4251	0.0415
Fourth interim	0.0409	0.0411	0.4083	0.4093	0.0401
Fifth interim	0.0408	0.0408	0.4064	0.4074	0.0401
Sixth interim	0.0424	0.0426	0.4193	0.4207	0.0415
Seventh interim	0.0355	0.0356	0.3652	0.3665	0.0355
Eighth interim	0.0464	0.0466	0.4647	0.4664	0.0454
Ninth interim	0.0414	0.0416	0.4279	0.4302	0.0416
Tenth interim	0.0396	0.0398	0.3965	0.3985	0.0382
Eleventh interim	0.0372	0.0374	0.4295	0.4322	0.0412
Final					

	Class 'C-H M' Distribution SGD €	Class 'A M' Distribution US €	Class 'C M' Distribution US €
to 31 March 2020	0.0439	0.0445	0.0447
First interim	0.0419	0.0423	0.0424
Second interim	0.0391	0.0389	0.0390
Third interim	0.0417	0.0419	0.0421
Fourth interim	0.0402	0.0403	0.0405
Fifth interim	0.0403	0.0401	0.0404
Sixth interim	0.0417	0.0413	0.0416
Seventh interim	0.0358	0.0360	0.0362
Eighth interim	0.0458	0.0458	0.0461
Ninth interim	0.0419	0.0421	0.0426
Tenth interim	0.0384	0.0392	0.0395
Eleventh interim	0.0415	0.0423	0.0426
Final			

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Australian dollar	AUS\$	AUS\$	AUS\$
Class 'A-H' Accumulation	8.3383	n/a	n/a
Class 'A-H M' Distribution	7.9591	n/a	n/a
Class 'C-H' Accumulation	8.3837	n/a	n/a
Class 'C-H M' Distribution	8.0092	n/a	n/a
Euro	€	€	€
Class 'A-H' Accumulation	8.3107	9.9396	n/a
Class 'A-H' Distribution	7.7411	9.7720	n/a
Class 'B-H' Accumulation	8.2452	9.9100	n/a
Class 'B-H' Distribution	7.6796	9.7426	n/a
Class 'C-H' Accumulation	8.3860	9.9682	n/a
Class 'C-H' Distribution	7.8120	9.7998	n/a
Class 'CI-H' Accumulation	8.3971	9.9760	n/a
Hong Kong dollar	HK\$	HK\$	HK\$
Class 'A-H' Accumulation	85.5321	n/a	n/a
Class 'A-H M' Distribution	81.7488	n/a	n/a
Class 'C-H' Accumulation	86.0306	n/a	n/a
Class 'C-H M' Distribution	82.2342	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Distribution	7.9851	9.8843	n/a
Class 'A-H M' Distribution	7.9467	9.8098	n/a
Class 'C-H M' Distribution	8.0139	9.8401	n/a

M&G (Lux) Global Floating Rate High Yield Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

NAV per share	31.03.2020	31.03.2019	31.03.2018
Sterling	£	£	£
Class 'A-H' Accumulation	8.2888	n/a	n/a
Class 'A-H' Distribution	8.0898	n/a	n/a
Class 'C-H' Distribution	8.2062	10.1035	n/a
Class 'CI-H' Distribution	8.0885	10.0200	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	8.2743	9.9164	n/a
Class 'A-H' Distribution	7.7060	9.7467	n/a
Class 'C-H' Accumulation	8.3462	9.9478	n/a
Class 'C-H' Distribution	7.7760	9.7783	n/a
Class 'CI-H' Accumulation	8.3461	9.9529	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	8.6985	10.1026	n/a
Class 'A' Distribution	8.1094	9.9334	n/a
Class 'A M' Distribution	8.0693	9.8586	n/a
Class 'C' Accumulation	8.7799	10.1356	n/a
Class 'C' Distribution	8.1840	9.9641	n/a
Class 'C M' Distribution	8.1445	9.8889	n/a
Class 'CI' Accumulation	8.7854	10.1387	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	1,706,453	3,356,579	n/a
Swing pricing adjustment (see note 12)	(19,429)	n/a	n/a
Swung net assets	1,687,024	3,356,579	n/a

Total Expense Ratio 31.03.2020	TER
Australian dollar	%
Class 'A-H' Accumulation	1.49
Class 'A-H M' Distribution	1.49
Class 'C-H' Accumulation	0.89
Class 'C-H M' Distribution	0.89
Euro	%
Class 'A-H' Accumulation	1.49
Class 'A-H' Distribution	1.49
Class 'B-H' Accumulation	1.99
Class 'B-H' Distribution	1.99
Class 'C-H' Accumulation	0.89
Class 'C-H' Distribution	0.89
Class 'CI-H' Accumulation	0.85
Hong Kong dollar	%
Class 'A-H' Accumulation	1.49
Class 'A-H M' Distribution	1.49
Class 'C-H' Accumulation	0.89
Class 'C-H M' Distribution	0.89
Singapore dollar	%
Class 'A-H' Distribution	1.49
Class 'A-H M' Distribution	1.49
Class 'C-H M' Distribution	0.89
Sterling	%
Class 'A-H' Accumulation	1.49
Class 'A-H' Distribution	1.49
Class 'C-H' Distribution	0.89
Class 'CI-H' Distribution	0.85
Swiss franc	%
Class 'A-H' Accumulation	1.49
Class 'A-H' Distribution	1.49
Class 'C-H' Accumulation	0.89
Class 'C-H' Distribution	0.89
Class 'CI-H' Accumulation	0.85

Total Expense Ratio 31.03.2020	TER
US dollar	%
Class 'A' Accumulation	1.47
Class 'A' Distribution	1.47
Class 'A M' Distribution	1.47
Class 'C' Accumulation	0.87
Class 'C' Distribution	0.87
Class 'C M' Distribution	0.87
Class 'CI' Accumulation	0.83

M&G (Lux) Global High Yield Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global high yield bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in high yield bonds issued by companies denominated in any currency. The Fund does not take any currency views and aims to hedge any non-USD assets to USD. Issuers of these securities may be located in any country, including emerging markets.

The investment process of the Fund is based on the bottom-up analysis of individual bond issues whilst remaining aware of macroeconomics developments.

In addition to high yield securities, the Fund may invest in unrated debt securities up to a combined maximum of 100% of the Fund's Net Asset Value. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest. The Fund may hold up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities and to a maximum of 20% of its Net Asset Value in Contingent Convertibles Debt Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps, Interest Rate Swaps and Total Return Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, equities, warrants and other debt securities.

Investment approach

The Fund is globally diversified and the Investment Manager seeks to provide exposure to a broad range of individual issuers across a variety of industrial sectors.

The Investment Manager has the flexibility to adjust the Fund's credit exposure, sector positioning and regional allocations depending on the assessment of current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

Individual credit selection is carried out in conjunction with the in-house team of credit analysts, which provides bottom-up analysis of the corporate bond markets to complement the Investment Manager's views.

Performance Comparator

ICE BofAML Global High Yield Index USD Hedged

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

For Currency Hedged Share Classes, the performance comparator is hedged to the Share Class currency.

M&G (Lux) Global High Yield Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

High yield bond markets enjoyed strong positive performance during 2019 and up to January 2020. Stimulus measures from the world's central banks, tentative signs of progress in the US/China trade dispute and better-than-expected corporate earnings buoyed investor appetite for the asset class. Despite persistent concerns over the underlying health of the world economy, risk assets remained in favour with investors; high yield bonds in the US, emerging markets and Europe all delivered positive returns. However, events from mid-February 2020 onwards were to dominate investment performance for the whole period, as the world began to react to the deadly Covid-19 pandemic and its very sudden threat to world economic growth.

Within the sub-fund, sector positioning was a key driver of relative returns for most of 2019, notably the sub-fund's above-index allocations to the capital goods, healthcare and automotive sectors. Credit selection also proved helpful overall, especially in the energy and telecommunications sectors. However, the sub-fund's below-index exposure to the lowest-rated areas of the high yield market held back returns relative to the benchmark index, as improving investor sentiment helped drive strong returns among riskier debt. This was partly offset by positive credit selection in the US where we avoided CCC-rated energy names which underperformed as concerns grew for the highly levered US energy sector. During this initial period, we favoured a more cautious approach than the market, maintaining a preference for less cyclical businesses and areas where earnings looked more solid. This stance dragged on relative performance slightly, in particular our below-index allocation to areas such as financial services and real estate.

The comfortable backdrop to 2019 quickly changed during the first quarter of 2020 as a significant risk-off environment in financial markets started to emerge as the pandemic worsened, forcing whole economies to almost entirely shut down. Core government bonds held up relatively well during this period, but credit markets sold off sharply, with high yield bonds recording the largest declines. The yields available on global high yield bonds extended above core government bond yields to levels not seen since the 2008 global financial crisis, reflecting the heightened credit risk in the markets.

The sub-fund's defensive positioning partly offset underperformance relative to the benchmark index from its below-index position in emerging markets which benefited from Chinese coronavirus infections falling compared to other regions. However, a mix of credit selection and sector exposure in the retail, leisure and services sectors detracted from relative returns as the market sell-off accelerated. Below-index positions in real estate and telecommunications, both of which sold off significantly, were not enough to support sub-fund performance versus the benchmark.

Over the period under review, the sub-fund delivered a negative total return and slightly lagged its benchmark ICE BofA Merrill Lynch Global High Yield Index USD Hedged.

Investment Activities

Throughout 2019 and into early 2020 the global economy seemed set to continue growing at a modest pace, providing further support to the high yield bond markets. Factors such as healthy corporate earnings, sound balance sheets, accommodative central banks and a strong demand for yield remained supportive of credit markets. However, we were conscious of the fact that many economies were likely to be nearing the end of their long-term expansion cycles. This prompted us to maintain a relatively defensive stance within the sub-fund, preferring to buy the bonds of non-cyclical businesses backed by high-quality assets.

We stayed below-index in more cyclical areas, such as energy and retail and emerging markets. During the market fallout in February and March 2020, we sold some positions in the energy sector in which we were seeing imminent default risk. We were active in single-name switches as valuations fell significantly and medium to long-term investment opportunities started presenting themselves.

Outlook

The sub-fund managers' ability to carefully select high-quality, attractively priced high yield corporate bonds will be crucial in the coming months. We expect company default rates to increase significantly but believe the market has overreacted to the bad news and is well positioned for gains in the near term, given that, in our view, high yield assets now look very attractively priced from a historic perspective. We believe having access to one of the largest credit research teams in the industry allows us to thoroughly scrutinise all aspects of a company's credit profile and to assess whether bond investors are being adequately compensated for the potential risks. In the current environment, strong credit selection is paramount, as is the ability to invest flexibly to take advantage of the investment opportunities where we see them.

Stefan Isaacs and James Tomlins

Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					175	0.20
Equities					175	0.20
Chaparral Energy 'A'	7,189	US\$			4	0.00
Patterson-UTI Energy	473	US\$			1	0.00
SandRidge Energy	579	US\$			0	0.00
New World Resources 'A' ^[a]	5,046,536	£			0	0.00
Codere ^[b]	78,462	€			170	0.20
Warrants					0	0.00
SandRidge Energy 'A' (Warrant)	501	US\$	04.10.2022		0	0.00
SandRidge Energy 'B' (Warrant)	211	US\$	04.10.2022		0	0.00
Jones Energy II (Warrant) ^[a]	1,498	US\$	17.05.2024		0	0.00
FIXED INCOME					76,031	87.11
Debt securities					76,139	87.23
'AAA' credit rated bonds						
US Treasury Note 1.125%	1,750,000	US\$	28.02.2025		1,815	2.08
'A' credit rated bonds						
TOTAL FRN	207,000	€	29.12.2049		230	0.26
'BBB' credit rated bonds					3,167	3.63
ArcelorMittal 4.55%	250,000	US\$	11.03.2026		223	0.26
Corestates Capital III FRN	167,000	US\$	15.02.2027		143	0.16
Dell International Via EMC 5.45%	465,000	US\$	15.06.2023		474	0.54
Energy Transfer Operating 5.875%	401,000	US\$	15.01.2024		380	0.44
Lear 3.5%	191,000	US\$	30.05.2030		168	0.19
Legal & General Group FRN	200,000	£	27.10.2045		256	0.29
Merck FRN	200,000	€	25.06.2079		199	0.23
NGPL PipeCo 4.875%	450,000	US\$	15.08.2027		397	0.46
Park Aerospace Holdings 5.5%	134,000	US\$	15.02.2024		113	0.13
Sabine Pass Liquefaction 5.625%	280,000	US\$	01.03.2025		251	0.29
S-Jets 5.682% ^[a]	198,953	US\$	15.08.2042		132	0.15
Society of Lloyd's FRN	100,000	£	07.02.2047		123	0.14
Stora Enso 7.25%	234,000	US\$	15.04.2036		308	0.35
'BB' credit rated bonds					41,862	47.96
Aramark Services 5%	220,000	US\$	01.04.2025		206	0.24
Ardagh Packaging Finance Via Ardagh Holdings USA 2.125%	150,000	€	15.08.2026		146	0.17
Ardagh Packaging Finance Via Ardagh Holdings USA 4.125%	500,000	US\$	15.08.2026		502	0.58
Arrow Global Finance FRN	408,000	€	01.04.2025		394	0.45
Banco Bilbao Vizcaya Argentaria FRN	400,000	€	31.12.2099		371	0.43
Belden 3.375%	149,000	€	15.07.2027		142	0.16
Belden 3.875%	100,000	€	15.03.2028		100	0.11
Berry Global 4.875%	611,000	US\$	15.07.2026		617	0.71
Cascades Via Cascades USA 5.125%	725,000	US\$	15.01.2026		703	0.81
CCO Holdings Via CCO Holdings Capital 4%	272,000	US\$	01.03.2023		272	0.31
CCO Holdings Via CCO Holdings Capital 5.125%	668,000	US\$	01.05.2027		674	0.77
CCO Holdings Via CCO Holdings Capital 5.75%	624,000	US\$	15.02.2026		636	0.73
Cemex 5.7%	267,000	US\$	11.01.2025		229	0.26
CEMEX Finance 6%	200,000	US\$	01.04.2024		170	0.19
Centene 4.75%	802,000	US\$	15.01.2025		818	0.94
Cheniere Corpus Christi Holdings 5.875%	514,000	US\$	31.03.2025		434	0.50
Cheniere Energy Partners 4.5%	675,000	US\$	01.10.2029		580	0.66
Cheniere Energy Partners 5.25%	134,000	US\$	01.10.2025		122	0.14
Cheniere Energy Partners 5.625%	490,000	US\$	01.10.2026		450	0.52
CIFI Holdings Group 6.55%	207,000	US\$	28.03.2024		192	0.22
Colfax 3.25%	129,000	€	15.05.2025		108	0.12
CPI Property Group FRN	504,000	€	09.05.2052		516	0.59
Crown Americas Via Crown Americas Capital 4.25%	517,000	US\$	30.09.2026		514	0.59
Crown European Holdings 3.375%	349,000	€	15.05.2025		376	0.43
CSC Holdings 5.5%	360,000	US\$	15.04.2027		366	0.42
CSC Holdings 6.625%	563,000	US\$	15.10.2025		593	0.68
Drax Finco 6.625%	200,000	US\$	01.11.2025		198	0.23
Energy Transfer Operating FRN	250,000	US\$	31.12.2099		125	0.14
EnLink Midstream 5.375%	925,000	US\$	01.06.2029		495	0.57
GKN Holdings 4.625%	325,000	£	12.05.2032		396	0.45
Greenko Solar Mauritius 5.55%	450,000	US\$	29.01.2025		373	0.43
Grifols 2.25%	353,000	€	15.11.2027		374	0.43
Grupo KUO 5.75%	644,000	US\$	07.07.2027		473	0.54
Hanesbrands 4.625%	507,000	US\$	15.05.2024		506	0.58
Hanesbrands 4.875%	561,000	US\$	15.05.2026		544	0.62

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
HCA 4.5%	568,000	US\$	15.02.2027		583	0.67
HCA 4.75%	167,000	US\$	01.05.2023		170	0.19
HCA 5%	191,000	US\$	15.03.2024		197	0.23
HCA 5.375%	501,000	US\$	01.09.2026		519	0.59
HCA 5.5%	213,000	US\$	15.06.2047		233	0.27
HCA 5.875%	342,000	US\$	01.02.2029		362	0.41
Heathrow Finance 3.875%	375,000	£	01.03.2027		398	0.46
Hilton Worldwide Finance Via Hilton Worldwide Finance 4.625%	223,000	US\$	01.04.2025		207	0.24
Infinitec Technologies FRN	300,000	€	31.12.2099		293	0.34
Inretail Pharma 5.375%	480,000	US\$	02.05.2023		463	0.53
International Game Technology 6.25%	868,000	US\$	15.02.2022		771	0.88
Intertrust Group 3.375%	100,000	€	15.11.2025		105	0.12
Intesa Sanpaolo 3.928%	105,000	€	15.09.2026		116	0.13
Intesa Sanpaolo FRN	334,000	€	31.12.2099		305	0.35
Intesa Sanpaolo FRN	200,000	€	29.12.2049		203	0.23
Intesa Sanpaolo FRN	500,000	€	31.12.2099		389	0.45
Intrum 3.5%	325,000	€	15.07.2026		258	0.30
IQVIA 3.25%	695,000	€	15.03.2025		747	0.86
IQVIA 3.5%	133,000	€	15.10.2024		142	0.16
KB Home 4.8%	800,000	US\$	15.11.2029		682	0.78
KBC Group FRN	200,000	€	31.12.2099		172	0.20
Koninklijke KPN FRN	400,000	€	31.12.2099		409	0.47
Levi Strauss 3.375%	415,000	€	15.03.2027		424	0.49
Levi Strauss 5%	200,000	US\$	01.05.2025		191	0.22
Lincoln Financing 3.625%	471,000	€	01.04.2024		431	0.49
Lloyds Banking Group FRN	200,000	€	31.12.2049		202	0.23
MARB BondCo 6.875%	303,000	US\$	19.01.2025		269	0.31
Melco Resorts Finance 5.625%	225,000	US\$	17.07.2027		203	0.23
MGM Resorts International 5.5%	311,000	US\$	15.04.2027		278	0.32
Millicom International Cellular 6.25%	200,000	US\$	25.03.2029		181	0.21
Muthoot Finance 6.125%	200,000	US\$	31.10.2022		173	0.20
National Westminster Bank FRN	134,000	€	29.10.2049		127	0.15
Nationwide Building Society FRN	200,000	£	31.12.2099		202	0.23
Netflix 3.625%	472,000	€	15.05.2027		515	0.59
Network i2i FRN	666,000	US\$	31.12.2099		530	0.61
Norddeutsche Landesbank-Girozentrale 6.25%	200,000	US\$	10.04.2024		178	0.20
Ocado Group 4%	604,000	£	15.06.2024		720	0.83
OI European Group 2.875%	136,000	€	15.02.2025		139	0.16
Olin 5%	668,000	US\$	01.02.2030		580	0.66
Orano 4.875%	100,000	€	23.09.2024		112	0.13
Parsley Energy Via Parsley Finance 4.125%	252,000	US\$	15.02.2028		171	0.20
Parsley Energy Via Parsley Finance 5.375% <i>(a)</i>	200,000	US\$	15.01.2025		152	0.17
Parsley Energy Via Parsley Finance 5.625%	200,000	US\$	15.10.2027		140	0.16
Petrobras Global Finance 6.9%	565,000	US\$	19.03.2049		546	0.63
Pilgrim's Pride 5.75%	834,000	US\$	15.03.2025		838	0.96
Playtech 4.25%	630,000	€	07.03.2026		537	0.62
Puma International Financing 5%	500,000	US\$	24.01.2026		201	0.23
Rede D'or Finance 4.95%	400,000	US\$	17.01.2028		365	0.42
Repsol International Finance FRN	300,000	€	25.03.2075		321	0.37
Sally Holdings Via Sally Capital 5.625%	768,000	US\$	01.12.2025		628	0.72
Sazka Group 3.875%	261,000	€	15.02.2027		227	0.26
Sealed Air 5.125%	334,000	US\$	01.12.2024		342	0.39
Service Corp International 5.375%	267,000	US\$	15.05.2024		272	0.31
Sirius XM Radio 5%	362,000	US\$	01.08.2027		367	0.42
Smurfit Kappa Treasury 1.5%	260,000	€	15.09.2027		265	0.30
Société Générale FRN	339,000	US\$	29.12.2049		306	0.35
Southwestern Energy 7.75%	753,000	US\$	01.10.2027		498	0.57
Stena International 3.75%	100,000	€	01.02.2025		89	0.10
Syngenta Finance 5.182%	587,000	US\$	24.04.2028		504	0.58
Taylor Morrison Communities 5.875%	475,000	US\$	15.06.2027		438	0.50
TEGNA 4.625%	653,000	US\$	15.03.2028		587	0.67
Telefonica Europe FRN	800,000	€	31.12.2099		858	0.98
Tenet Healthcare 4.875%	425,000	US\$	01.01.2026		412	0.47
Tenet Healthcare 5.125%	513,000	US\$	01.11.2027		497	0.57
Teva Pharmaceutical Finance Netherlands II 1.625%	113,000	€	15.10.2028		96	0.11
Teva Pharmaceutical Finance Netherlands III 3.15%	725,000	US\$	01.10.2026		616	0.71

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Teva Pharmaceutical Finance Netherlands III 4.1%	108,000	US\$	01.10.2046		79	0.09
T-Mobile USA 5.125%	111,000	US\$	15.04.2025		113	0.13
T-Mobile USA 6%	200,000	US\$	15.04.2024		203	0.23
T-Mobile USA 6.375%	200,000	US\$	01.03.2025		205	0.23
UBS Group FRN	401,000	US\$	29.12.2049		388	0.44
United Rentals North America 4.625%	641,000	US\$	15.10.2025		596	0.68
United Rentals North America 6.5%	200,000	US\$	15.12.2026		203	0.23
Videotron 5.375%	545,000	US\$	15.06.2024		547	0.63
Virgin Media Secured Finance 6.25%	257,400	£	28.03.2029		316	0.36
Vodafone Group FRN	471,000	US\$	04.04.2079		500	0.57
Volvo Car 2.125%	162,000	€	02.04.2024		160	0.18
WPX Energy 5.25%	701,000	US\$	15.09.2024		423	0.48
Yingde Gases Investment 6.25%	600,000	US\$	19.01.2023		549	0.63
ZF Europe Finance 2.5%	200,000	€	23.10.2027		166	0.19
ZF Europe Finance 3%	100,000	€	23.10.2029		79	0.09
ZF North America Capital 4.75%	200,000	US\$	29.04.2025		168	0.19
'B' credit rated bonds					20,554	23.55
1011778 BC Via New Red Finance 5%	290,000	US\$	15.10.2025		280	0.32
ADES International Holding 8.625%	609,000	US\$	24.04.2024		611	0.70
Albertsons Cos Via Safeway Via New Albertsons Via Albertson's 5.875%	500,000	US\$	15.02.2028		504	0.58
Algeco Global Finance 6.5%	601,000	€	15.02.2023		490	0.56
Alpha Holding 9%	222,000	US\$	10.02.2025		156	0.18
Altice France 5.875%	500,000	€	01.02.2027		557	0.64
American Axle & Manufacturing 6.25%	285,000	US\$	01.04.2025		235	0.27
Ardagh Packaging Finance Via Ardagh Holdings USA 4.75%	100,000	£	15.07.2027		113	0.13
Avis Budget Car Rental 5.25%	267,000	US\$	15.03.2025		206	0.24
Axalta Coating Systems 4.25%	186,000	€	15.08.2024		185	0.21
Axalta Coating Systems Dutch Holding B 3.75%	469,000	€	15.01.2025		467	0.54
Banco de Sabadell FRN	200,000	€	31.12.2099		162	0.19
Barclays FRN	200,000	£	31.12.2099		175	0.20
Bausch Health 5%	180,000	US\$	30.01.2028		169	0.19
Bausch Health 7%	1,079,000	US\$	15.01.2028		1,101	1.26
Cabot Financial 7.5%	600,000	£	01.10.2023		693	0.79
Caesars Resort Collection Via CRC Finco 5.25%	543,000	US\$	15.10.2025		389	0.45
Callon Petroleum 6.25%	200,000	US\$	15.04.2023		42	0.05
Casino Guichard Perrachon 4.498%	500,000	€	07.03.2024		474	0.54
China Evergrande Group 6.25%	440,000	US\$	28.06.2021		383	0.44
CommScope Finance 8.25%	442,000	US\$	01.03.2027		427	0.49
CPUK Finance 4.25%	163,000	£	28.08.2022		165	0.19
CSC Holdings 7.5%	220,000	US\$	01.04.2028		230	0.26
DaVita 5%	246,000	US\$	01.05.2025		246	0.28
DaVita 5.125%	167,000	US\$	15.07.2024		165	0.19
Diamond Sports Group Via Diamond Sports Finance 6.625%	250,000	US\$	15.08.2027		170	0.19
Eagle Intermediate Global Holding Via Ruyi US Finance 5.375%	476,000	€	01.05.2023		323	0.37
Eurofins Scientific FRN	323,000	€	31.12.2099		329	0.38
Eurofins Scientific FRN	100,000	€	31.12.2099		88	0.10
Fire FRN	125,000	€	30.09.2024		105	0.12
Gamenet Group FRN	410,000	€	27.04.2023		342	0.39
Goodyear Tire & Rubber 5%	334,000	US\$	31.05.2026		307	0.35
Grupo Antolin-Irausa 3.25%	285,000	€	30.04.2024		205	0.24
Iceland Bondco 4.625%	306,000	£	15.03.2025		306	0.35
IHS Netherlands Holdco 8%	400,000	US\$	18.09.2027		336	0.39
Ithaca Energy North Sea 9.375%	368,000	US\$	15.07.2024		207	0.24
Jaguar Land Rover Automotive 6.875%	280,000	€	15.11.2026		223	0.26
Live Nation Entertainment 4.75%	475,000	US\$	15.10.2027		432	0.50
Louvre Bidco 4.25%	123,000	€	30.09.2024		119	0.14
LSF10 Wolverine Investments 5%	312,000	€	15.03.2024		292	0.33
Matalan Finance 6.75%	415,000	£	31.01.2023		333	0.38
MHP 7.75%	231,000	US\$	10.05.2024		198	0.23
Owens-Brockway Glass Container 5%	271,000	US\$	15.01.2022		274	0.31
Paprec Holding FRN	372,000	€	31.03.2025		291	0.33
Par Pharmaceutical 7.5%	240,000	US\$	01.04.2027		238	0.27
Performance Food Group 5.5%	107,000	US\$	15.10.2027		99	0.11
Picard Groupe FRN	172,000	€	30.11.2023		176	0.20
Post Holdings 5.5%	440,000	US\$	15.12.2029		428	0.49

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
Premier Foods Finance 6.25%	411,000	£	15.10.2023		465	0.53
Premier Foods Finance FRN	150,000	£	15.07.2022		169	0.19
Rekeep 9%	230,000	€	15.06.2022		211	0.24
Selecta Group 5.875%	778,000	€	01.02.2024		452	0.52
Shea Homes Via Shea Homes Funding 6.125%	269,000	US\$	01.04.2025		271	0.31
SM Energy 5%	267,000	US\$	15.01.2024		86	0.10
SM Energy 6.625%	245,000	US\$	15.01.2027		74	0.08
Sprint 7.25%	515,000	US\$	01.02.2028		515	0.59
Sprint 7.875%	725,000	US\$	15.09.2023		790	0.91
Staples 10.75%	134,000	US\$	15.04.2027		102	0.12
Tasty Bondco 1 6.25%	144,000	€	15.05.2026		116	0.13
TransDigm 5.5%	800,000	US\$	15.11.2027		725	0.83
Trivium Packaging Finance 3.75%	125,000	€	15.08.2026		125	0.14
VTR Finance 6.875%	877,000	US\$	15.01.2024		804	0.92
VZ Vendor Financing 2.5%	176,000	€	31.01.2024		181	0.21
Walnut Bidco 6.75%	441,000	€	01.08.2024		361	0.41
Wynn Macau 5.125%	208,000	US\$	15.12.2029		171	0.20
Ziggo 4.25%	450,000	€	15.01.2027		490	0.56
'CCC' credit rated bonds					8,488	9.72
Aldesa Financial Services 7.25%	450,000	€	01.04.2021		437	0.50
AMC Entertainment Holdings 6.125%	400,000	US\$	15.05.2027		167	0.19
AMC Entertainment Holdings 6.375%	100,000	£	15.11.2024		52	0.06
ARD Finance 5%	350,000	€	30.06.2027		296	0.34
Banca Monte dei Paschi di Siena FRN	450,000	€	22.01.2030		308	0.35
Bombardier 7.875%	410,000	US\$	15.04.2027		292	0.33
Chesapeake Energy 8% [a],[c]	192,000	US\$	15.06.2027		15	0.02
CHS Via Community Health Systems 6.625%	134,000	US\$	15.02.2025		126	0.14
CMA CGM 5.25%	805,000	€	15.01.2025		509	0.58
Diamond Offshore Drilling 4.875% [a],[c]	87,000	US\$	01.11.2043		15	0.02
Digicel Group One 8.25%	200,000	US\$	30.12.2022		88	0.10
Endo Finance Via Endo Finco 6%	200,000	US\$	01.02.2025		137	0.16
Front Range BidCo 6.125%	179,000	US\$	01.03.2028		168	0.19
Future Retail 5.6%	615,000	US\$	22.01.2025		308	0.35
Hema Bondco I FRN	267,000	€	15.07.2022		127	0.15
Hexion 7.875%	500,000	US\$	15.07.2027		426	0.49
iHeartCommunications 8.375%	250,000	US\$	01.05.2027		210	0.24
JC Penney 6.375% [a],[c]	87,000	US\$	15.10.2036		7	0.01
Mauser Packaging Solutions Holding 7.25%	450,000	US\$	15.04.2025		405	0.46
Newco 8%	255,282	€	15.12.2022		241	0.28
Panther BF Aggregator 2 Via Panther Finance 8.5%	350,000	US\$	15.05.2027		301	0.34
Scientific Games International 5.5%	550,000	€	15.02.2026		415	0.48
Scientific Games International 7%	154,000	US\$	15.05.2028		97	0.11
Starfruit Finco Via Starfruit US Holdco 6.5%	534,000	€	01.10.2026		468	0.54
Starfruit Finco Via Starfruit US Holdco 8%	225,000	US\$	01.10.2026		201	0.23
Summer BC Holdco 9.25%	314,467	€	31.10.2027		281	0.32
Superior Industries International 6%	250,000	€	15.06.2025		218	0.25
Team Health Holdings 6.375%	73,000	US\$	01.02.2025		37	0.04
Techem Verwaltungsgesellschaft 6%	247,000	€	30.07.2026		250	0.29
Transocean 7.5%	192,000	US\$	15.01.2026		92	0.10
Transocean 8%	475,000	US\$	01.02.2027		225	0.26
Transocean 9.35%	34,000	US\$	15.12.2041		10	0.01
Trivium Packaging Finance 8.5%	275,000	US\$	15.08.2027		279	0.32
Unilabs Subholding 5.75%	236,000	€	15.05.2025		237	0.27
Vallourec 6.625%	490,000	€	15.10.2022		304	0.35
Verisure Midholding 5.75%	364,000	€	01.12.2023		346	0.40
Ypso Finance Bis 4% [a]	200,000	€	15.02.2028		178	0.20
Ypso Finance Bis 8% [a]	200,000	€	15.05.2027		215	0.25
'CC' credit rated bonds						
Intelsat 8.125%	99,000	US\$	01.06.2023		23	0.03
'D' credit rated bonds						
Cattles (Defaulted) 7.875% [a],[c]	145,000	£	17.01.2014		0	0.00
Bonds with no credit rating					0	0.00
ESC Seventy Seven Energy 6.5% [a],[c]	48,405	US\$	15.07.2022		0	0.00
K2016470219 South Africa 3% [c]	30,811	US\$	31.12.2022		0	0.00
K2016470219 South Africa 10.177% [a],[c]	417,745	ZAR	31.12.2022		0	0.00

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Bonds with no credit rating (continued)						
Lehman Brothers Holdings FRN ^{[a], [c]}	300,000	€	26.09.2040		0	0.00
Sandridge Energy 7.5% ^{[a], [c]}	257,000	US\$	15.03.2021		0	0.00
Debt derivatives					(108)	(0.12)
Credit default swaps					(116)	(0.13)
Markit CDX North American High Yield Series 31 5 Year Dec 2023	950,000	US\$			(36)	(0.04)
Markit iTraxx Europe Xover Series 32 5 Year Dec 2024	3,100,000	EUR			(80)	(0.09)
Interest rate futures						
Deutscher Bobl 5 year Futures	(12)	€	08.06.2020	14	8	0.01
CURRENCY					1,503	1.72
Forward currency contracts					1,503	1.72
Bought for € 6,120,860.68, Sold for US\$ 6,779,405.46			08.04.2020		(76)	(0.09)
Bought for £ 738,572.45, Sold for US\$ 909,891.72			08.04.2020		2	0.00
Bought for US\$ 30,567,260.28, Sold for € 26,825,724.47			08.04.2020		1,192	1.37
Bought for US\$ 6,989,911.12, Sold for £ 5,343,325.08			08.04.2020		385	0.44
Portfolio of investments					77,709	89.03
CASH EQUIVALENTS					7,594	8.70
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	7,594,000	US\$			7,594	8.70
SHARE CLASS HEDGING					(1,533)	(1.75)
Bought for CHF 52,304.89, Sold for US\$ 54,683.85			08.04.2020		0	0.00
Bought for € 83,944,467.03, Sold for US\$ 93,628,661.26			08.04.2020		(1,706)	(1.95)
Bought for US\$ 9,595.13, Sold for CHF 9,176.89			08.04.2020		0	0.00
Bought for US\$ 20,047,986.56, Sold for € 18,149,175.16			08.04.2020		173	0.20
Total portfolio					83,770	95.98
Net other assets/(liabilities)					3,511	4.02
NET ASSETS					87,281	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					175	0.20
Debt securities					76,139	87.23
Unrealised gains on futures contracts					8	0.01
Unrealised gains on forward currency contracts					1,752	2.01
Total Investment assets					78,074	89.45
Investment liabilities						
Unrealised losses on forward currency contracts					(1,782)	(2.04)
Unrealised losses on swap contracts					(116)	(0.13)
Total Investment liabilities					(1,898)	(2.17)
Total portfolio					76,176	87.28
Cash equivalents					7,594	8.70
Net other assets/(liabilities)					3,511	4.02
NET ASSETS					87,281	100.00

[a] Unlisted/unquoted.

[b] Fair valued.

[c] Defaulted Bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Counterparty exposure

Counterparty	Swaps US\$'000	Derivative exposures		Collateral held as cash US\$'000
		Forward currency contracts US\$'000	Futures US\$'000	
Bank of America Merrill Lynch	0	0	1,778	0
BNP Paribas	3	27,863	0	0
Goldman Sachs International	37	1,666	0	0
HSBC Bank Plc	0	7,387	0	0
JP Morgan Chase	77	1,201	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	941	0	0
Standard Chartered Bank	0	1,474	0	0
State Street Bank and Trust Company	0	113,741	0	1,069
State Street Bank London	0	3,601	0	0
UBS AG London	0	1,114	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global High Yield Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A-H' Accumulation	-11.3	-3.2	-0.6	+2.8	10/12/2010	09/11/2018
Class 'A-H' Distribution	-11.3	-3.2	-0.5	+1.2	12/07/2013	09/11/2018
Class 'B-H' Accumulation	-11.8	-3.7	-1.0	+0.6	26/07/2013	09/11/2018
Class 'B-H' Distribution	-11.8	-3.7	n/a	-0.6	11/09/2015	09/11/2018
Class 'C-H' Accumulation	-10.9	-2.7	0.0	+3.4	10/12/2010	09/11/2018
Class 'C-H' Distribution	-10.9	-2.7	0.0	+0.5	08/08/2014	09/11/2018
Class 'CI-H' Accumulation	-10.9	-2.7	0.0	+3.4	10/12/2010	19/11/2018
Swiss franc						
Class 'A-H' Accumulation	-11.5	-3.5	n/a	-0.2	25/09/2015	09/11/2018
Class 'C-H' Accumulation	-11.0	-2.9	n/a	+0.4	25/09/2015	09/11/2018
US dollar						
Class 'A' Accumulation	-8.6	-0.5	+1.5	+4.0	10/12/2010	09/11/2018
Class 'A' Distribution	-8.6	-0.5	+1.6	+1.9	08/08/2014	09/11/2018
Class 'C' Accumulation	-8.1	+0.1	+2.3	+4.8	10/12/2010	09/11/2018
Class 'C' Distribution	-8.1	+0.1	+2.2	+2.5	08/08/2014	09/11/2018
Class 'CI' Accumulation	-8.0	+0.1	+2.3	+4.8	10/12/2010	19/11/2018

[a] Fund performance before the launch of the fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G Global High Yield Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global High Yield Bond Fund is a UK authorised fund which launched on 16 October 1998 and its non-Sterling share classes merged into M&G (Lux) Global High Yield Bond Fund on 9 November 2018.

M&G (Lux) Global High Yield Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H' Distribution	Class 'B-H' Distribution	Class 'C-H' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	US €	US €
First interim	0.0506	0.0426	0.0548	0.0588	0.0610
Second interim	0.0511	0.0429	0.0556	0.0594	0.0615
Third interim	0.0492	0.0412	0.0534	0.0564	0.0585
Fourth interim	0.0550	0.0462	0.0600	0.0643	0.0668
Fifth interim	0.0502	0.0421	0.0545	0.0587	0.0609
Sixth interim	0.0542	0.0454	0.0591	0.0633	0.0658
Seventh interim	0.0557	0.0467	0.0607	0.0639	0.0665
Eighth interim	0.0477	0.0399	0.0520	0.0567	0.0590
Ninth interim	0.0540	0.0453	0.0590	0.0636	0.0661
Tenth interim	0.0486	0.0406	0.0531	0.0582	0.0606
Eleventh interim	0.0450	0.0376	0.0491	0.0536	0.0558
Final	0.0514	0.0430	0.0567	0.0624	0.0650

NAV per share	31.03.2020	31.03.2019	31.03.2018
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	14.4474	15.8122	n/a
Class 'A' Distribution	11.0632	12.7997	n/a
Class 'C' Accumulation	15.4783	16.8379	n/a
Class 'C' Distribution	11.5323	13.2619	n/a
Class 'CI' Accumulation	9.6269	10.4685	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	87,281	95,024	n/a
Swing pricing adjustment (see note 12)	(554)	n/a	n/a
Swung net assets	86,727	95,024	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A-H' Accumulation	1.54
Class 'A-H' Distribution	1.54
Class 'B-H' Accumulation	2.04
Class 'B-H' Distribution	2.04
Class 'C-H' Accumulation	0.94
Class 'C-H' Distribution	0.94
Class 'CI-H' Accumulation	0.90

Swiss franc	%
Class 'A-H' Accumulation	1.53
Class 'C-H' Accumulation	0.93

US dollar	%
Class 'A' Accumulation	1.52
Class 'A' Distribution	1.52
Class 'C' Accumulation	0.92
Class 'C' Distribution	0.92
Class 'CI' Accumulation	0.88

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A-H' Accumulation	12.8755	14.5151	n/a
Class 'A-H' Distribution	9.3347	11.1257	n/a
Class 'B-H' Accumulation	10.3992	11.7852	n/a
Class 'B-H' Distribution	7.8009	9.3462	n/a
Class 'C-H' Accumulation	13.5913	15.2456	n/a
Class 'C-H' Distribution	10.1851	12.0859	n/a
Class 'CI-H' Accumulation	9.2184	10.3450	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.9047	11.1934	n/a
Class 'C-H' Accumulation	10.1797	11.4353	n/a

M&G (Lux) Global High Yield ESG Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) while considering environmental, social and governance (ESG) factors, and seeks to achieve a higher ESG rating than the global high yield market.

Investment policy

The Fund invests at least 80% of its Net Asset Value in high yield bonds issued by companies denominated in any currency.

The Fund does not take currency views and aims to hedge any non-USD assets to USD. Issuers of these securities may be located in any country, including emerging markets.

There are no credit quality restrictions applicable to the investments and the Fund may invest up to 100% of its Net Asset Value in high yield and unrated debt securities.

The Fund invests in securities that meet the Investment Manager's environmental, social and governance (ESG) criteria. This is achieved through the use of third party ESG information and/or proprietary analysis.

In addition, the Fund aims to exclude securities issued by, but not limited to:

- companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption;
- companies that derive any revenue from defence and weapons; and
- companies that derive revenue of more than 5% for producers, and 10% for distributors, from following industries: tobacco, alcohol, adult entertainment, gambling, nuclear power or thermal coal.

The Fund may invest up to 20% of its Net Asset value in Asset-backed Securities and up to 20% of its Net Asset value in Contingent Convertible Debt Securities.

The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

The Fund may use derivatives for investment purposes, efficient portfolio management and hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchanged Traded Futures, Credit Default Swaps and Interest Rate Swaps and Credit Linked Notes.

Derivatives, other transferable securities, cash and near cash may not be subject to the same ESG restrictions as other securities held in the portfolio.

Investment approach

The Fund is globally diversified and the Investment Manager seeks to provide exposure to a broad range of individual issuers across a variety of sectors.

The Investment Manager has the flexibility to adjust the Fund's credit exposure, sector positioning and regional allocations depending on the assessment of current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

Individual credit selection is carried out in conjunction with the in-house team of credit analysts, which provides bottom-up analysis of the corporate bond markets to complement the Investment Manager's views.

ESG characteristics are assessed as part of the analysis of corporate bond issuers, driving security selection and acting as an additional filter to the Fund's hard ESG exclusion policies.

Further information about the Investment Manager's ESG criteria applied to the Fund can be found on the M&G website under the Fund Literature section.

Performance Comparator

ICE BofA Merrill Lynch Global High Yield Index USD Hedged

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

For Currency Hedged Share Classes, the performance comparator is hedged to the Share Class currency.

M&G (Lux) Global High Yield ESG Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

Fixed income markets delivered mixed returns in the review period against a turbulent market backdrop. Following largely supportive conditions throughout 2019 and into the beginning of 2020, markets experienced a dramatic reversal as the spread of the new coronavirus around the world began to dominate headlines from late February onwards.

The change of tone contrasted markedly with the relatively upbeat market conditions that had prevailed before the onset of the crisis. Signs of a tentative pick-up in global economic activity, coupled with the supportive actions of the world's central banks, had helped drive solid returns across fixed income markets during 2019.

Over the course of 2019, both the European Central Bank (ECB) and the US Federal Reserve implemented a range of stimulus measures to help boost growth, including a series of interest rate cuts and the resumption of bond-purchasing programmes. This helped drive government bond yields to record lows by the middle of 2019.

Towards the end of 2019, markets were buoyed by signs of progress in the US/China trade negotiations, along with the avoidance of a no-deal Brexit scenario between the UK and Europe. With healthy labour markets providing further support to consumer confidence, earlier fears of a recession in Europe and the US had largely faded as we moved into 2020.

However, sentiment turned abruptly as the Covid-19 outbreak took hold, devastating financial markets from late February onwards. The virus meant most nations had to adopt strict population lockdowns, causing demand for many goods and services to slump. Governments and central banks scrambled to provide huge levels of monetary and fiscal support. A sharp oil price decline as a result of a drop in demand, coupled with a failure to agree supply cuts, only added to levels of distress in the markets.

Most areas of the corporate bond market sold off heavily in March, with the asset class more than reversing earlier gains over the past year. Lower rated bonds, which are considered riskier, generally experienced the largest declines as investors began to price in the likelihood of a rise in company defaults. On the other hand, highly rated government bonds offered some respite as investors sought refuge in their perceived safe-haven qualities, with US Treasuries and gilts delivering positive returns in March.

The sub-fund delivered a negative total return which was broadly in line with its benchmark in the 12 months under review. Relative performance was helped by our defensive sector positioning, although this was offset by our duration stance and underweight exposure to the US compared to the benchmark. Within the energy sector, our focus on higher quality exploration and production (E&P) and midstream companies, such as pipeline operators, proved helpful in relative terms.

Engagement activity

Engagement forms a key part of the sub-fund's investment approach. The engagement process will typically serve one or more of the following purposes:

- Help improve a company's ESG behaviour and performance
- Encourage better ESG disclosure and transparency
- Improve our understanding of a company's ESG characteristics and any ESG-related risks

Engagement is a collaborative process, with the sub-fund managers working closely with our credit analysts and our dedicated ESG team. Each of these areas brings different expertise to the engagement process, which together allows us to build a comprehensive understanding of a company's ESG attributes and its overall credit profile.

One of our key engagements over the past year was with European real estate investment company CPI Property Group. While we believe the company displays broadly favourable environmental and social metrics, we identified several improvements that could be made on the corporate governance side, specifically in relation to its ownership structure and its lack of an independent board.

We have been encouraged by CPI's responsiveness and its willingness to implement several of our suggestions, including the appointment of a second independent board member, the hiring of a director of capital markets, and improvements to its reporting disclosure.

On a separate matter, we engaged closely with CPI following the announcement earlier in 2019 that the company was facing a \$1 billion legal claim from a hedge fund relating to an earlier property transaction. This initially led to a sharp sell-off in the company's bonds.

By proactively reaching out to the company, we were able to quickly gain an understanding of the legal situation and any potential impact on the credit. Our discussions with management provided us with sufficient confidence to maintain the position, thereby avoiding selling the bonds at a loss and before their subsequent recovery.

We would also highlight our ongoing engagement with British supermarket chain Iceland. The engagement process over the past year has covered a wide range of topics, but a key area of focus was to understand the financial impact of the company's pledge to reduce plastic and palm oil from own-brand products and how any costs would be absorbed. We also looked closely at the company's policies on working with suppliers to ensure higher standards of animal welfare, to maintain high standards of food quality/safety, and to meet targets on reducing plastic.

M&G (Lux) Global High Yield ESG Bond Fund

Investment review

Engagement activity (continued)

Overall we have been encouraged by our findings and believe that Iceland has shown strong ESG progress across a number of initiatives. Looking ahead, we will continue to work with the company to help improve its ESG disclosure, which we believe will help it obtain an MSCI ESG rating in the future.

Investment activities

Given the strength of the rally in high yield markets during 2019, but with the global economy still facing a number of uncertainties, we kept the sub-fund relatively defensively positioned throughout the review period. This was mainly reflected through our sector positioning, where we maintained our preference for less cyclical business backed by high-quality assets, such as packaging companies and cable operators.

While there were no significant changes to portfolio positioning over the period, we did slightly reduce our underweight exposure to the US and emerging markets after participating in several attractively priced new issues in the primary high yield market.

Following the extreme widening in spreads in March, we took the opportunity to purchase some subordinated financial bonds from BBVA at attractive levels. We also decided to sell some of our smaller exploration & production (E&P) energy positions where we see imminent default risk and poor recovery prospects.

Over the coming weeks and months we expect to be active in switching between individual names as we seek to capture some of the value we are currently seeing within high yield markets.

Outlook

While we expect high yield default rates to rise over the coming months, we think these will be concentrated in certain sectors, such as energy, airlines and leisure, where we continue to keep a low exposure. We also believe that the unprecedented government actions to support businesses and consumers will take some of the pressure off the worst affected areas.

Markets are now pricing in a worst-case scenario, implying a rise in defaults much higher than previous peaks. Given the diversified nature of high yield issuers, coupled with government measures to support businesses and the wider economy, we think this is extremely unlikely.

Therefore, while high yield markets are likely to remain volatile in the short term, on a medium-term view, we think the asset class offers the potential for attractive returns when normality returns.

James Tomlins and Stefan Isaacs

Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global High Yield ESG Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
DEBT SECURITIES					52,571	92.92
Investment grade corporate bonds					2,193	3.88
Avolon Holdings Funding 2.875%	160,000	US\$	15.02.2025		128	0.22
Dell International Via EMC 5.45%	260,000	US\$	15.06.2023		265	0.47
Legal & General Group FRN	286,000	£	27.10.2045		367	0.65
Merck FRN	300,000	€	25.06.2079		298	0.53
NGPL PipeCo 4.875%	250,000	US\$	15.08.2027		221	0.39
Sabine Pass Liquefaction 5.625%	308,000	US\$	01.03.2025		276	0.49
Stora Enso 7.25%	215,000	US\$	15.04.2036		283	0.50
TOTAL FRN	320,000	€	29.12.2049		355	0.63
Below investment grade corporate bonds					50,378	89.04
1011778 BC Via New Red Finance 5%	231,000	US\$	15.10.2025		223	0.39
Alpha Holding 9%	222,000	US\$	10.02.2025		156	0.28
AMC Entertainment Holdings 6.375%	100,000	£	15.11.2024		52	0.09
AMC Entertainment Holdings 6.125%	300,000	US\$	15.05.2027		125	0.22
American Axle & Manufacturing 6.25%	454,000	US\$	01.04.2025		374	0.66
Aramark Services 5%	150,000	US\$	01.04.2025		141	0.25
Arrow Global Finance FRN	768,000	€	01.04.2025		741	1.31
Avis Budget Car Rental 5.25%	83,000	US\$	15.03.2025		64	0.11
Axalta Coating Systems Dutch Holding B 3.75%	854,000	€	15.01.2025		851	1.50
Banca Monte dei Paschi di Siena FRN	500,000	€	22.01.2030		342	0.60
Banco Bilbao Vizcaya Argentaria FRN	400,000	€	31.12.2099		371	0.66
Banco de Sabadell FRN	400,000	€	31.12.2099		324	0.57
Belden 3.375%	300,000	€	15.07.2027		286	0.51
Berry Global 4.875%	558,000	US\$	15.07.2026		564	1.00
Cabot Financial 7.5%	853,000	£	01.10.2023		986	1.74
Cascades Via Cascades USA 5.125%	566,000	US\$	15.01.2026		549	0.97
Casino Guichard Perrachon 4.498%	900,000	€	07.03.2024		853	1.51
CEMEX Finance 6%	381,000	US\$	01.04.2024		324	0.57
Centene 4.75%	747,000	US\$	15.01.2025		762	1.35
Cheniere Corpus Christi Holdings 5.875%	553,000	US\$	31.03.2025		467	0.83
Cheniere Energy Partners 5.25%	119,000	US\$	01.10.2025		108	0.19
Cheniere Energy Partners 5.625%	350,000	US\$	01.10.2026		321	0.57
Cheniere Energy Partners 4.5%	275,000	US\$	01.10.2029		236	0.42
Chesapeake Energy 8% [a],[b]	169,000	US\$	15.06.2027		13	0.02
CMA CGM 5.25%	1,378,000	€	15.01.2025		871	1.54
CommScope Finance 8.25%	482,000	US\$	01.03.2027		466	0.82
CPI Property Group FRN	567,000	€	09.05.2052		581	1.03
CPI Property Group FRN	516,000	€	31.12.2099		497	0.88
CPUK Finance 4.25%	325,000	£	28.08.2022		329	0.58
Crown Americas Via Crown Americas Capital 4.25%	779,000	US\$	30.09.2026		774	1.37
DaVita 5%	409,000	US\$	01.05.2025		410	0.72
Digicel Group One 8.25%	200,000	US\$	30.12.2022		88	0.16
Drax Finco 6.625%	354,000	US\$	01.11.2025		351	0.62
Eagle Intermediate Global Holding Via Ruyi US Finance 5.375%	560,000	€	01.05.2023		380	0.67
Endo Finance Via Endo Finco 6%	200,000	US\$	01.02.2025		137	0.24
EnLink Midstream 5.375%	788,000	US\$	01.06.2029		422	0.75
Eurofins Scientific FRN	693,000	€	31.12.2099		706	1.25
Fire FRN	300,000	€	30.09.2024		251	0.44
Goodyear Tire & Rubber 5%	433,000	US\$	31.05.2026		397	0.70
Greenko Solar Mauritius 5.55%	550,000	US\$	29.01.2025		455	0.80
Grifols 2.25%	316,000	€	15.11.2027		335	0.59
Grupo KUO 5.75%	1,029,000	US\$	07.07.2027		755	1.33
Hanesbrands 4.625%	784,000	US\$	15.05.2024		782	1.38
Hanesbrands 4.875%	383,000	US\$	15.05.2026		372	0.66
HCA 4.75%	520,000	US\$	01.05.2023		530	0.94
HCA 5%	690,000	US\$	15.03.2024		712	1.26
HCA 5.375%	260,000	US\$	01.09.2026		269	0.48
HCA 5.5%	300,000	US\$	15.06.2047		328	0.58
Heathrow Finance 3.875%	861,000	£	01.03.2027		915	1.62
Hilton Worldwide Finance Via Hilton Worldwide Finance 4.625%	201,000	US\$	01.04.2025		186	0.33
Iceland Bondco 4.625%	200,000	£	15.03.2025		200	0.35
Infineon Technologies FRN	400,000	€	31.12.2099		391	0.69
Intelsat 8.125%	106,000	US\$	01.06.2023		24	0.04
Intertrust Group 3.375%	100,000	€	15.11.2025		105	0.19
Intesa Sanpaolo FRN	800,000	€	31.12.2099		731	1.29
Intrum 3%	360,000	€	15.09.2027		281	0.50
IQVIA 3.25%	997,000	€	15.03.2025		1,072	1.89
JC Penney 6.375% [a],[b]	95,000	US\$	15.10.2036		8	0.01

M&G (Lux) Global High Yield ESG Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
DEBT SECURITIES (continued)						
Below investment grade corporate bonds (continued)						
KB Home 4.8%	1,166,000	US\$	15.11.2029		994	1.76
KBC Group FRN	200,000	€	31.12.2099		172	0.30
Koninklijke KPN FRN	400,000	€	31.12.2099		409	0.72
Levi Strauss 5%	329,000	US\$	01.05.2025		315	0.56
Levi Strauss 3.375%	300,000	€	15.03.2027		306	0.54
Live Nation Entertainment 4.75%	450,000	US\$	15.10.2027		409	0.72
MHP 7.75%	400,000	US\$	10.05.2024		343	0.61
Millicom International Cellular 6.25%	336,000	US\$	25.03.2029		305	0.54
Network i2i FRN	750,000	US\$	31.12.2099		596	1.05
Newco 8%	100,000	€	15.12.2022		95	0.17
Ocado Group 4%	783,000	£	15.06.2024		934	1.65
OI European Group 3.125%	381,000	€	15.11.2024		395	0.70
OI European Group 2.875%	388,000	€	15.02.2025		397	0.70
Paprec Holding 4%	300,000	€	31.03.2025		229	0.40
Par Pharmaceutical 7.5%	480,000	US\$	01.04.2027		476	0.84
Parsley Energy Via Parsley Finance 5.625%	354,000	US\$	15.10.2027		249	0.44
Parsley Energy Via Parsley Finance 4.125%	243,000	US\$	15.02.2028		165	0.29
Performance Food Group 5.5%	127,000	US\$	15.10.2027		117	0.21
Pilgrim's Pride 5.75%	1,206,000	US\$	15.03.2025		1,212	2.14
Post Holdings 5.5%	884,000	US\$	15.12.2029		860	1.52
Premier Foods Finance FRN	518,000	£	15.07.2022		585	1.03
Premier Foods Finance 6.25%	300,000	£	15.10.2023		339	0.60
Puma International Financing 5%	500,000	US\$	24.01.2026		201	0.36
Repsol International Finance FRN	402,000	€	25.03.2075		429	0.76
Sally Holdings Via Sally Capital 5.625%	612,000	US\$	01.12.2025		500	0.88
Sealed Air 5.125%	555,000	US\$	01.12.2024		568	1.00
Selecta Group 5.875%	1,293,000	€	01.02.2024		752	1.33
Service Corp International 5.125%	239,000	US\$	01.06.2029		246	0.44
Sirius XM Radio 5%	473,000	US\$	01.08.2027		479	0.85
SM Energy 5%	221,000	US\$	15.01.2024		71	0.13
SM Energy 6.625%	148,000	US\$	15.01.2027		45	0.08
Smurfit Kappa Treasury 1.5%	243,000	€	15.09.2027		247	0.44
Société Générale FRN	690,000	€	07.04.2049		725	1.28
Southwestern Energy 7.75%	699,000	US\$	01.10.2027		463	0.82
Sprint 7.875%	667,000	US\$	15.09.2023		726	1.28
Sprint 7.25%	290,000	US\$	01.02.2028		290	0.51
Starfruit Finco Via Starfruit US Holdco 6.5%	318,000	€	01.10.2026		279	0.49
Starfruit Finco Via Starfruit US Holdco 8%	150,000	US\$	01.10.2026		134	0.24
Stena International 3.75%	100,000	€	01.02.2025		89	0.16
Tasty Bondco 1 6.25%	300,000	€	15.05.2026		241	0.43
Taylor Morrison Communities 5.875%	368,000	US\$	15.06.2027		339	0.60
TEGNA 4.625%	859,000	US\$	15.03.2028		772	1.36
Telefonica Europe FRN	1,000,000	€	31.12.2099		1,072	1.89
Tenet Healthcare 4.625%	1,340,000	US\$	15.07.2024		1,301	2.30
Tenet Healthcare 4.875%	225,000	US\$	01.01.2026		218	0.39
T-Mobile USA 6.5%	892,000	US\$	15.01.2026		930	1.64
United Rentals North America 4.625%	278,000	US\$	15.10.2025		259	0.46
United Rentals North America 6.5%	301,000	US\$	15.12.2026		305	0.54
Vallourec 6.625%	600,000	€	15.10.2022		372	0.66
Videotron 5.375%	175,000	US\$	15.06.2024		176	0.31
Virgin Media Secured Finance 4.875%	300,000	£	15.01.2027		345	0.61
Vodafone Group FRN	871,000	US\$	04.04.2079		925	1.64
Volvo Car 2.125%	300,000	€	02.04.2024		297	0.53
VTR Finance 6.875%	1,025,000	US\$	15.01.2024		940	1.66
VZ Vendor Financing 2.5%	221,000	€	31.01.2024		228	0.40
Walnut Bidco 6.75%	500,000	€	01.08.2024		410	0.72
Wanda Properties International 7.25%	300,000	US\$	29.01.2024		222	0.39
Ziggo 4.25%	180,000	€	15.01.2027		196	0.35
Ziggo Bond 6%	350,000	US\$	15.01.2027		340	0.60
CURRENCY					835	1.48
Forward currency contracts					835	1.48
Bought for £ 439,873.52, Sold for US\$ 541,127.50			08.04.2020		3	0.01
Bought for € 4,029,992.22, Sold for US\$ 4,468,473.17			08.04.2020		(55)	(0.10)
Bought for US\$ 5,769,749.47, Sold for £ 4,512,409.10			08.04.2020		192	0.34
Bought for US\$ 23,157,569.73, Sold for € 20,512,383.44			08.04.2020		695	1.23
Portfolio of investments					53,406	94.40

M&G (Lux) Global High Yield ESG Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING						
Bought for £ 125,753.44, Sold for US\$ 159,860.87			08.04.2020		(79)	(0.15)
Bought for € 5,182,632.31, Sold for US\$ 5,767,256.09			08.04.2020		(5)	(0.01)
Bought for CHF 100,158.17, Sold for US\$ 104,709.88			08.04.2020		(91)	(0.16)
Bought for SEK 931,959.99, Sold for US\$ 98,024.07			08.04.2020		0	0.00
Bought for US\$ 30,586.69, Sold for £ 24,922.07			08.04.2020		(6)	(0.01)
Bought for US\$ 1,378,327.18, Sold for € 1,249,721.77			08.04.2020		0	0.00
Bought for US\$ 19,550.80, Sold for CHF 18,726.41			08.04.2020		8	0.01
Bought for US\$ 18,358.19, Sold for SEK 181,617.70			08.04.2020		0	0.00
Bought for £ 375,732.98, Sold for US\$ 445,609.23			09.04.2020		0	0.00
Bought for US\$ 118,759.57, Sold for £ 100,190.37			09.04.2020		19	0.03
Bought for NOK 870,228.18, Sold for US\$ 81,629.32			14.04.2020		(5)	(0.01)
Bought for US\$ 16,710.38, Sold for NOK 180,833.42			14.04.2020		1	0.00
					0	0.00
Total portfolio					53,327	94.25
Net other assets/(liabilities)					3,250	5.75
NET ASSETS					56,577	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					52,571	92.92
Unrealised gains on forward currency contracts					918	1.62
Total Investment assets					53,489	94.54
Investment liabilities						
Unrealised losses on forward currency contracts					(162)	(0.29)
Total Investment liabilities					(162)	(0.29)
Total portfolio					53,327	94.25
Net other assets/(liabilities)					3,250	5.75
NET ASSETS					56,577	100.00

[a] Defaulted Bond.

[b] Unlisted/unquoted.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts US\$'000	Collateral held as cash US\$'000
BNP Paribas	17,996	0
Goldman Sachs International	281	0
HSBC Bank Plc	4,672	0
JP Morgan Chase	7,683	0
Merrill Lynch Pierce Fenner + Smith Inc	647	0
State Street Bank and Trust Company	8,239	270
State Street Bank London	1,994	0
UBS AG London	664	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global High Yield ESG Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A-H' Accumulation	-10.1	n/a	n/a	-4.4	05/10/2017
Class 'A-H' Distribution	-10.1	n/a	n/a	-4.4	05/10/2017
Class 'C-H' Accumulation	-9.5	n/a	n/a	-3.8	05/10/2017
Class 'C-H' Distribution	-9.5	n/a	n/a	-3.9	05/10/2017
Class 'CI-H' Accumulation	-9.5	n/a	n/a	-3.8	05/10/2017
Class 'L-H' Accumulation	-9.3	n/a	n/a	-3.6	05/10/2017
Norwegian krone					
Class 'A-H' Accumulation	n/a	n/a	n/a	-11.4	08/04/2019
Class 'CI-H' Accumulation	n/a	n/a	n/a	-10.8	08/04/2019
Sterling					
Class 'C-H' Accumulation	-9.1	n/a	n/a	-3.0	05/10/2017
Class 'C-H' Distribution	-9.7	n/a	n/a	-3.3	05/10/2017
Class 'L-H' Accumulation	-8.8	n/a	n/a	-2.8	05/10/2017
Class 'L-H' Distribution	-10.4	n/a	n/a	-5.3	23/08/2018
Swedish krona					
Class 'A-H' Accumulation	n/a	n/a	n/a	-10.9	08/04/2019
Class 'CI-H' Accumulation	n/a	n/a	n/a	-10.3	08/04/2019
Swiss franc					
Class 'A-H' Accumulation	-10.3	n/a	n/a	-4.7	05/10/2017
Class 'A-H' Distribution	-10.4	n/a	n/a	-4.8	05/10/2017
Class 'C-H' Accumulation	-9.7	n/a	n/a	-4.1	05/10/2017
Class 'C-H' Distribution	-9.8	n/a	n/a	-4.2	05/10/2017
US dollar					
Class 'A' Accumulation	-7.4	n/a	n/a	-1.6	05/10/2017
Class 'A' Distribution	-7.3	n/a	n/a	-1.6	05/10/2017
Class 'A M' Distribution	-7.3	n/a	n/a	-1.6	05/10/2017
Class 'C' Accumulation	-6.8	n/a	n/a	-1.0	05/10/2017
Class 'C' Distribution	-6.8	n/a	n/a	-1.0	05/10/2017
Class 'CI' Accumulation	-6.8	n/a	n/a	-1.0	05/10/2017
Class 'L' Accumulation	-6.6	n/a	n/a	-0.8	05/10/2017

M&G (Lux) Global High Yield ESG Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A-H' Distribution Euro €	Class 'C-H' Distribution Euro €	Class 'C-H' Distribution UK p	Class 'L-H' Distribution UK p	Class 'A-H' Distribution Swiss €
to 31 March 2020	0.1047	0.1055	0.1073	0.1115	0.1007
First interim	0.1047	0.1055	0.1073	0.1115	0.1007
Second interim	0.1082	0.1092	0.1118	0.1156	0.1077
Third interim	0.1182	0.1198	0.1259	0.1301	0.1159
Final	0.1067	0.1082	0.1109	0.1144	0.1062

	Class 'C-H' Distribution Swiss €	Class 'A' Distribution US €	Class 'C' Distribution US €
to 31 March 2020	0.1018	0.1118	0.1127
First interim	0.1018	0.1118	0.1127
Second interim	0.1092	0.1158	0.1171
Third interim	0.1175	0.1243	0.1262
Final	0.1077	0.1159	0.1169

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A M' Distribution US €
to 31 March 2020	0.0392
First interim	0.0392
Second interim	0.0395
Third interim	0.0327
Fourth interim	0.0407
Fifth interim	0.0354
Sixth interim	0.0393
Seventh interim	0.0434
Eighth interim	0.0371
Ninth interim	0.0432
Tenth interim	0.0374
Eleventh interim	0.0360
Final	0.0418

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A-H' Accumulation	8.9402	9.9404	9.8586
Class 'A-H' Distribution	8.0990	9.4235	9.7782
Class 'C-H' Accumulation	9.0755	10.0311	9.8865
Class 'C-H' Distribution	8.2163	9.5022	9.8059
Class 'CI-H' Accumulation	9.0843	10.0352	9.8880
Class 'L-H' Accumulation	9.1369	10.0704	9.8981
Norwegian krone	NOK	NOK	NOK
Class 'A-H' Accumulation	88.5795	n/a	n/a
Class 'CI-H' Accumulation	89.1663	n/a	n/a
Sterling	£	£	£
Class 'C-H' Accumulation	9.2674	10.1930	9.9356
Class 'C-H' Distribution	8.3368	9.6604	9.8564
Class 'L-H' Accumulation	9.3237	10.2249	9.9470
Class 'L-H' Distribution	8.5503	9.9846	n/a
Swedish krona	SEK	SEK	SEK
Class 'A-H' Accumulation	89.1253	n/a	n/a
Class 'CI-H' Accumulation	89.6722	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	8.8626	9.8811	9.8349
Class 'A-H' Distribution	8.0198	9.3640	9.7512
Class 'C-H' Accumulation	9.0022	9.9713	9.8630
Class 'C-H' Distribution	8.1539	9.4516	9.7817
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.6061	10.3684	9.9822
Class 'A' Distribution	8.7053	9.8336	9.8985
Class 'A M' Distribution	8.6327	9.7622	9.8229
Class 'C' Accumulation	9.7475	10.4574	10.0102
Class 'C' Distribution	8.8378	9.9218	9.9267
Class 'CI' Accumulation	9.7574	10.4650	10.0121
Class 'L' Accumulation	9.8122	10.5006	10.0228
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	56,577	22,402	15,547
Swing pricing adjustment (see note 12)	424	n/a	51
Swung net assets	57,001	22,402	15,598
Total Expense Ratio 31.03.2020			TER
Euro			%
Class 'A-H' Accumulation			1.52
Class 'A-H' Distribution			1.52
Class 'C-H' Accumulation			0.92
Class 'C-H' Distribution			0.92
Class 'CI-H' Accumulation			0.88
Class 'L-H' Accumulation			0.66
Norwegian krone			%
Class 'A-H' Accumulation			1.52
Class 'CI-H' Accumulation			0.88
Sterling			%
Class 'C-H' Accumulation			0.92
Class 'C-H' Distribution			0.92
Class 'L-H' Accumulation			0.67
Class 'L-H' Distribution			0.67

M&G (Lux) Global High Yield ESG Bond Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2020	TER
Swedish krona	%
Class 'A-H' Accumulation	1.52
Class 'CI-H' Accumulation	0.88
Swiss franc	%
Class 'A-H' Accumulation	1.51
Class 'A-H' Distribution	1.52
Class 'C-H' Accumulation	0.91
Class 'C-H' Distribution	0.92
US dollar	%
Class 'A' Accumulation	1.50
Class 'A' Distribution	1.50
Class 'A M' Distribution	1.50
Class 'C' Accumulation	0.90
Class 'C' Distribution	0.89
Class 'CI' Accumulation	0.86
Class 'L' Accumulation	0.65

M&G (Lux) Global Listed Infrastructure Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to deliver a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period and;
- to deliver an income stream that increases every year in US Dollar terms.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the eligible publicly-listed equity securities issued by infrastructure companies, investment trusts and closed-ended real estate investment trusts ("REITs") across any market capitalisation that are domiciled in any country, including emerging markets.

The minimum 80% allocation may include ordinary shares, preference shares and Convertible Bonds (the Fund may hold up to a maximum of 20% of its Net Asset value in Convertibles Bonds). Infrastructure companies include those involved in the following business activities: utilities, energy, transport, health, education, security, communications and transactions. The Fund is expected to exhibit lower volatility and offer a higher dividend yield than the global equities market which is consistent with the characteristics of infrastructure securities. The Fund usually holds fewer than 50 stocks.

The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

Sustainability considerations play an important role in assessing business models. Companies that derive more than 30% of their revenue from coal-fired and nuclear power are excluded from the investment universe. Industries such as tobacco, alcohol, adult entertainment, gambling and controversial weapons are also excluded. United Nations Global Compact principles on human rights, labour, environmental and anti-corruption are also considered in the analysis of companies.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, other transferable securities, cash and near cash, deposits and warrants. The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies. Dividend yield is not the primary consideration for stock selection.

The Investment Manager aims to create a diversified portfolio with exposure to a broad range of countries and sectors. Stocks with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions.

Sustainability considerations encompassing Environmental, Social and Governance issues are fully integrated into the investment process with a focus on risks specific to infrastructure companies. The monitoring of these risks involves regular engagement with company management.

Performance Comparator

MSCI ACWI Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Listed Infrastructure Fund

Investment review

For the year ended 31 March 2020

Performance review

Stock markets around the world declined during the 12 months under review, following an abrupt downturn towards the end of the period. Markets rose for most of the period, reaching all-time highs in February, before falling sharply as the spread of the coronavirus heralded the prospect of an imminent recession. Emerging markets led the declines. Europe underperformed, not helped by the weakness of the UK. Japan and the US held up best, benefiting from the safe-haven status of their currencies.

In this context, the sub-fund declined but outperformed the MSCI ACWI Net Return Index as utilities provided downside protection in a falling market. Ørsted, the world leader in offshore wind power generation, and Italy's Enel made the biggest contributions in the sector.

Communications infrastructure also provided a safe haven. Equinix and CoreSite, our data centre holdings, rallied alongside Infrastrutture Wireless Italiane and Crown Castle in communication towers.

Franco-Nevada, one of our royalty companies, was the standout contributor during the review period. The Canadian company, which owns rights to cashflows from mineral landholdings including those producing gold, rose steadily during the year, while providing resilience during times of turbulence.

PrairieSky, our other royalty holding, experienced contrasting fortunes. PrairieSky, which receives royalties from oil & gas bearing lands, underperformed as the stock became embroiled in a broader sector malaise. Pipeline companies ONEOK and Keyera also fell.

Unlike oil & gas producers, the cashflows generated by pipeline businesses have limited direct exposure to the underlying commodity price, but the negative sentiment has infiltrated all areas of the energy industry. Royalty companies offer cashflows running into perpetuity with minimal operating costs, capital requirement or environmental liabilities – favourable characteristics, we believe, for long-term investors. We note that the current situation in energy has parallels with 2015 before the sector recovered strongly in 2016. We have been adding to ONEOK and Keyera in a measured manner.

Transportation infrastructure was another area under pressure as travel restrictions disrupted traffic around the world. Sydney Airport and Flughafen Zurich were prominent among the laggards. We added to the holdings on weakness.

The sub-fund benefited from dividend increases across a variety of sectors and countries, with most holdings raising their payments in the 5% to 10% range. Enel and Nextera Energy of the US reported double-digit growth in utilities. 'Evolving' infrastructure, which invests in the physical networks that support our increasingly digital economy, provided the most exciting source of growth. American Tower, the owner and operator of communication towers, raised its dividend every quarter with an annualised growth rate of 20%. MasterCard and Visa delivered similar increases in payments infrastructure.

Investment activities

We bought three new stocks and sold two positions during the year – a level of turnover consistent with our long-term investment timeframe of five years or more. The level of activity increased towards the end of the review period as we sought to take advantage of buying opportunities presented by the market downturn.

The new holdings were all in utilities: E.ON, NextEra Energy Partners and A2A. The sub-fund's exposure to the sector declined nonetheless as we lowered the target weighting in the earlier part of the review period. We saw better value in other areas of infrastructure and reduced our weightings in stocks such as Ørsted and Elia Group.

In addition to the top ups in energy infrastructure and transport, we also added to our existing holdings in Asia. We took advantage of weakness in the region to buy more shares in MTR, the operator of Hong Kong's public transit system, and NetLink, the owner of optical fibre networks in Singapore.

Shenzhen Investment Holdings Bay Area Development Company was sold as a source of cash. The toll road company formerly known as Hopewell Highway offers access to attractive assets in the Pearl River Delta, but a change in the company's ownership prompted concerns about corporate governance and strategy. We also exited Intercontinental Exchange after the shares performed well.

Outlook

The sub-fund is usually managed as a low turnover, buy-and-hold strategy, but the current market conditions are far from normal. The unprecedented circumstances are presenting pricing disruptions which are rarely seen, in our view, and we are actively seeing to take advantage of these opportunities by backing our conviction with a long-term investment horizon.

For how long the global health crisis will impact the real economy and financial markets is still unknown, but we remain focused on our disciplined approach of investing in long-life, critical infrastructure assets with stable and growing cashflows.

We are also mindful of the reality that dividends will be tested in 2020. Dividends are under political pressure in many parts of the world and it would be reasonable to expect more dividend cuts across the market as the year progresses. Some infrastructure companies, airports for example, will not be immune. Being selective will be paramount.

M&G (Lux) Global Listed Infrastructure Fund

Investment review

Outlook (continued)

That said, we continue to believe that the vast majority of our holdings remain on track to grow their dividends in the core 5% to 10% range. We are confident that the portfolio is well placed not only to weather the current uncertainty, but to capture attractive growth over the long term.

Alex Araujo

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Listed Infrastructure Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					192,646	98.59
Oil, gas & consumable fuels					31,258	16.00
United States						
ONEOK	249,449	US\$			4,998	2.56
Canada					26,260	13.44
Enbridge	237,331	US\$			6,696	3.43
Gibson Energy	577,939	CA\$			5,958	3.05
Keyera	463,066	CA\$			3,815	1.95
PrairieSky Royalty	677,339	CA\$			3,355	1.72
TC Energy	156,282	US\$			6,436	3.29
Metals & mining					5,103	2.61
Canada						
Franco-Nevada	52,479	CA\$			5,103	2.61
Construction & engineering					13,722	7.02
France						
Vinci	100,141	€			7,906	4.04
Spain						
Ferrovial	249,391	€			5,816	2.98
Commercial services & supplies					2,751	1.41
United States						
Republic Services	35,890	US\$			2,751	1.41
Road & rail					11,755	6.02
United States					8,244	4.22
CSX	70,917	US\$			4,113	2.11
Union Pacific	29,490	US\$			4,131	2.11
Hong Kong						
MTR	680,000	HK\$			3,511	1.80
Transportation infrastructure					18,669	9.55
Switzerland						
Flughafen Zurich	34,914	CHF			3,901	1.99
Brazil						
CCR	1,243,177	BRL			2,945	1.51
Australia					11,823	6.05
Sydney Airport	1,422,659	AU\$			4,846	2.48
Transurban Group	954,867	AU\$			6,977	3.57
Capital markets					11,740	6.01
United Kingdom						
Hicl Infrastructure	1,979,642	£			4,013	2.05
Guernsey						
International Public Partnerships	2,089,790	£			4,053	2.08
United States						
CME Group	21,130	US\$			3,674	1.88
IT services					13,090	6.70
United Kingdom						
SDCL Energy Efficiency Income Trust	6,325,347	£			7,232	3.70
United States					5,858	3.00
Mastercard 'A'	11,355	US\$			2,872	1.47
Visa 'A'	18,038	US\$			2,986	1.53
Diversified telecommunication services					7,168	3.67
Italy						
Infrastrutture Wireless Italiane	289,145	€			3,234	1.66
Singapore						
NetLink NBN Trust	6,215,000	SG\$			3,934	2.01
Electric utilities					19,839	10.15
Belgium						
Elia Group	18,817	€			1,875	0.96
Denmark						
Ørsted	30,674	DKK			3,031	1.55
Italy						
Enel	1,111,454	€			7,813	4.00
United States					7,120	3.64
Edison International	89,916	US\$			5,063	2.59
NextEra Energy	8,373	US\$			2,057	1.05
Gas utilities					8,634	4.42
Spain						
Naturgy Energy Group	307,320	€			5,319	2.72

M&G (Lux) Global Listed Infrastructure Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Gas utilities (continued)						
United States						
Atmos Energy	32,229	US\$			3,315	1.70
Multi-utilities					14,878	7.61
United Kingdom						
National Grid	518,178	£			6,157	3.15
Germany						
E.ON	569,510	€			5,992	3.06
Italy						
A2A	2,217,816	€			2,729	1.40
Water utilities					2,163	1.11
United States						
American Water Works	17,068	US\$			2,163	1.11
Independent power and renewable electricity producers					7,490	3.83
Guernsey						
Renewables Infrastructure Group	2,705,637	£			4,221	2.16
United States						
NextEra Energy Partners	76,507	US\$			3,269	1.67
Equity Real Estate Investment Trusts (REITs)					24,386	12.48
United Kingdom						
UNITE Group	537,892	£			5,289	2.71
United States						
American Tower	13,051	US\$			3,004	1.54
CoreSite Realty	60,542	US\$			6,911	3.53
Crown Castle International	40,018	US\$			5,916	3.03
Equinix	5,065	US\$			3,266	1.67
Portfolio of investments					192,646	98.59
CASH EQUIVALENTS					809	0.41
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	809,000	US\$			809	0.41
Total portfolio					193,455	99.00
Net other assets/(liabilities)					1,954	1.00
NET ASSETS					195,409	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					192,646	98.59
Total Investment assets					192,646	98.59
Total portfolio					192,646	98.59
Cash equivalents					809	0.41
Net other assets/(liabilities)					1,954	1.00
NET ASSETS					195,409	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Global Listed Infrastructure Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-7.6	n/a	n/a	+2.3	05/10/2017
Class 'A' Distribution	-7.6	n/a	n/a	+2.3	05/10/2017
Class 'C' Accumulation	-6.7	n/a	n/a	+3.4	05/10/2017
Class 'C' Distribution	-6.7	n/a	n/a	+3.4	05/10/2017
Class 'CI' Accumulation	-6.6	n/a	n/a	+3.4	05/10/2017
Class 'L' Accumulation	-6.5	n/a	n/a	+3.6	05/10/2017
Class 'ZI' Distribution	n/a	n/a	n/a	-27.9	21/02/2020
Sterling					
Class 'C' Accumulation	-3.5	n/a	n/a	+3.1	05/10/2017
Class 'C' Distribution	-3.5	n/a	n/a	+3.1	05/10/2017
Class 'L' Accumulation	-3.3	n/a	n/a	+4.9	22/01/2018
Swiss franc					
Class 'A' Accumulation	-12.7	n/a	n/a	-1.0	05/10/2017
Class 'A' Distribution	-12.7	n/a	n/a	-1.0	05/10/2017
Class 'C' Accumulation	-11.8	n/a	n/a	n/a	05/10/2017
Class 'C' Distribution	-11.8	n/a	n/a	n/a	05/10/2017
US dollar					
Class 'A' Accumulation	-10.0	n/a	n/a	-0.5	05/10/2017
Class 'A' Distribution	-9.9	n/a	n/a	-0.5	05/10/2017
Class 'A M' Distribution	-9.9	n/a	n/a	-0.5	05/10/2017
Class 'C' Accumulation	-9.0	n/a	n/a	+0.5	05/10/2017
Class 'C' Distribution	-9.0	n/a	n/a	+0.5	05/10/2017
Class 'CI' Accumulation	-9.0	n/a	n/a	+0.5	05/10/2017
Class 'L' Accumulation	-8.8	n/a	n/a	+0.7	05/10/2017

M&G (Lux) Global Listed Infrastructure Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'C' Distribution	Class 'ZI' Distribution	Class 'C' Distribution	Class 'A' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	UK p	Swiss €
First interim	0.1077	0.1095	n/a	0.1103	0.1042
Second interim	0.0698	0.0710	n/a	0.0709	0.0661
Third interim	0.0931	0.0952	n/a	0.0908	0.0881
Final	0.0692	0.0709	0.0308	0.0705	0.0638

	Class 'C' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Swiss €	US \$	US \$
First interim	0.1059	0.1044	0.1061
Second interim	0.0675	0.0649	0.0661
Third interim	0.0899	0.0890	0.0910
Final	0.0653	0.0645	0.0661

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A M' Distribution
to 31 March 2020	US \$
First interim	0.0320
Second interim	0.0473
Third interim	0.0247
Fourth interim	0.0158
Fifth interim	0.0206
Sixth interim	0.0283
Seventh interim	0.0083
Eighth interim	0.0453
Ninth interim	0.0352
Tenth interim	0.0143
Eleventh interim	0.0165
Final	0.0336

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	10.5811	11.4559	9.2820
Class 'A' Distribution	9.9114	11.0328	9.2340
Class 'C' Accumulation	10.8566	11.6337	9.3291
Class 'C' Distribution	10.1629	11.1994	9.2781
Class 'CI' Accumulation	10.8687	11.6421	9.3316
Class 'L' Accumulation	10.9246	11.6785	9.3410
Class 'ZI' Distribution	7.2081	n/a	n/a

Sterling	£	£	£
Class 'C' Accumulation	10.7940	11.1903	9.1763
Class 'C' Distribution	10.1060	10.7720	9.1257
Class 'L' Accumulation	11.1097	11.4875	9.3967

Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	9.7585	11.1737	9.5370
Class 'A' Distribution	9.1351	10.7539	9.4842
Class 'C' Accumulation	10.0043	11.3404	9.5828
Class 'C' Distribution	9.3657	10.9153	9.5299

US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.8718	10.9628	9.7420
Class 'A' Distribution	9.2420	10.5510	9.6879
Class 'A M' Distribution	9.2037	10.5116	9.6619
Class 'C' Accumulation	10.1224	11.1271	9.7887
Class 'C' Distribution	9.4765	10.7090	9.7344
Class 'CI' Accumulation	10.1317	11.1317	9.7903
Class 'L' Accumulation	10.1850	11.1675	9.8005

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	195,409	15,418	8,606
Swing pricing adjustment (see note 12)	610	n/a	15
Swung net assets	196,019	15,418	8,621

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	2.01
Class 'A' Distribution	2.01
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01
Class 'CI' Accumulation	0.97
Class 'L' Accumulation	0.76
Class 'ZI' Distribution	0.22

Sterling	%
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01
Class 'L' Accumulation	0.76

Swiss franc	%
Class 'A' Accumulation	2.01
Class 'A' Distribution	2.01
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01

M&G (Lux) Global Listed Infrastructure Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2020	TER
US dollar	%
Class 'A' Accumulation	2.01
Class 'A' Distribution	2.01
Class 'A M' Distribution	2.01
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01
Class 'CI' Accumulation	0.97
Class 'L' Accumulation	0.76

M&G (Lux) Global Macro Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in debt securities, including investment grade bonds, high yield bonds, unrated securities and Asset-Backed Securities. These securities may be issued by governments and their agencies, public authorities, quasi-sovereigns, supranational bodies and companies. Issuers of these securities may be located in any country, including emerging markets and denominated in any currency.

There are no credit quality restrictions applicable to the investments and the Fund may invest up to 100% of its Net Asset Value in high yield and unrated debt securities.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

The Fund may invest up to 100% of its Net Asset Value in Asset-Backed Securities and up to 20% of its Net Asset Value in Contingent Convertibles Debt Securities.

The Fund may invest in Asset-Backed Securities, including mortgage-backed securities (commercial, agency residential, prime residential, non-prime residential), cash collateralised debt obligation, cash collateralised loan obligation, auto prime, auto subprime, consumer loan, credit card, student loan, aircraft loan/lease, equipment lease, small business loan/lease, whole business securitisation, single family rentals and other securitised assets.

The Fund is a flexible bond fund that allows investment across a broad range of fixed income assets according to where the Investment Manager finds value. The Investment Manager also seeks to add value through active management of the Fund's exposure to global currencies. The Investment process of the Fund is based on macroeconomic research to identify global investment themes and opportunities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets. Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Credit Default Swaps, Interest Rate Swaps, Total Return Swaps and Credit Linked Notes.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits, warrants and other debt instruments.

Investment approach

The Fund's investment approach is driven primarily by the Investment Manager's views on macroeconomic factors such as economic growth, interest rates and inflation.

This assessment determines the type of debt securities in which the Investment Manager believes the Fund should invest in order to achieve its objective. It also influences the portfolio's mix of interest rate risk, credit risk and currency exposure.

Performance Comparator

Bloomberg Barclays Global Aggregate Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Macro Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

While the performance of global bond markets at times fluctuated during 2019, they mainly recorded positive returns between April and December. However, these gains were eroded among some segments of the market by the significant sell-off during the first three months of 2020. During this time, the coronavirus story dominated sentiment among global investors.

As 2019 progressed, several key themes continued to influence the performance of global bonds, including slower global economic growth and international trade tensions between China and the US. However, against this backdrop, attention also remained focused on the renewed economic stimulus policies of important central banks. These central bank activities, which included reductions in interest rates in the important US market, helped to provide some support towards the performance of bond markets.

During the first three months of 2020, the implications of the spread of the coronavirus prompted fears of a global economic recession. This contributed to areas of global bonds, such as the corporate and emerging market segments, to record negative returns. However, the performance of mainstream government bonds held up relatively well, helped by their perceived safe-haven status in times of market stress. US government bonds, also known as Treasuries, delivered notably positive returns, while German and UK government bonds also recorded gains.

The sub-fund maintained a sizeable allocation to government bonds throughout the review period, with US Treasuries ranking as its largest position. This helped the sub-fund to record a positive total return in the review period, which was broadly in line or slightly above its benchmark, the Bloomberg Barclays Global Aggregate Index, across its unhedged share classes. However, the returns of the sub-fund's hedged share classes lagged this benchmark index due to relevant currency movements.

Investment activities

The sub-fund is a flexible, globally diversified bond sub-fund that can invest across all of the various areas of global bonds, and hold exposures to any currency. As 2019 progressed, while maintaining its global diversity, we preferred to position the sub-fund defensively, based largely on our cautious economic outlook and assessment of relative valuations in the different areas of the market.

Within this positioning, we held a cautious stance towards corporate bonds, as we considered that their valuations were fairly high against the prospect of slower economic growth. We preferred to hold a higher exposure to government bonds, particularly US Treasuries, as the performance of these bonds is typically less sensitive to a weaker economic outlook. In addition, lower interest rates can be supportive to the performance of government bonds, and the US Federal Reserve began to reduce

interest rates during 2019. Within the sub-fund's currency positioning, we also favoured exposures to currencies that are typically perceived to be lower risk, such as the US dollar and Japanese yen.

Following the big change in valuations in corporate bonds from the coronavirus sell-off, we closely monitored the corporate markets for potential buying opportunities. In our view, valuations reached levels that were low enough to start offering attractive entry points on a long-term perspective. Consequently, our activity towards the end of the review period included adding corporate bond exposure through a variety of issuers. We bought some newly issued bonds from highly creditworthy companies that were very attractively priced, in our opinion. This included bonds from Coca Cola, Nestle, Pepsi, Exxon, Bank of America, and Sanofi. We also bought corporate bonds that we felt were oversold in the market's decline, including from NY Life, Met Life, JP Morgan, BBVA, and Apple.

In emerging bond markets, while we believe a larger impact of the coronavirus story may still lie ahead for some emerging nations, we added some exposure on a very selective basis. In our view, the attraction of high real yields in some markets offered good relative value. Towards the end of the period, we added government bonds in South Africa and Ukraine.

Outlook

While the full implications of the coronavirus outbreak remain unknown, and the global economy faces recession, bond markets are open and functioning properly. This was demonstrated in the final month of the review period as there was healthy demand for new issues of bonds, and the size of corporate bond issuance was the largest monthly total ever. This contrasts with the 2008/09 global financial crisis (GFC), when the corporate bond new issues market virtually dried up. The backdrop of significantly renewed economic stimulus measures from many central banks, which include further cuts in interest rates and central banks' own corporate bond-buying programmes, is among supportive factors in the current environment.

In our view, the huge moves in valuations of corporate bonds amid the coronavirus theme also supports the rationale for adding some corporate exposure to the sub-fund. We will continue to look for high-quality corporate bonds that we assess are attractively priced to add to the sub-fund's allocation to this area. We will also consider adding emerging market bond positions on a careful and selective basis, where we feel valuations provide adequate compensation for the risks.

M&G (Lux) Global Macro Bond Fund

Investment review

Outlook (continued)

Overall, our approach remains to position the sub-fund where we see the best relative value among the prevailing economic conditions, and avoid areas where we view the outlook as unfavourable.

Jim Leaviss

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					715,138	97.68
Debt securities					726,937	99.29
'AAA' credit rated bonds					436,179	59.58
American Tower Trust #1 3.07%	3,165,000	US\$	15.03.2023		3,159	0.43
Australia (Commonwealth of) 3%	15,500,000	AU\$	21.03.2047		12,235	1.67
Australia (Commonwealth of) 3.25%	9,000,000	AU\$	21.04.2029		6,702	0.92
Barings Euro CLO FRN	1,978,000	€	15.10.2030		2,081	0.29
Canada 1.75%	18,500,000	CA\$	01.03.2023		13,456	1.84
Canadian Imperial Bank of Commerce FRN	2,000,000	£	10.01.2022		2,462	0.34
Dukinfield II FRN	1,326,762	£	20.12.2052		1,584	0.22
European Bank for Reconstruction & Development FRN	15,826,000	US\$	19.11.2020		15,829	2.16
European Investment Bank 5%	9,891,000	AU\$	22.08.2022		6,614	0.90
Finsbury Square FRN	475,008	£	12.09.2065		586	0.08
Germany (Federal Republic of) 0.5%	28,543,896	€	15.02.2025		33,119	4.52
Germany (Federal Republic of) I/L 0.1%	5,000,000	€	15.04.2026		6,080	0.83
Lanark Master Issuer FRN	928,240	£	22.12.2069		1,140	0.16
Norway (Kingdom of) 2%	130,000,000	NOK	24.05.2023		13,028	1.78
Paragon Mortgages No 12 FRN	0	US\$	15.11.2038		0	0.00
Paragon Mortgages No 14 FRN	0	£	15.09.2039		0	0.00
Precise Mortgage Funding FRN	856,552	£	16.10.2056		1,032	0.14
Santander UK FRN	1,978,000	£	05.05.2020		2,446	0.33
Thrones FRN	1,031,301	£	18.03.2050		1,267	0.17
Towd Point Mortgage Funding FRN	2,083,277	£	20.02.2054		2,522	0.35
Trinity Square FRN	1,275,798	£	15.07.2051		1,536	0.21
US Treasury Bond 3%	53,800,000	US\$	15.08.2048		74,828	10.22
US Treasury I/I 0.625%	77,000,000	US\$	15.01.2024		86,751	11.85
US Treasury I/I 0.625%	27,000,000	US\$	15.01.2026		30,399	4.15
US Treasury I/I 3.875%	24,000,000	US\$	15.04.2029		50,932	6.96
US Treasury Note 2.75%	53,974,700	US\$	15.02.2028		62,914	8.59
Voya Euro CLO III FRN ^[a]	1,691,000	€	15.04.2033		1,692	0.23
Warwick Finance Residential Mortgages No Two FRN	1,452,120	£	21.09.2049		1,785	0.24
'AA' credit rated bonds					23,861	3.26
Apple 1%	3,000,000	€	10.11.2022		3,328	0.45
Exxon Mobil 3.482%	3,000,000	US\$	19.03.2030		3,215	0.44
Metropolitan Life Global Funding I 0.375%	3,454,000	€	09.04.2024		3,596	0.49
Nestle Finance International 1.125%	500,000	€	01.04.2026		567	0.08
New York Life Global Funding 0.25%	3,638,000	€	23.01.2027		3,729	0.51
New York Life Global Funding 1.25%	3,644,000	£	17.12.2026		4,138	0.56
Nike 2.4%	1,538,000	US\$	27.03.2025		1,586	0.22
Paragon Mortgages No 13 FRN	3,124,065	€	15.01.2039		3,141	0.43
Sanofi 1%	500,000	€	01.04.2025		561	0.08
'A' credit rated bonds					96,121	13.13
ABN AMRO Bank FRN	3,101,000	US\$	19.01.2021		3,044	0.42
Aéroports de Paris 2.125%	1,100,000	€	02.10.2026		1,206	0.16
Air Liquide Finance 1%	200,000	€	02.04.2025		224	0.03
Bank of America FRN	1,583,000	€	07.02.2022		1,687	0.23
Bank of America FRN	1,712,000	€	31.03.2029		2,084	0.28
BPCE 0.25%	2,000,000	€	15.01.2026		2,061	0.28
Chile (Republic of) 5.5%	3,059,000,000	CLP	05.08.2020		3,612	0.49
Coca-Cola 2.95%	1,333,000	US\$	25.03.2025		1,415	0.19
Comcast 3.1%	558,000	US\$	01.04.2025		585	0.08
Coöperatieve Rabobank 2.25%	317,000	£	22.11.2022		603	0.08
Coöperatieve Rabobank FRN	1,978,000	€	29.05.2020		2,165	0.30
Crédit Agricole FRN	4,000,000	US\$	10.01.2022		3,951	0.54
Deere 2.75%	1,493,000	US\$	15.04.2025		1,530	0.21
HSBC Holdings 4.95%	343,000	US\$	31.03.2030		369	0.05
HSBC Holdings FRN	3,561,000	US\$	05.01.2022		3,429	0.47
IBM Credit FRN	2,000,000	US\$	20.01.2021		1,927	0.26
Intel 3.9%	3,000,000	US\$	25.03.2030		3,378	0.46
Japan (Kingdom of) 0.1% ^[a]	2,500,000,000	¥	10.03.2029		23,103	3.16
Japan (Kingdom of) 1.3%	1,400,000,000	¥	20.06.2035		14,858	2.03
JPMorgan Chase FRN	3,000,000	€	25.07.2031		2,957	0.40
Ludgate Funding FRN	314,655	€	01.01.2061		282	0.04
National Grid Electricity Transmission 3.806%	948,000	£	27.07.2020		1,992	0.27
Nationwide Building Society 3.875%	109,003	£	30.07.2021		428	0.06
Peru (Republic of) 6.95%	16,618,000	PEN	12.08.2031		5,564	0.76
RMAC Securities No 1 FRN	0	US\$	12.06.2044		0	0.00
Silverback Finance 3.1261%	2,134,890	€	25.02.2037		2,413	0.33

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
State Street FRN	1,070,000	US\$	30.03.2023		1,079	0.15
UBS Group FRN	3,957,000	US\$	01.02.2022		3,918	0.54
United Parcel Service 3.9%	1,071,000	US\$	01.04.2025		1,141	0.16
US Bancorp 3.375%	1,533,000	US\$	05.02.2024		1,633	0.22
Wells Fargo FRN	3,500,000	US\$	04.03.2021		3,483	0.48
'BBB' credit rated bonds					112,556	15.37
AT&T FRN	5,935,000	€	05.09.2023		6,460	0.88
Banco Bilbao Vizcaya Argentaria 0.5%	2,000,000	€	14.01.2027		1,940	0.26
Barclays FRN	3,957,000	US\$	10.01.2023		3,694	0.50
BNP Paribas 4.625%	2,631,000	US\$	13.03.2027		2,680	0.37
Bogota Distrito Capital 9.75%	11,711,000,000	COP	26.07.2028		3,069	0.42
Citigroup 3.5%	2,374,000	US\$	15.05.2023		2,403	0.33
Citigroup FRN	1,978,000	US\$	26.10.2020		1,963	0.27
Citigroup FRN	5,935,000	US\$	01.09.2023		5,677	0.77
Citigroup FRN	3,165,000	US\$	17.05.2024		2,948	0.40
Coca-Cola European Partners 1.75%	524,000	€	27.03.2026		584	0.08
Crédit Suisse Group Funding Guernsey 3.75%	1,978,000	US\$	26.03.2025		2,032	0.28
Goldman Sachs Group 3.375%	1,091,000	€	27.03.2025		1,259	0.17
HSBC Holdings FRN	1,365,000	US\$	31.12.2099		1,285	0.18
Legal & General Group FRN	1,845,000	£	26.11.2049		2,072	0.28
Lloyds Banking Group FRN	6,726,000	€	21.06.2024		6,854	0.94
Lloyds Banking Group FRN	682,000	€	01.04.2026		775	0.11
McDonald's 2%	3,000,000	€	01.06.2023		3,406	0.46
McDonald's 3.6%	2,000,000	US\$	01.07.2030		2,100	0.29
Mexico (United Mexican States) 5.625%	1,770,000	£	19.03.2114		2,294	0.31
Mexico (United Mexican States) 10%	140,000,000	MXN	05.12.2024		6,690	0.91
Mitchells & Butlers Finance FRN	1,385,061	US\$	15.12.2030		1,291	0.18
Mitchells & Butlers Finance FRN	593,000	£	15.12.2033		628	0.09
Mylan 1.25%	3,000,000	€	23.11.2020		3,287	0.45
National Grid 1.25%	625,100	£	06.10.2021		985	0.13
Nationwide Building Society FRN	1,426,000	€	08.03.2026		1,490	0.20
Panama (Republic of) 6.7%	2,500,000	US\$	26.01.2036		3,190	0.44
Peru (Republic of) 5.625%	2,000,000	US\$	18.11.2050		2,917	0.40
Petróleos Mexicanos 5.35%	4,500,000	US\$	12.02.2028		3,127	0.43
Royal Bank of Scotland Group FRN	3,957,000	US\$	15.05.2023		3,723	0.51
Royal Bank of Scotland Group FRN	2,139,000	US\$	18.05.2029		2,268	0.31
Russia (Federation of) 8.15%	743,834,000	RUB	03.02.2027		10,418	1.42
Shire Acquisitions Investments Ireland 3.2%	3,800,000	US\$	23.09.2026		3,832	0.52
Société Générale 5%	1,978,000	US\$	17.01.2024		1,993	0.27
Société Générale FRN	2,100,000	€	22.05.2024		2,151	0.29
Tesco 3.322%	79,000	£	05.11.2025		194	0.03
Thailand (Kingdom of) 1.25%	225,524,000	THB	12.03.2028		7,040	0.96
Uruguay (Republic of) 4.375%	41,939,552	UYU	15.12.2028		1,887	0.26
Uruguay (Republic of) 8.5%	109,581,000	UYU	15.03.2028		1,950	0.27
'BB' credit rated bonds					38,472	5.25
Bahamas (Commonwealth of) 6%	2,000,000	US\$	21.11.2028		2,285	0.31
Brazil (Federal Republic of) 10%	49,000,000	BRL	01.01.2025		10,629	1.45
CCO Holdings Via CCO Holdings Capital 5.75%	1,800,000	US\$	15.02.2026		1,834	0.25
Cheniere Energy Partners 4.5%	440,000	US\$	01.10.2029		378	0.05
Dominican (Republic of) 6.5%	2,000,000	US\$	15.02.2048		1,749	0.24
Dominican (Republic of) 6.85%	1,978,000	US\$	27.01.2045		1,765	0.24
Dominican (Republic of) 8.9%	42,100,000	DOP	15.02.2023		730	0.10
Dominican (Republic of) 10.5%	69,200,000	DOP	07.04.2023		1,275	0.17
Hanesbrands 4.625%	1,800,000	US\$	15.05.2024		1,795	0.24
HCA 3.5%	1,500,000	US\$	01.09.2030		1,219	0.17
Inretail Pharma 5.375%	1,351,000	US\$	02.05.2023		1,303	0.18
Paraguay (Republic of) 4.7%	616,000	US\$	27.03.2027		616	0.08
Paraguay (Republic of) 5.6%	1,319,000	US\$	13.03.2048		1,326	0.18
Paraguay (Republic of) 6.1%	2,989,000	US\$	11.08.2044		3,093	0.42
Parsley Energy Via Parsley Finance 4.125%	925,000	US\$	15.02.2028		628	0.09
Petrobras Global Finance 7.25%	2,770,000	US\$	17.03.2044		2,770	0.38
Pilgrim's Pride 5.75%	1,800,000	US\$	15.03.2025		1,809	0.25
Pilgrim's Pride 5.875%	411,000	US\$	30.09.2027		413	0.06
South Africa (Republic of) 5.75%	2,000,000	US\$	30.09.2049		1,498	0.20
Tenet Healthcare 5.125%	1,400,000	US\$	01.11.2027		1,357	0.19

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds					16,450	2.25
Altice France 7.375%	1,576,000	US\$	01.05.2026		1,584	0.22
Axalta Coating Systems Dutch Holding B 3.75%	1,800,000	€	15.01.2025		1,794	0.25
Bausch Health 5%	1,500,000	US\$	30.01.2028		1,406	0.19
Bolivia (Plurinational State of) 4.5%	819,000	US\$	20.03.2028		687	0.10
CSC Holdings 5.75%	1,400,000	US\$	15.01.2030		1,410	0.19
Egypt (Republic of) 6.375%	1,500,000	€	11.04.2031		1,303	0.18
Honduras (Republic of) 6.25%	3,000,000	US\$	19.01.2027		2,715	0.37
NAK Naftogaz Ukraine Via Kondor Finance 7.625%	1,531,000	US\$	08.11.2026		1,252	0.17
Panther BF Aggregator Via Panther Finance 4.375% ^[a]	104,000	€	15.05.2026		95	0.01
Selecta Group 5.875%	1,910,000	€	01.02.2024		1,111	0.15
Staples 7.5%	1,400,000	US\$	15.04.2026		1,248	0.17
Ukraine 7.75%	2,000,000	US\$	01.09.2026		1,845	0.25
'CCC' credit rated bonds					2,673	0.36
Altice France Holding 6%	1,500,000	US\$	15.02.2028		1,315	0.18
Scientific Games International 5.5%	1,800,000	€	15.02.2026		1,358	0.18
'CC' credit rated bonds					625	0.09
Argentina (Republic of) 7.82%	0	€	31.12.2033		0	0.00
Argentina (Republic of) 7.875%	1,648,000	US\$	15.06.2027		431	0.06
Argentina (Republic of) FRN	20,030,093	ARS	21.06.2020		194	0.03
Bonds with no credit rating					0	0.00
Eirles Two FRN ^{[a],[b]}	989,140	€	30.10.2020		0	0.00
Debt derivatives					(11,799)	(1.61)
Credit default swaps					(13,649)	(1.86)
Markit CDX Emerging Markets Series 32 5 Year Dec 2024	17,000,000	US\$			(2,012)	(0.27)
Markit CDX Emerging Markets Series 33 5 Year Jun 2025	47,000,000	US\$			(5,518)	(0.75)
Markit CDX North American High Yield Series 34 5 Year Jun 2025	25,000,000	US\$			(1,220)	(0.17)
Markit CDX North American Investment Grade Series 34 5 Year Jun 2025	14,000,000	US\$			(57)	(0.01)
Markit iTraxx Europe Series 33 5 Year Jun 2025	13,000,000	€			14	0.00
Markit iTraxx Europe Sub Fin Series 32 5 Year Dec 2024	12,000,000	€			(799)	(0.11)
Markit iTraxx Europe Sub Fin Series 33 5 Year Jun 2025	27,000,000	€			(2,191)	(0.29)
Markit iTraxx Europe Xover Series 32 5 Year Dec 2024	14,000,000	€			(360)	(0.05)
Markit iTraxx Europe Xover Series 33 5 Year Jun 2025	41,000,000	€			(1,506)	(0.21)
Interest rate swaps						
Receive 0.7665% Pay Var. Jun 2049	(12,000,000)	€			2,409	0.33
Interest rate futures						
US Treasury Notes 10 year Futures	(885)	US\$	19.06.2020	987	(559)	(0.08)
CURRENCY					960	0.14
Forward currency contracts					960	0.14
Bought for £ 22,853,698.48, Sold for ¥ 3,200,000,000.00			08.04.2020		(1,212)	(0.16)
Bought for £ 18,690,965.20, Sold for € 21,441,109.05			08.04.2020		(374)	(0.05)
Bought for ¥ 3,300,000,000.00, Sold for £ 23,267,259.02			08.04.2020		1,621	0.22
Bought for ¥ 4,950,000,000.00, Sold for € 41,255,466.35			08.04.2020		398	0.06
Bought for ¥ 12,100,000,000.00, Sold for US\$ 110,566,997.62			08.04.2020		837	0.11
Bought for € 143,550,000.00, Sold for US\$ 164,073,343.50			08.04.2020		(6,882)	(0.94)
Bought for US\$ 38,336,478.52, Sold for £ 29,200,000.00			08.04.2020		2,241	0.31
Bought for US\$ 40,306,289.41, Sold for ¥ 4,200,000,000.00			08.04.2020		1,637	0.22
Bought for US\$ 35,256,009.20, Sold for AU\$ 53,000,000.00			08.04.2020		2,987	0.41
Bought for US\$ 7,510,033.64, Sold for MXN 143,000,000.00			08.04.2020		1,475	0.20
Bought for DKK 105,000,000.00, Sold for € 14,059,429.40			06.05.2020		(3)	0.00
Bought for NOK 65,000,000.00, Sold for € 6,389,664.80			06.05.2020		(800)	(0.11)
Bought for SEK 147,000,000.00, Sold for £ 11,781,753.83			06.05.2020		(47)	(0.01)
Bought for SEK 70,000,000.00, Sold for € 6,622,592.37			06.05.2020		(343)	(0.05)
Bought for AU\$ 12,000,000.00, Sold for US\$ 7,563,252.00			03.06.2020		(256)	(0.03)
Bought for MXN 170,000,000.00, Sold for US\$ 7,847,119.65			03.06.2020		(733)	(0.10)
Bought for NZ\$ 12,500,000.00, Sold for US\$ 7,681,687.50			03.06.2020		(257)	(0.03)
Bought for US\$ 73,248,106.80, Sold for ¥ 7,900,000,000.00			03.06.2020		317	0.04
Bought for US\$ 37,671,782.40, Sold for € 34,000,000.00			03.06.2020		354	0.05
Portfolio of investments					716,098	97.82
CASH EQUIVALENTS					7,217	0.99
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	7,217,000	US\$			7,217	0.99

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING						
Bought for £ 6,214,844.35, Sold for US\$ 7,946,862.45			08.04.2020		(3,049)	(0.42)
Bought for € 153,158,542.49, Sold for US\$ 170,497,698.34			08.04.2020		(2,782)	(0.38)
Bought for CHF 325,236.83, Sold for US\$ 340,310.64			08.04.2020		(3)	0.00
Bought for SG\$ 113,419.77, Sold for US\$ 81,838.22			08.04.2020		(4)	0.00
Bought for US\$ 1,129,777.00, Sold for £ 924,775.43			08.04.2020		(12)	0.00
Bought for US\$ 31,742,405.60, Sold for € 28,970,530.62			08.04.2020		16	0.00
Bought for US\$ 36,977.56, Sold for CHF 35,448.80			08.04.2020		0	0.00
Bought for US\$ 9,110.53, Sold for SG\$ 12,960.86			08.04.2020		0	0.00
Total portfolio					720,266	98.39
Net other assets/(liabilities)					11,873	1.61
NET ASSETS					732,139	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					726,937	99.29
Unrealised gains on forward currency contracts					11,883	1.62
Unrealised gains on swap contracts					2,423	0.33
Total Investment assets					741,243	101.24
Investment liabilities						
Unrealised losses on futures contracts					(559)	(0.08)
Unrealised losses on forward currency contracts					(13,972)	(1.90)
Unrealised losses on swap contracts					(13,663)	(1.86)
Total Investment liabilities					(28,194)	(3.84)
Total portfolio					713,049	97.40
Cash equivalents					7,217	0.99
Net other assets/(liabilities)					11,873	1.61
NET ASSETS					732,139	100.00

[a] Unlisted/unquoted.

[b] Defaulted Bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures			
	Swaps US\$'000	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as deposit US\$'000
Bank of America Merrill Lynch	0	0	122,759	350
Barclays Bank London	8,007	76,008	0	3,430
BNP Paribas	3,410	0	0	759
Citigroup Global Markets Limited	14	14,499	0	138
Crédit Suisse International	0	66,444	0	1,769
Goldman Sachs International	360	0	0	292
HSBC Bank Plc	0	67,027	0	0
JP Morgan Chase	4,294	58,125	0	0
State Street Bank and Trust Company	0	211,785	0	4,760
State Street Bank London	0	356,325	0	0
UBS AG London	0	239,574	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Macro Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	+7.2	+1.9	+1.7	+4.9	16/12/2011	26/10/2018
Class 'A' Distribution	+7.2	+1.9	+1.7	+4.3	12/07/2013	26/10/2018
Class 'A-H' Accumulation	+1.3	-0.2	-1.1	+1.1	16/12/2011	26/10/2018
Class 'A-H' Distribution	+1.4	-0.1	-1.1	-0.6	12/07/2013	26/10/2018
Class 'B' Accumulation	+6.6	+1.4	+1.2	+4.4	16/02/2011	26/10/2018
Class 'B' Distribution	+6.6	+1.4	n/a	+2.6	11/09/2015	26/10/2018
Class 'B-H' Accumulation	+0.7	-0.7	-1.6	+0.6	16/12/2011	26/10/2018
Class 'B-H' Distribution	+0.7	-0.7	n/a	-0.4	11/09/2015	26/10/2018
Class 'C' Accumulation	+7.8	+2.5	+2.3	+5.6	16/12/2011	26/10/2018
Class 'C' Distribution	+7.8	+2.5	+2.3	+5.6	08/08/2014	26/10/2018
Class 'C-H' Accumulation	+2.0	+0.5	-0.5	+1.7	16/12/2011	26/10/2018
Class 'C-H' Distribution	+1.9	+0.4	n/a	+0.6	07/08/2015	26/10/2018
Class 'CI' Accumulation	+7.8	+2.5	+2.3	+5.6	16/12/2011	06/11/2018
Class 'CI-H' Accumulation	+1.9	+0.5	-0.5	+1.7	16/12/2011	06/11/2018
Class 'JI-H' Accumulation	n/a	n/a	n/a	+0.2	n/a	18/10/2019
Class 'JI-H' Distribution	n/a	n/a	n/a	+0.2	n/a	18/10/2019
Singapore dollar						
Class 'A-H' Accumulation	+3.7	+2.0	n/a	+2.0	07/08/2015	26/10/2018
Class 'A-H' Distribution	+3.7	+2.0	n/a	+2.0	07/08/2015	26/10/2018
Class 'C-H' Accumulation	+4.4	+2.6	n/a	+2.6	07/08/2015	26/10/2018
Class 'C-H' Distribution	+4.4	+2.6	n/a	+2.6	07/08/2015	26/10/2018
Sterling						
Class 'C' Accumulation	n/a	n/a	n/a	+4.3	n/a	05/07/2019
Class 'C' Distribution	n/a	n/a	n/a	+4.3	n/a	05/07/2019
Class 'C-H' Distribution	+3.0	n/a	n/a	+3.7	n/a	22/02/2019
Class 'CI' Accumulation	n/a	n/a	n/a	+4.3	n/a	05/07/2019
Class 'CI' Distribution	n/a	n/a	n/a	+4.4	n/a	05/07/2019
Class 'CI-H' Distribution	+3.1	n/a	n/a	+3.6	n/a	14/03/2019
Class 'JI-H' Distribution	n/a	n/a	n/a	+0.5	n/a	18/10/2019

M&G (Lux) Global Macro Bond Fund

Financial highlights

Sub-fund performance (continued)

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Swiss franc						
Class 'A' Accumulation	+1.3	+1.5	+2.0	+2.2	28/09/2012	26/10/2018
Class 'A-H' Accumulation	+0.8	-0.6	-1.6	+0.2	28/09/2012	26/10/2018
Class 'C' Accumulation	+1.9	+2.1	+2.6	+2.8	28/09/2012	26/10/2018
Class 'C-H' Accumulation	+1.5	+0.1	-1.0	+0.7	28/09/2012	26/10/2018
US dollar						
Class 'A' Accumulation	+4.5	+2.7	+2.1	+4.5	01/05/2009	26/10/2018
Class 'A' Distribution	+4.5	+2.7	n/a	+10.9	07/08/2015	26/10/2018
Class 'C' Accumulation	+5.1	+3.3	+2.7	+3.4	16/12/2011	26/10/2018
Class 'C' Distribution	+5.1	+3.3	n/a	+6.1	07/08/2015	26/10/2018
Class 'CI' Accumulation	+5.1	+3.4	+2.7	+3.4	16/12/2011	06/11/2018
Class 'JI' Accumulation	n/a	n/a	n/a	+1.6	n/a	18/10/2019
Class 'JI' Distribution	n/a	n/a	n/a	+1.6	n/a	18/10/2019

[a] Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Global Macro Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Macro Bond Fund is a UK authorised fund which launched on 15 October 1999 and its non-Sterling share classes merged into M&G (Lux) Global Macro Bond Fund on 26 October 2018.

M&G (Lux) Global Macro Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'A-H' Distribution	Class 'B' Distribution	Class 'B-H' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	Euro €	Euro €
First interim	0.0951	0.0734	0.0732	0.0673	0.0994
Second interim	0.0911	0.0669	0.0704	0.0615	0.0954
Third interim	0.0755	0.0584	0.0583	0.0536	0.0791
Final	0.0631	0.0460	0.0487	0.0419	0.0663

	Class 'C-H' Distribution	Class 'JI-H' Distribution	Class 'A-H' Distribution	Class 'C-H' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	SGD €	SGD €	UK p
First interim	0.0778	n/a	0.0733	0.0746	n/a
Second interim	0.0711	n/a	0.0684	0.0696	0.0649
Third interim	0.0621	0.1274	0.0592	0.0603	0.0568
Final	0.0487	0.0459	0.0474	0.0483	0.0493

	Class 'C-H' Distribution	Class 'CI' Distribution	Class 'CI-H' Distribution	Class 'JI-H' Distribution	Class 'A' Distribution
to 31 March 2020	UK p	UK p	UK p	UK p	US ¢
First interim	0.0778	n/a	0.0770	n/a	0.1091
Second interim	0.0702	0.0653	0.0697	n/a	0.1002
Third interim	0.0636	0.0564	0.0632	0.1270	0.0853
Final	0.0486	0.0495	0.0483	0.0464	0.0696

	Class 'C' Distribution	Class 'JI' Distribution
to 31 March 2020	US ¢	US ¢
First interim	0.0880	n/a
Second interim	0.0809	n/a
Third interim	0.0690	0.1282
Final	0.0563	0.0485

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	14.9210	13.9245	n/a
Class 'A' Distribution	13.1445	12.6287	n/a
Class 'A-H' Accumulation	10.9421	10.8031	n/a
Class 'A-H' Distribution	9.6521	9.8021	n/a
Class 'B' Accumulation	14.3104	13.4221	n/a
Class 'B' Distribution	10.1315	9.7833	n/a
Class 'B-H' Accumulation	10.4966	10.4199	n/a
Class 'B-H' Distribution	8.8304	9.0240	n/a
Class 'C' Accumulation	15.6818	14.5463	n/a
Class 'C' Distribution	13.8129	13.1905	n/a
Class 'C-H' Accumulation	11.5236	11.2979	n/a
Class 'C-H' Distribution	10.2706	10.3804	n/a
Class 'CI' Accumulation	11.4818	10.6463	n/a
Class 'CI-H' Accumulation	10.5452	10.3464	n/a
Class 'JI-H' Accumulation	10.0200	n/a	n/a
Class 'JI-H' Distribution	9.8892	n/a	n/a

Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	10.9546	10.5614	n/a
Class 'A-H' Distribution	9.8201	9.7467	n/a
Class 'C-H' Accumulation	11.2598	10.7901	n/a
Class 'C-H' Distribution	10.0371	9.9027	n/a

Sterling	£	£	£
Class 'C' Accumulation	10.4291	n/a	n/a
Class 'C' Distribution	10.3027	n/a	n/a
Class 'C-H' Distribution	10.1922	10.1125	n/a
Class 'CI' Accumulation	10.4325	n/a	n/a
Class 'CI' Distribution	10.3057	n/a	n/a
Class 'CI-H' Distribution	10.1078	10.0703	n/a
Class 'JI-H' Distribution	9.9231	n/a	n/a

Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	11.7706	11.6168	n/a
Class 'A-H' Accumulation	10.1318	10.0503	n/a
Class 'C' Accumulation	12.3030	12.0724	n/a
Class 'C-H' Accumulation	10.5448	10.3892	n/a

US dollar	US\$	US\$	US\$
Class 'A' Accumulation	16.1661	15.4747	n/a
Class 'A' Distribution	14.4956	14.2847	n/a
Class 'C' Accumulation	13.1819	12.5416	n/a
Class 'C' Distribution	11.7493	11.5086	n/a
Class 'CI' Accumulation	11.0199	10.4812	n/a
Class 'JI' Accumulation	10.1557	n/a	n/a
Class 'JI' Distribution	10.0262	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	732,139	726,274	n/a
Swing pricing adjustment (see note 12)	2,724	n/a	n/a
Swung net assets	734,863	726,274	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.48
Class 'A' Distribution	1.48
Class 'A-H' Accumulation	1.50
Class 'A-H' Distribution	1.50
Class 'B' Accumulation	1.98
Class 'B' Distribution	1.98
Class 'B-H' Accumulation	2.00
Class 'B-H' Distribution	2.00
Class 'C' Accumulation	0.88
Class 'C' Distribution	0.88
Class 'C-H' Accumulation	0.90
Class 'C-H' Distribution	0.90
Class 'CI' Accumulation	0.84
Class 'CI-H' Accumulation	0.86
Class 'JI-H' Accumulation	0.76
Class 'JI-H' Distribution	0.76

M&G (Lux) Global Macro Bond Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2020	TER
Singapore dollar	%
Class 'A-H' Accumulation	1.50
Class 'A-H' Distribution	1.49
Class 'C-H' Accumulation	0.90
Class 'C-H' Distribution	0.89
Sterling	%
Class 'C' Accumulation	0.88
Class 'C' Distribution	0.88
Class 'C-H' Distribution	0.90
Class 'CI' Accumulation	0.84
Class 'CI' Distribution	0.84
Class 'CI-H' Distribution	0.86
Class 'JI-H' Distribution	0.76
Swiss franc	%
Class 'A' Accumulation	1.48
Class 'A-H' Accumulation	1.50
Class 'C' Accumulation	0.88
Class 'C-H' Accumulation	0.90
US dollar	%
Class 'A' Accumulation	1.48
Class 'A' Distribution	1.48
Class 'C' Accumulation	0.88
Class 'C' Distribution	0.88
Class 'CI' Accumulation	0.84
Class 'JI' Accumulation	0.74
Class 'JI' Distribution	0.74

M&G (Lux) Global Maxima Fund

Investment objective and policy

Investment objective

The Fund aims to deliver a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including Emerging Markets.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The Fund systematically employs a bottom-up stock picking approach, driven by quantitative analysis of individual companies. The Investment Manager uses proprietary data analysis and machine learning techniques to help identify stocks that are expected to outperform the global equity market and as a result, maximise the Fund's outperformance.

From the Fund's investable universe, each stock is assessed based on its likelihood of outperforming the global equity market. The Investment Manager then uses these assessments to determine which stocks to include in the portfolio.

Performance Comparator

MSCI ACWI Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Maxima Fund

Investment review

For the period from 11 December 2019 (launch date of the sub-fund) to 31 March 2020

Launched in December 2019, the M&G (Lux) Global Maxima Fund is an active, long-only equity sub-fund, which uses machine learning to select stocks. Machine learning is a type of artificial intelligence. Oversight of stock selections is provided by the sub-fund management team.

We apply a systematic bottom-up stock picking approach, driven by quantitative analysis of individual companies. We use a proprietary database and proprietary machine learning models to help identify stocks that we expect to outperform the global equities market. The sub-fund management team has experience of managing quantitative equity strategies and is supported by a team of data scientists.

The methodology uses vast amounts of data about companies to establish whether outperforming stocks have common characteristics, that is, whether there is an identifiable pattern to outperforming stocks. Rather than relying on individuals to discover investment opportunities, the approach relies on machine learning for idea generation.

From the sub-fund's investable universe of global equities, each stock is assessed on its likelihood of outperforming the global equity market. We then use our judgement, along with feedback from our in-house team of research analysts, to determine which stocks to include in the sub-fund. The result is a high-conviction portfolio of 50 to 100 stocks.

The term 'artificial intelligence' refers to the broad study of developing algorithms to imitate human cognitive functions (such as pattern recognition). Machine learning is a subset of artificial intelligence that does not rely on a pre-defined set of rules developed by humans in order to make decisions or predictions. Rather, machine learning techniques 'learn' these rules from historic data and apply these learned rules to the real world to assist decision-making.

The sub-fund is currently overweight smaller companies with attractive growth and momentum characteristics. While volatile markets can prove to be a challenging environment for smaller companies, they also tend to offer more investment opportunities when there is indiscriminate selling, which is the case now. It is such discrepancies that our machine learning models seek to exploit through the examination of pricing behaviour during similar past events.

Marc Beckenstrater

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Maxima Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					42,073	99.73
United Kingdom					1,930	4.57
Dunelm Group	54,359	£			488	1.15
London Stock Exchange Group	9,344	£			827	1.96
Rightmove	102,870	£			615	1.46
France						
Sartorius Stedim Biotech	5,147	€			1,029	2.44
Germany					1,265	3.00
Hypoport	2,505	€			726	1.72
Rational	1,025	€			539	1.28
Ireland					1,629	3.86
iShares Core MSCI World UCITS ETF	18,185	US\$			912	2.16
iShares MSCI India UCITS ETF	95,529	US\$			358	0.85
SPDR Dow Jones Global Real Estate UCITS ETF	13,037	US\$			359	0.85
Italy						
Terna Rete Elettrica Nazionale	96,853	€			612	1.45
Luxembourg						
Amundi Msci Emerging Markets UCITS ETF	65,339	US\$			247	0.59
Netherlands (The)					1,387	3.29
Adyen	1,011	€			861	2.04
Koninklijke Vopak	10,238	€			526	1.25
Norway						
Gjensidige Forsikring	38,613	NOK			652	1.55
Russia					1,215	2.88
MMC Norilsk Nickel ADR	29,573	US\$			726	1.72
Polyus	7,016	US\$			489	1.16
Turkey						
Türk Telekomünikasyon	682,465	TRY			700	1.66
United States					21,898	51.90
Advanced Micro Devices	18,404	US\$			881	2.09
Atkore International Group	18,259	US\$			384	0.91
Biogen	1,177	US\$			372	0.88
Burlington Stores	2,525	US\$			410	0.97
BWX Technologies	10,440	US\$			495	1.17
Cable One	514	US\$			853	2.02
Cogent Communications Holdings	7,203	US\$			607	1.44
Cohen & Steers	11,088	US\$			496	1.18
Costco Wholesale	1,917	US\$			558	1.32
Edwards Lifesciences	3,450	US\$			678	1.61
EPAM Systems	4,306	US\$			810	1.92
Facebook 'A'	3,184	US\$			528	1.25
Fair Isaac	2,038	US\$			639	1.51
First American Financial	9,636	US\$			425	1.01
First Financial Bankshares	9,344	US\$			256	0.61
Graphic Packaging Holding	57,244	US\$			705	1.67
Helen of Troy	2,151	US\$			310	0.73
Hershey	5,420	US\$			747	1.77
Kinsale Capital Group	5,198	US\$			556	1.32
KLA	4,684	US\$			700	1.66
Lam Research	2,686	US\$			686	1.63
Manhattan Associates	10,566	US\$			559	1.33
Match Group	10,700	US\$			715	1.69
Meta Financial Group	23,352	US\$			504	1.19
Monster Beverage	9,090	US\$			527	1.25
New York Community Bancorp	70,723	US\$			673	1.60
Nike 'B'	8,635	US\$			737	1.75
O'Reilly Automotive	1,888	US\$			600	1.42
Paycom Software	2,717	US\$			579	1.37
Paylocity Holding	6,733	US\$			613	1.45
Regeneron Pharmaceuticals	995	US\$			471	1.12
ResMed	4,990	US\$			769	1.82
S&P Global	1,981	US\$			488	1.16
Southern	13,018	US\$			755	1.79
UnitedHealth Group	2,811	US\$			706	1.67
Vertex Pharmaceuticals	3,745	US\$			868	2.06
Walker & Dunlop	5,775	US\$			238	0.56

M&G (Lux) Global Maxima Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Canada					1,040	2.47
Home Capital Group	37,200	CA\$			401	0.95
TC Energy	15,519	US\$			639	1.52
Japan					1,707	4.05
BayCurrent Consulting	7,000	¥			326	0.77
Kobe Bussan	15,600	¥			611	1.45
Nomura Research Institute	36,500	¥			770	1.83
Australia					959	2.27
JB Hi-Fi	31,821	AU\$			543	1.29
Magellan Financial Group	15,788	AU\$			416	0.98
China					3,417	8.10
Changchun High & New Technology Industry Group 'A'	6,600	CNY			510	1.21
Contemporary Amperex Technology 'A'	38,400	CNY			652	1.55
Hangzhou Tigermed Consulting 'A'	46,456	CNY			419	0.99
Shennan Circuits 'A'	27,900	CNY			777	1.84
Yihai International Holding	140,000	HK\$			1,059	2.51
Taiwan						
TaiSol Electronics	280,000	TW\$			803	1.90
Thailand					1,114	2.64
Carabao Group	307,000	THB			593	1.41
Com7	1,099,800	THB			521	1.23
Israel						
Solaredge Technologies	5,751	US\$			469	1.11
Portfolio of investments					42,073	99.73
Total portfolio					42,073	99.73
Net other assets/(liabilities)					116	0.27
NET ASSETS					42,189	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					42,073	99.73
Total Investment assets					42,073	99.73
Total portfolio					42,073	99.73
Net other assets/(liabilities)					116	0.27
NET ASSETS					42,189	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Global Maxima Fund

Financial highlights

Sub-fund performance

As the sub-fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

M&G (Lux) Global Maxima Fund

Financial highlights

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 11 December 2019 (the launch date of the fund) to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	11.12.19	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'C' Distribution	Class 'CI' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	SGD €	SGD €
Final	0.0341	0.0341	0.0341	0.0353	0.0354

	Class 'A' Distribution	Class 'C' Distribution	Class 'A' Distribution	Class 'C' Distribution	Class 'CI' Distribution
to 31 March 2020	Swiss €	Swiss €	US €	US €	US €
Final	0.0330	0.0331	0.0337	0.0337	0.0337

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the financial period from 11 December 2019 (the launch date of the fund) to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	8.2760	n/a	n/a
Class 'A' Distribution	8.2760	n/a	n/a
Class 'C' Accumulation	8.3012	n/a	n/a
Class 'C' Distribution	8.3012	n/a	n/a
Class 'CI' Accumulation	8.3029	n/a	n/a
Class 'CI' Distribution	8.3029	n/a	n/a
Class 'E' Accumulation	8.3039	n/a	n/a
Class 'EI' Accumulation	8.3054	n/a	n/a
Class 'ZI' Accumulation	8.3219	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A' Accumulation	8.5734	n/a	n/a
Class 'A' Distribution	8.5734	n/a	n/a
Class 'C' Accumulation	8.5995	n/a	n/a
Class 'C' Distribution	8.5995	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	8.0151	n/a	n/a
Class 'A' Distribution	8.0151	n/a	n/a
Class 'C' Accumulation	8.0396	n/a	n/a
Class 'C' Distribution	8.0396	n/a	n/a

NAV per share	31.03.2020	31.03.2019	31.03.2018
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	8.1770	n/a	n/a
Class 'A' Distribution	8.1770	n/a	n/a
Class 'C' Accumulation	8.2019	n/a	n/a
Class 'C' Distribution	8.2019	n/a	n/a
Class 'CI' Accumulation	8.2031	n/a	n/a
Class 'CI' Distribution	8.2031	n/a	n/a
Class 'E' Accumulation	8.2044	n/a	n/a
Class 'EI' Accumulation	8.2057	n/a	n/a
Class 'ZI' Accumulation	8.2220	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	42,189	n/a	n/a
Swing pricing adjustment (see note 12)	81	n/a	n/a
Swung net assets	42,270	n/a	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.99
Class 'A' Distribution	1.99
Class 'C' Accumulation	0.99
Class 'C' Distribution	0.99
Class 'CI' Accumulation	0.95
Class 'CI' Distribution	0.95
Class 'E' Accumulation	0.89
Class 'EI' Accumulation	0.85
Class 'ZI' Accumulation	0.20
Singapore dollar	%
Class 'A' Accumulation	1.99
Class 'A' Distribution	1.99
Class 'C' Accumulation	0.99
Class 'C' Distribution	0.99
Swiss franc	%
Class 'A' Accumulation	1.99
Class 'A' Distribution	1.99
Class 'C' Accumulation	0.99
Class 'C' Distribution	0.99
US dollar	%
Class 'A' Accumulation	1.99
Class 'A' Distribution	1.99
Class 'C' Accumulation	0.99
Class 'C' Distribution	0.99
Class 'CI' Accumulation	0.95
Class 'CI' Distribution	0.95
Class 'E' Accumulation	0.89
Class 'EI' Accumulation	0.85
Class 'ZI' Accumulation	0.20

M&G (Lux) Global Select Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund usually holds fewer than 40 stocks.

The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.

Sustainability considerations play an important role in determining the investment universe and assessing business models. Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption are excluded from the investment universe. Industries such as tobacco and controversial weapons are also excluded.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund is a focused core global equity fund, making long-term investments in companies with sustainable business models and competitively advantageous characteristics to protect their profitability. Importantly, the Investment Manager invests in businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The Investment Manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Performance Comparator

MSCI World Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Select Fund

Investment review

For the year ended 31 March 2020

Performance review

Global stock markets delivered negative returns for the 12 months under review, with the end of the period witnessing levels of volatility not seen since the financial crisis in 2008. For much of the period, market sentiment had been dominated by a number of repeat themes, including the ongoing 'trade war' between the US and China, political difficulties in Europe, exacerbated by the looming presence of Brexit, geopolitical tensions in the Middle East and weakness in the oil price.

Despite these difficulties, markets maintained a generally upward trajectory, and as we entered the new year investors appeared upbeat. This positive sentiment, however, was to prove short-lived. Markets were hit hard near the end of February and into March as concerns about the Covid-19 pandemic led to the worst quarter for global markets since the 2008 financial crisis. Elsewhere, the combination of weakening global economic demand and a price war between Saudi Arabia and Russia sent oil prices down to their lowest level since 2002. Subsequently, energy was far and away the worst-performing sector for the month, followed by financials, materials and real estate. The most resilient sectors for the period were, unsurprisingly given the circumstances, information technology and healthcare, while utilities and consumer staples also proved more robust than the wider market.

Against this backdrop, the sub-fund declined for the period, but proved more resilient than its benchmark, the MSCI World Net Return Index. Stock selection within the materials and information technology sectors added the most value, while the below-index position in energy and above-index position in healthcare was also supportive. On the downside, stock picking within the financial and consumer discretionary sectors weighed on performance for the period.

At an individual stock level, the sub-fund's largest contributor was US tech giant Microsoft. The company has produced solid returns, boosted by its cloud-based solution Azure and its Office 365 subscription service. Other supportive holdings included luxury jeweller Tiffany, which was sheltered from the sell-off by LVMH's offer for the business, and US metal packaging specialist Ball Corp. Ball has also delivered continued operational success, fuelled by a growing aerospace backlog, increasing global demand for environmentally favoured metal packaging and beneficial cost-cutting initiatives last year.

On the downside, the largest detractor for the period was UK retailer WH Smith. Exposure to both retail and travel made the stock particularly vulnerable to the economic shutdown, leading it to issue a profit warning – given widespread travel bans and country lockdowns, WH Smith saw a major drop in shoppers at both its airport and high street outlets. Other detractors included Danish global services provider ISS and US direct banking and payments company Discover Financial Services.

Engagement activity

Responsible investors can effect change by engaging with investee companies on a number of issues, not least supporting responsible corporate behaviour and long-term thinking, but also pushing companies to improve disclosure or set more testing sustainability objectives. We maintain ongoing dialogue with our investee companies, as well as companies on our watchlist of stocks that we would like to own when the timing and price are right. In light of the Covid-19 pandemic, the back end of the period under review saw our involvement in a large number of discussions with investee companies concerning the outbreak, including how their businesses were being affected by the virus, what contingency plans they had in place and how they were interacting with stakeholders, including their employees and the communities in which they operate, among others. As a few examples, we spoke with Ball Corp, mentioned above, German industrial gases producer Linde, and US medical equipment maker Becton Dickinson.

Ball Corp has been declared 'essential' in every jurisdiction in which it operates, and all of its facilities continue to function. It is also operating redundancy and utilisation of surrounding plants if any facilities have to be taken offline. We discussed the company's balance sheet, asked if there were concerns around supply chains and material sourcing, and enquired into the welfare of employees, including actions the company was taking to ensure their safety.

With Linde we discussed the logistics of its continuing operation. The company said that new plant opening was continuing as planned in Asia, and that it was currently ensuring it could continue to service hospitals, which is of obvious importance as Linde supplies them with oxygen.

For Becton we talked through the Alaris pump issue. Alaris pumps are used for infusing drugs into patients, and early last year the company recalled some of the pumps over concerns they could lead to quicker, slower or accidental delivery of medicine. Fixing the issue mainly required a change to the pumps' software, which Becton did not believe would require a new trial to be undertaken. The US Food and Drug Administration (FDA) disagreed, saying the pump had changed to such a degree from the original that a new trial would be necessary. The result was some US\$450 million in sales taken down for 2020. Becton assured us that it was working through this, and that it had changed procedures to ensure it does not have miscommunications with the FDA again.

M&G (Lux) Global Select Fund

Investment review

Investment activity

During the review period we added one new holding to the sub-fund, Danish allergy immunotherapy specialist ALK-Abelló. ALK is a quality company that specialises in autoimmune therapy for dust mite and grass allergies. These treatments were traditionally injectable, which could result in sometimes fatal allergic reactions, but ALK has developed much safer, and easier to administer, pills. These have been approved for distribution to adults in Europe and the US, and the company is currently conducting clinical trials in children to establish if the pills are effective for allergic asthma – this could open up the large paediatric market when completed in 2020. We believe that ALK has a unique, well-protected, skill-set, having developed its R&D capabilities since the early 1900s. We see strong growth potential for the business if its distribution strategy plays out, particularly in the US.

Conversely, we closed our small remaining position in Israeli pharmaceutical company Teva, having lost faith in the investment case for the business.

Outlook

Events like the extreme market reaction to the Covid-19 pandemic are difficult to predict, and while, from an investment viewpoint, such events can be painful in the short term, they can also create opportunities for long-term investors. We believe that investing in quality companies when they are being undervalued can help to deliver long-term benefits for our customers, as markets return to more normal levels.

It is unlikely that the market will go up in a straight line from where we find ourselves at the end of the review period, but we see great long-term value at these levels. Companies with less robust business models have seen a very substantial setback, limiting the future downside risk, while stable growth companies have seen a smaller setback, but still look very cheap, in our opinion.

We focus on company fundamentals more so than macroeconomics, but it seems likely that the coronavirus outbreak will slow down economies for a while and potentially push Europe into a recession – but we do not believe that all recessions are the same. In the current situation we do not see extreme excess in the corporate system or exuberance in the banking sector, and government efforts to fight the downturn will potentially make it a shallow recession, as it presently appears to us. This could still lead to bankruptcies and rising unemployment, but we do not now think it poses a systemic threat, and there is not currently a stock market bubble to deflate.

In terms of the current portfolio, we remain confident in the quality of the stocks within the sub-fund. As long-term investors, our focus is on the ability of our holdings to generate long-term value for the sub-fund and for our customers, and we continue to be optimistic about their prospects.

John William Olsen Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Select Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					77,516	95.91
Energy equipment & services						
National Oilwell Varco	51,609	US\$			484	0.60
Chemicals						
Linde	12,703	€			2,208	2.73
Containers & packaging						
Ball	48,578	US\$			3,205	3.97
Building products						
Johnson Controls International	64,770	US\$			1,715	2.12
Electrical equipment						
Schneider Electric	35,731	€			3,079	3.81
Machinery						
Graco	46,798	US\$			2,248	2.78
Commercial services & supplies						
ISS	79,400	DKK			1,098	1.36
Marine						
Kuehne + Nagel International	13,081	CHF			1,798	2.22
Specialty retail						
Tiffany	26,057	US\$			6,462	8.00
WH Smith	227,746	£			3,350	4.15
					3,112	3.85
Food products						
Nestle	27,131	CHF			2,785	3.45
Household products						
Reckitt Benckiser Group	26,120	£			1,978	2.45
Personal products						
Unilever	54,891	€			2,648	3.28
Health care equipment & supplies						
Becton Dickinson	18,242	US\$			4,066	5.03
Health care providers & services						
UnitedHealth Group	21,627	US\$			5,433	6.72
Pharmaceuticals						
ALK-Abello	9,272	DKK			5,686	7.03
Novo Nordisk 'B'	59,162	DKK			2,112	2.61
					3,574	4.42
Banks						
ING Groep	159,338	€			1,882	2.33
M&T Bank	9,786	US\$			836	1.04
					1,046	1.29
Consumer finance						
American Express	25,927	US\$			3,649	4.51
Discover Financial Services	34,870	US\$			2,339	2.89
					1,310	1.62
Capital markets						
Bank of New York Mellon	42,873	US\$			1,819	2.25
Georgia Capital	68,544	£			1,458	1.80
					361	0.45
Insurance						
Tokio Marine Holdings	63,400	¥			2,886	3.57
IT services						
Visa 'A'	17,712	US\$			2,932	3.63
Software						
ANSYS	10,687	US\$			11,648	14.41
Manhattan Associates	56,067	US\$			2,511	3.11
Microsoft	38,486	US\$			2,968	3.67
					6,169	7.63
Entertainment						
Electronic Arts	18,369	US\$			1,794	2.22
Interactive Media & Services						
Alphabet 'A'	3,022	US\$			6,013	7.44
Tencent Holdings	52,000	HK\$			3,464	4.29
					2,549	3.15
Portfolio of investments					77,516	95.91

M&G (Lux) Global Select Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
CASH EQUIVALENTS					2,624	3.25
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	2,624,000	US\$			2,624	3.25
Total portfolio					80,140	99.16
Net other assets/(liabilities)					676	0.84
NET ASSETS					80,816	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					77,516	95.91
Total Investment assets					77,516	95.91
Total portfolio					77,516	95.91
Cash equivalents					2,624	3.25
Net other assets/(liabilities)					676	0.84
NET ASSETS					80,816	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Global Select Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-6.0	+1.3	+2.0	+5.5	28/11/2001	09/11/2018
Class 'A' Distribution	-6.0	+1.3	+2.1	+7.0	08/08/2014	09/11/2018
Class 'B' Accumulation	-6.4	+0.8	n/a	+4.7	21/03/2016	09/11/2018
Class 'C' Accumulation	-5.0	+2.3	+3.1	+6.5	28/11/2001	09/11/2018
Class 'C' Distribution	-5.0	+2.4	+3.1	+8.1	08/08/2014	09/11/2018
Class 'CI' Accumulation	-5.0	+2.9	+3.9	+7.3	28/11/2001	19/11/2018
US dollar						
Class 'A' Accumulation	-8.3	+2.2	+2.4	+7.2	19/12/2008	09/11/2018
Class 'A' Distribution	-8.3	+2.2	+2.4	+3.3	08/08/2014	09/11/2018
Class 'C' Accumulation	-7.4	+3.2	+3.5	+8.3	19/12/2008	09/11/2018
Class 'C' Distribution	-7.4	+3.2	+3.5	+4.3	08/08/2014	09/11/2018
Class 'CI' Accumulation	-7.4	+3.8	+4.3	+9.2	19/12/2008	19/11/2018

[a] Fund performance before the launch of the fund on 09 November 2018 is that of the relevant Merged Share Class of the M&G Global Select Fund, which includes UK taxes but excludes entry and exit charges. The M&G Global Select Fund is a UK authorised fund which launched on 19 December 1967 and its non-Sterling share classes merged into M&G (Lux) Global Select Fund on 9 November 2018.

M&G (Lux) Global Select Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	01.04.19	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'C' Distribution Euro €	Class 'A' Distribution US \$	Class 'C' Distribution US \$
to 31 March 2020				
Final	0.4341	0.4933	0.3532	0.3824

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	26.8788	28.5816	n/a
Class 'A' Distribution	25.6357	27.4261	n/a
Class 'B' Accumulation	12.0963	12.9283	n/a
Class 'C' Accumulation	31.6215	33.2858	n/a
Class 'C' Distribution	29.3076	31.0378	n/a
Class 'CI' Accumulation	9.9542	10.4752	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	21.9223	23.9091	n/a
Class 'A' Distribution	20.8559	22.8872	n/a
Class 'C' Accumulation	24.4743	26.4226	n/a
Class 'C' Distribution	22.7385	24.6965	n/a
Class 'CI' Accumulation	9.5383	10.2955	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	80,816	76,960	n/a
Swing pricing adjustment (see note 12)	(78)	n/a	n/a
Swung net assets	80,738	76,960	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	2.00		
Class 'A' Distribution	2.00		
Class 'B' Accumulation	2.50		
Class 'C' Accumulation	1.00		
Class 'C' Distribution	1.00		
Class 'CI' Accumulation	0.96		
US dollar	%		
Class 'A' Accumulation	2.00		
Class 'A' Distribution	2.00		
Class 'C' Accumulation	1.00		
Class 'C' Distribution	1.00		
Class 'CI' Accumulation	0.96		

M&G (Lux) Global Strategic Value Fund

Investment objective and policy

Important information

At the start of the review period the fund name was M&G (Lux) Global Recovery Fund which changed its name to M&G (Lux) Global Strategic Value Fund on 12 February 2020. Please note that the fund also changed its investment policy and investment approach.

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

Derivatives instruments may be used for efficient portfolio management and hedging.

Investment approach

The Fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The investment approach focuses on identifying shares in cheap or out-of-favour companies that the Investment Manager believes are undervalued.

The Investment Manager seeks to identify companies that are undervalued, while trying to avoid companies with problems that could prevent their share prices from improving over time.

The Fund's approach combines a strict valuation screen and rigorous qualitative analysis. This ensures that the Fund concentrates on cheap stocks without compromising on characteristics such as financial strength or competitive advantages.

The main drivers of returns are expected to be the value style and overall stock selection rather than any individual sector or stock.

Performance Comparator

MSCI ACWI Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Strategic Value Fund

Investment review

For the year ended 31 March 2020

Performance review

Stock markets around the world declined in the 12 months under review, although the losses were largely recorded at the end of the period, when the coronavirus outbreak sparked a sudden downturn.

For most of the review period, share prices rose even though escalating trade tensions between the US and China caused some anxiety along the way. However, after reaching record highs in mid-February global stock markets plunged amid fears about the economic impact of the coronavirus pandemic.

Emerging markets led the declines, although China was surprisingly resilient despite being the source of the outbreak. Asia Pacific ex-Japan and Europe underperformed too. Japan and the US held up best, benefiting from the safe-haven status of their currencies.

The energy sector was the weakest, as oil prices plunged on concerns about weak demand and a price war between Saudi Arabia and Russia. Worries about the economic outlook weighed heavily on financials, industrials and materials.

In contrast, investors' search for safety helped consumer staples, healthcare and utilities outperform. These 'defensive' sectors are generally perceived to be resilient in challenging economic conditions. Information technology was the stand-out performer, as Apple and Microsoft rallied strongly.

Against this backdrop, the sub-fund declined and lagged its benchmark, the MSCI ACWI Net Return Index, over the review period.

At the portfolio level, our holding in Chinese biopharmaceutical firm Hutchison China MediTech (known as Chi-Med) was a drag on performance, following a share sale at a 20% discount to the market by its parent company.

In energy, weak oil prices weighed on BP, FAR, an Australian oil & gas explorer, and UK-listed oil producer Tullow Oil. Tullow's share price also came under pressure following disappointing exploration results and production problems in its major oil field in Ghana.

As financials struggled, our holding in Irish lender Bank of Ireland held back returns, while Canadian gold miner Midas Gold detracted, reflecting a fall in the gold price early on in 2019.

In addition, not owning Apple proved costly as the large index constituent outperformed the market.

These detractors outweighed positive contributions from healthcare stocks Athersys, Bristol-Myers Squibb and Biogen. Shares in Biogen were boosted by optimism about the prospects of its new Alzheimer's drug, whereas Athersys gained on the news it was planning to test whether its therapy could treat Covid-19.

In energy, our holding in leading US oil producer Anadarko Petroleum added value as it succumbed to a US\$55 billion cash and stock offer from Occidental Petroleum following a bidding contest with Chevron.

As Japan's stock market outperformed the global market, our holding in consumer electronics firm Sony added value. US supermarket chain Kroger made a positive contribution too as food retailers are expected to see resilient demand during the lockdowns.

Investment activities

There was a relatively high level of activity during the period as we repositioned the portfolio in line with where we saw the most attractive opportunities and the new value strategy. We bought several new holdings and sold a number of existing stocks.

In the US, notable purchases included JP Morgan Chase, the country's largest bank, chip-maker Intel, energy provider Exelon and drug maker Bristol-Myers Squibb. In our view, Bristol-Myers Squibb's leading cancer drug has considerable growth potential and the company's prospects are being undervalued.

In Japan, we started a position in telecommunications firm NTT, while French energy giant Total and Swedish security services firm Securitas also joined the portfolio.

On the other hand, we closed the sub-fund's positions in Malaysian low-cost airline AirAsia, Australia-based healthcare company Medical Developments International, Danish jewellery business Pandora, and US bank Wells Fargo, among others.

Outlook

The spread of Covid-19 and the prospect of a global economic recession are likely to dominate financial markets for the foreseeable future. The difficulty for investors is that we are in uncharted territory and it is not possible to accurately predict what might happen next.

After the dramatic sell-off at the end of the period, we see opportunities in a range of areas. However, as the economic fallout from coronavirus is likely to be very severe, we will pay close attention to company fundamentals. We think balance sheet strength will be a key factor for companies trying to withstand this crisis.

It is impossible to have absolute clarity on the market in the short term, but we think there are plenty of opportunities available for careful long-term investors. Just as we did in the review period, we will seek to take advantage of any turbulence to invest in companies that we think have fallen too far. We believe our clear process in value investing with an emphasis on balance sheet strength will be beneficial for returns once we come out of this crisis.

Richard Halle, Daniel White and Shane Kelly
Co-sub-fund managers

Investment review information as at 31 March 2020.

Employees of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Strategic Value Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					1,921	96.05
United Kingdom					155	7.75
BP	9,883	£			41	2.05
Coca-Cola European Partners	575	US\$			21	1.05
GW Pharmaceuticals ADR	256	US\$			22	1.10
Next	225	£			11	0.55
Royal Bank of Scotland Group	13,944	£			20	1.00
Standard Chartered	3,900	HK\$			22	1.10
William Hill	21,287	£			18	0.90
Belgium					43	2.15
Euronav	916	€			10	0.50
UCB	385	€			33	1.65
Finland						
UPM-Kymmene	1,424	€			39	1.95
France					41	2.05
Fnac Darty	434	€			12	0.60
TOTAL	779	€			29	1.45
Germany					103	5.15
Bayer	313	€			18	0.90
Bilfinger	573	€			9	0.45
Deutsche Lufthansa	2,012	€			19	0.95
Rheinmetall	211	€			15	0.75
Volkswagen Pref. (non voting)	366	€			42	2.10
Ireland					43	2.15
Bank of Ireland Group	6,690	€			13	0.65
Kenmare Resources	12,227	£			30	1.50
Luxembourg					27	1.35
APERAM	849	€			18	0.90
Tenaris	1,511	€			9	0.45
Netherlands (The)						
Koninklijke Ahold Delhaize	1,781	€			42	2.10
Spain					42	2.10
CaixaBank	8,549	€			16	0.80
Mapfre	15,590	€			26	1.30
Sweden						
Securitas 'B'	3,166	SEK			33	1.65
Switzerland						
Arbonia	2,321	CHF			18	0.90
United States					897	44.85
Anthem	182	US\$			42	2.10
AT&T	167	US\$			5	0.25
Athersys	5,056	US\$			13	0.65
Biogen	41	US\$			13	0.65
Bristol-Myers Squibb	827	US\$			45	2.25
Cisco Systems	914	US\$			37	1.85
Citigroup	890	US\$			39	1.95
Cognizant Technology Solutions 'A'	530	US\$			25	1.25
Comcast 'A'	1,313	US\$			47	2.35
Coty 'A'	1,826	US\$			10	0.50
DXC Technology	668	US\$			10	0.50
Exelon	1,142	US\$			42	2.10
Extended Stay America	1,793	US\$			13	0.65
FedEx	147	US\$			18	0.90
Foot Locker	603	US\$			13	0.65
General Electric	3,017	US\$			24	1.20
Hartford Financial Services Group	646	US\$			23	1.15
Hewlett Packard Enterprise	2,491	US\$			25	1.25
Intel	909	US\$			50	2.50
JPMorgan Chase	552	US\$			52	2.60
Kroger	1,003	US\$			30	1.50
Loews	442	US\$			16	0.80
Microsoft	264	US\$			42	2.10
Molson Coors Beverage 'B'	518	US\$			21	1.05
New York Community Bancorp	2,351	US\$			22	1.10
Oracle	701	US\$			35	1.75

M&G (Lux) Global Strategic Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
United States (continued)						
Oshkosh	172	US\$			11	0.55
Pfizer	1,501	US\$			49	2.45
PNC Financial Services Group	186	US\$			19	0.95
Syneos Health	197	US\$			8	0.40
Tapestry	1,144	US\$			15	0.75
Tyson Foods 'A'	268	US\$			16	0.80
Verizon Communications	806	US\$			44	2.20
Weyerhaeuser	1,340	US\$			23	1.15
Canada					35	1.75
First Quantum Minerals	2,879	CA\$			14	0.70
Midas Gold	64,021	CA\$			21	1.05
Japan					171	8.55
Japan Airlines	500	¥			9	0.45
Kajima	1,000	¥			10	0.50
Nippon Telegraph & Telephone	2,000	¥			48	2.40
Sony	900	¥			53	2.65
Takeda Pharmaceutical	800	¥			24	1.20
Tokyo Broadcasting System Holdings	1,900	¥			27	1.35
Australia					66	3.30
Bionomics	33,441	AU\$			1	0.05
FBR	535,411	AU\$			7	0.35
IPH	3,618	AU\$			16	0.80
Mineral Commodities	264,374	AU\$			28	1.40
St Barbara	9,571	AU\$			12	0.60
Vintage Energy	61,374	AU\$			2	0.10
China					33	1.65
Autohome ADR	175	US\$			12	0.60
China Financial Services Holdings	598,000	HK\$			21	1.05
Hong Kong					55	2.75
Global Brands Group Holding	62,000	HK\$			1	0.05
Hutchison China MediTech	8,675	£			32	1.60
Hutchison China MediTech ADR	1,204	US\$			22	1.10
Singapore						
ComfortDelGro	10,000	SG\$			11	0.55
South Korea						
Samsung Electronics	918	KRW			36	1.80
United Arab Emirates						
DP World	2,050	US\$			31	1.55
Portfolio of investments					1,921	96.05
CASH EQUIVALENTS					32	1.60
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	32,000	US\$			32	1.60
Total portfolio					1,953	97.65
Net other assets/(liabilities)					47	2.35
NET ASSETS					2,000	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					1,921	96.05
Total Investment assets					1,921	96.05
Total portfolio					1,921	96.05
Cash equivalents					32	1.60
Net other assets/(liabilities)					47	2.35
NET ASSETS					2,000	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Global Strategic Value Fund

Financial highlights

Fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-19.9	n/a	n/a	-15.9	18/07/2018
Class 'C' Accumulation	-19.1	n/a	n/a	-15.0	18/07/2018
Class 'CI' Accumulation	n/a	n/a	n/a	-20.8	18/10/2019
Class 'L' Accumulation	-18.9	n/a	n/a	-14.8	18/07/2018
US dollar					
Class 'A' Accumulation	-21.9	n/a	n/a	-18.8	18/07/2018
Class 'C' Accumulation	-21.1	n/a	n/a	-17.9	18/07/2018
Class 'L' Accumulation	-20.9	n/a	n/a	-17.7	18/07/2018

M&G (Lux) Global Strategic Value Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	7.4519	9.3057	n/a
Class 'C' Accumulation	7.5792	9.3709	n/a
Class 'CI' Accumulation	7.9242	n/a	n/a
Class 'L' Accumulation	7.6132	9.3872	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	7.0213	8.9945	n/a
Class 'C' Accumulation	7.1422	9.0572	n/a
Class 'L' Accumulation	7.1722	9.0727	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	2,000	1,138	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	2,000	1,138	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	2.79		
Class 'C' Accumulation	1.79		
Class 'CI' Accumulation	1.75		
Class 'L' Accumulation	1.53		
US dollar	%		
Class 'A' Accumulation	2.80		
Class 'C' Accumulation	1.80		
Class 'L' Accumulation	1.54		

M&G (Lux) Global Target Return Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of income and capital growth) of at least cash* plus 4% a year, before any charges are taken, in any market conditions and over any three-year period.

The Fund aims to achieve this while seeking to minimise the degree to which the value of the Fund fluctuates over time (volatility), while also seeking to limit monthly losses. Managing the Fund's volatility in this way reduces its ability to achieve returns significantly above 3-month Euribor plus 4%.

* As based on 3-month Euribor, the rate at which banks borrow money from each other.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of investment assets issued anywhere in the world.

The Fund will primarily invest in the following asset classes: bonds, shares, currencies, cash, near cash and deposits. The Fund will mostly gain exposure to these assets by investing through derivative instruments, but may also invest directly. The Fund may also invest through other collective investment schemes.

In cases where the Investment Manager believes that investment opportunities are limited to a few areas, or where the available investment opportunities would add too much risk to the Fund, the Fund may temporarily hold high levels of cash.

The Fund may take short positions (holding derivative instruments with the aim of delivering a positive return when the assets they are linked to fall in value) in markets, currencies, securities, indices and other groups of securities. The Fund also has the flexibility to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets.

Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

The bonds that the Fund may invest in include the following:

- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies, Convertible Bonds, bonds from issuers located in emerging markets;
- Chinese onshore bonds denominated in CNY traded on the China Interbank Bond Market;
- bonds which are rated above investment grade by a recognised rating agency; and
- sub-investment grade bonds unrated bonds, up to 60% of the Fund's Net Asset Value.

The Fund may invest up to 10% of its Net Asset value in Asset-backed Securities and up to 20% of its Net Asset value in Contingent Convertible Debt Securities.

The Fund may also invest in other deposits and warrants which may be issued anywhere in the world and denominated in any currency.

Investment approach

The Investment Manager has a very flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events to identify investment opportunities. In particular, the manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The blend of assets held in the Fund is regularly adjusted depending on where the Investment Manager sees the most value and to manage risks in order to limit losses. The Investment Manager will seek to manage risk by investing globally across multiple asset classes, sectors, currencies and countries and by combining diversified and relatively uncorrelated assets (which are assets affected by market conditions in different ways). The Investment Manager will also employ derivative instruments strategies to help protect or profit from falling markets.

The Fund will typically take investment positions at index, or sector level, or invest in a basket of assets to exploit certain investment themes (for example shares in companies with exposure to a certain country or region) but it may also take positions in individual shares or bonds.

The Investment Manager believes that this approach has the potential to limit monthly losses to less than 3% in normal to stressed times and less than 6% in highly stressed times. The Investment Manager believes the fund has the potential to deliver an annualised volatility (the degree to which the value of the Fund fluctuates over any 12-month period) of between 3% and 7%.

M&G (Lux) Global Target Return Fund

Investment objective and policy

Performance Comparator

The performance comparator is set out as below:

- for EUR Share class the performance comparator is the 3-month Euribor + 4%
- for CHF Hedged Share class the performance comparator is the 3-month CHF LIBOR + 4%
- for GBP Hedged Share class the performance comparator is the 3-month GBP LIBOR + 4%
- for USD Hedged Share class the performance comparator is the 3-month USD LIBOR + 4%

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Target Return Fund

Investment review

For the year ended 31 March 2020

Performance review

Over the 12-month review period, the sub-fund delivered a negative total return and lagged behind its benchmark.

Given the sub-fund's positioning, the US-China trade war dragged on returns for most of the period, before the global spread of coronavirus triggered historic asset price declines in the first quarter of 2020. We had taken steps in January and February to reduce portfolio risk, which helped to keep sub-fund losses in March meaningfully lower than those experienced by wider markets, particularly in global equities and many emerging market assets.

Equities were the largest detractor from performance, despite the sub-fund's diversified exposure to a range of stock markets and preferred sectors, due to the global nature and extent of market declines. Positions in Asian and UK market indices, as well as European banks, were among the notable underperformers during the review period. Losses were mitigated by dynamically scaling positioning, which is a core part of the investment strategy. In early 2020, we felt equities had become expensive and vulnerable to the downside, which prompted us to scale back exposure. This helped to reduce the effects of stock market declines on the portfolio.

In fixed income, short positions (which seek to profit from falls in asset prices) in German and UK government bonds dragged on performance, as yields experienced sustained declines to reach historic lows in the summer of 2019. Long exposure (which seek to profit from increases in asset prices) to selected emerging market bonds also detracted from performance. These positions have provided useful diversification at times, due to their ability to behave independently of assets from developed markets and the attractive yields they offer. However, they were particularly affected by heightened volatility in March this year, with general risk aversion compounded by increased demand for the US dollar and collapses in commodity prices.

US Treasuries and credit default swaps (CDS) on emerging market sovereign debt were the main sources of positive returns during the review period. We also tactically scaled our exposure to these assets, which further protected the portfolio.

Investment activities

The sub-fund has a flexible mandate, which enabled us to respond to market events throughout the review period by taking a highly active approach to managing asset allocation.

In the second quarter of 2019, we felt investors had become excessively pessimistic around the potential effects of the US-China trade dispute on the global economy at that time. As such, we increased equity exposure with a view to capturing the elevated risk premium available. At the same time, we felt core government bond yields were unjustifiably low, with many offering negative real or even nominal yields. This prompted us to increase our short positions in German UK government bonds.

While some of this additional risk was successful, providing opportunities to take some profits in July, the sub-fund was adversely affected by heightened political tensions between the US and China in August. As such, we actively reduced portfolio risk in the third quarter by closing several equity positions, as well as reducing exposure to some emerging market assets, in line with the sub-fund's strict risk management process.

In late August and September, we added risk back to the portfolio, which allowed us to participate in stock market recoveries. At the start of 2020, we felt many equity markets had begun to look expensive again and vulnerable to the downside. Although it seems difficult to imagine now, US stock markets reached all-time highs in mid-February. By this time, we had significantly reduced net equity exposure, which helped to protect the portfolio from the subsequent volatility, although the extent of market declines still resulted in material losses. We had also begun to reduce our short positions in government bonds in January, as yields had risen considerably from their previous lows. By late February we had closed these positions.

Following major sell-offs in corporate bond markets, we significantly increased our exposure to this asset class through a range of positions. These included adding a basket of corporate bonds via primary and secondary market activity; new positions in corporate bond sub-funds managed by M&G; and selling CDS indices. We also slightly increased our equity exposure, with additional diversification provided through infrastructure holdings.

Outlook

While market fundamentals have undoubtedly changed following the global outbreak of coronavirus, we felt declines in asset prices were exacerbated in some areas by signs of panic and forced selling. We therefore believe that the recent introduction of some additional 'risk-on' positions to the portfolio should leave it well placed for the period ahead.

M&G (Lux) Global Target Return Fund

Investment review

Outlook (continued)

We must recognise that this is a very uncertain situation and it is appropriate to retain a high degree of humility in terms of what we think we can know. At the same time, it remains to be seen how significant the longer term effects will be, or if the main effects will be temporary. As such, we will continue to manage the portfolio with a view to generating positive returns over the medium term, aiming to capture opportunities that present themselves, while adhering to the sub-fund's strict risk management processes.

Tristan Hanson

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

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M&G (Lux) Global Target Return Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					13,419	16.50
Telecommunications Service Providers						
NetLink NBN Trust	1,215,300	SG\$			703	0.86
Banks					1,748	2.15
Banco Bilbao Vizcaya Argentaria	19,711	€			57	0.07
Banco BPM	126,149	€			150	0.18
Bankia	141,198	€			140	0.17
CaixaBank	28,082	€			47	0.06
Commerzbank	12,212	€			39	0.05
Erste Group Bank	3,060	€			52	0.06
Hang Seng Bank	12,800	HK\$			200	0.25
ING Groep	9,744	€			47	0.06
Intesa Sanpaolo	241,363	€			349	0.43
Lloyds Banking Group	646,691	£			239	0.29
Société Générale	2,971	€			45	0.06
Standard Chartered	15,685	£			79	0.10
UniCredit	42,941	€			304	0.37
Real Estate Investment & Services					780	0.96
Hongkong Land Holdings	48,300	US\$			165	0.20
Hysan Development	69,000	HK\$			204	0.25
New World Development	198,000	HK\$			195	0.24
Sun Hung Kai Properties	18,000	HK\$			216	0.27
Real Estate Investment Trusts					281	0.34
Impact Healthcare Reit	79,914	£			76	0.09
Unibail-Rodamco-Westfield	4,108	€			205	0.25
Industrial Transportation						
MTR	46,000	HK\$			217	0.27
Industrial Metals & Mining					683	0.84
Anglo American	11,879	£			182	0.22
BHP Group	11,955	£			167	0.21
Glencore	88,927	£			121	0.15
Rio Tinto	5,133	£			213	0.26
Renewable Energy						
Greencoat Renewables	912,942	€			1,073	1.32
Equity portfolios					8,056	9.91
Mutual Funds					8,056	9.91
3i Infrastructure	286,261	£		831	831	1.02
BioPharma Credit Fund	614,096	US\$		494	494	0.61
iShares MSCI Emerging Markets Investable Market Index	41,483	US\$		854	854	1.05
M&G (Lux) European Strategic Value Fund Euro Class 'CI' (Accumulation) ^[a]	223,290	€		1,616	1,616	1.99
M&G (Lux) Global Corporate Bond Fund Euro Class 'C-H' (Accumulation) ^[a]	191,702	€		2,344	2,344	2.88
M&G Global Listed Infrastructure Fund GBP Class 'I' (Distribution) ^[b]	810,299	£		913	913	1.12
M&G Japan Fund GBP Class 'A' (Accumulation) ^[b]	1,915,293	£		1,004	1,004	1.24
Equity derivatives					(122)	(0.15)
Equity index futures					339	0.42
Hang Seng China Enterprises Index Futures	25	HK\$	28.04.2020	1,413	25	0.03
Korean Stock Exchange Futures	29	KRW	11.06.2020	1,288	(152)	(0.18)
Topix Index Futures	8	¥	11.06.2020	944	14	0.02
Dax Index Futures	4	€	19.06.2020	987	124	0.15
Euro Stoxx 600 Europe Futures	60	€	19.06.2020	953	115	0.14
Euro Stoxx Banks Futures	139	€	19.06.2020	375	32	0.04
FTSE 100 Index Futures	24	£	19.06.2020	1,519	181	0.22
Equity options					(461)	(0.57)
DJ Euro Stoxx 50 Put € 2,600.00	(84)	€	18.06.2021	886	(238)	(0.29)
S&P 500 Put US\$ 2,400.00	(12)	US\$	18.12.2020	991	(223)	(0.28)
FIXED INCOME					40,514	49.82
Debt securities					41,204	50.67
'AAA' credit rated bonds					32,771	40.30
Bowbell No 2 FRN	268,674	£	16.04.2056		297	0.37
CMF FRN	359,000	£	16.01.2057		396	0.49
Coventry Building Society FRN	825,000	£	15.01.2025		906	1.11
Darrowby No. 5 FRN	339,000	£	20.12.2057		372	0.46
European Bank for Reconstruction & Development FRN	725,000	£	27.02.2023		817	1.01

M&G (Lux) Global Target Return Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'AAA' credit rated bonds (continued)						
Export Development Canada FRN	1,550,000	£	17.01.2025		1,743	2.14
Finsbury Square FRN	534,000	£	16.03.2070		589	0.72
Germany (Federal Republic of) 0%	11,200,000	€	08.04.2020		11,201	13.78
Germany (Federal Republic of) 0%	11,200,000	€	10.06.2020		11,215	13.79
Holmes Master Issuer FRN	826,000	£	15.10.2054		912	1.12
Lanark Master Issuer FRN	258,000	£	22.12.2069		283	0.35
Leeds Building Society FRN	825,000	£	15.01.2025		906	1.11
Nationwide Building Society FRN	824,000	£	10.01.2025		905	1.11
Paragon Mortgages NO 24 FRN	200,000	£	15.07.2043		226	0.28
Permanent Master Issuer FRN	827,000	£	15.07.2058		914	1.12
Royal Bank of Canada FRN	574,000	£	30.01.2025		627	0.77
Tower Bridge Funding NO 4 FRN	416,327	£	20.12.2062		462	0.57
'A' credit rated bonds					1,562	1.92
Bank of America FRN	129,000	€	31.03.2029		143	0.18
Comcast 3.1%	80,000	US\$	01.04.2025		77	0.09
Home Depot 2.5%	450,000	US\$	15.04.2027		413	0.51
Mastercard 3.3%	433,000	US\$	26.03.2027		424	0.52
State Street FRN	96,000	US\$	30.03.2023		88	0.11
Toyota Motor Credit 3%	455,000	US\$	01.04.2025		417	0.51
'BBB' credit rated bonds					3,099	3.81
Indonesia (Republic of) 8.25%	13,187,000,000	IDR	15.05.2036		729	0.89
Lloyds Banking Group FRN	102,000	€	01.04.2026		106	0.13
Mexico (United Mexican States) 8%	24,000,000	MXN	07.11.2047		925	1.14
Mexico (United Mexican States) 8.5%	18,300,000	MXN	18.11.2038		747	0.92
Morgan Stanley FRN	450,000	US\$	01.04.2031		423	0.52
Newday Partnership Funding FRN	150,000	£	15.04.2025		169	0.21
'BB' credit rated bonds					3,374	4.15
Brazil (Federal Republic of) 10%	4,000,000	BRL	01.01.2029		797	0.98
South Africa (Republic of) 8.5%	66,179,000	ZAR	31.01.2037		2,577	3.17
'B' credit rated bonds						
Turkey (Republic of) 7.625%	456,000	US\$	26.04.2029		398	0.49
Debt derivatives					(690)	(0.85)
Credit default swaps					(690)	(0.85)
China (People's Republic of) Dec 2024	10,444,130	US\$			(246)	(0.30)
Korea (People's Republic of) Dec 2024	10,387,366	US\$			(297)	(0.37)
Markit iTraxx Europe Xover Series 32 5 Year Dec 2024	4,381,869	€			(103)	(0.13)
Philippines (Republic of) Dec 2024	12,533,362	US\$			(44)	(0.05)
CURRENCY					1,258	1.55
Forward currency contracts					1,258	1.55
Bought for € 761,723.25, Sold for AU\$ 1,233,355.62			22.05.2020		77	0.09
Bought for € 706,336.22, Sold for CHF 749,875.49			22.05.2020		(3)	0.00
Bought for € 15,421,790.55, Sold for £ 12,951,173.08			22.05.2020		816	1.00
Bought for € 1,357,176.51, Sold for ¥ 162,199,276.00			22.05.2020		(8)	(0.01)
Bought for € 1,428,677.81, Sold for MXN 29,940,429.51			22.05.2020		284	0.35
Bought for € 1,413,650.33, Sold for SGD 2,136,424.30			22.05.2020		47	0.06
Bought for € 11,225,757.46, Sold for US\$ 12,274,768.46			22.05.2020		38	0.05
Bought for € 1,385,285.16, Sold for ZAR 23,582,922.43			22.05.2020		188	0.23
Bought for £ 1,916,950.02, Sold for € 2,141,828.95			22.05.2020		19	0.02
Bought for INR 153,776,535.66, Sold for US\$ 2,135,488.62			22.05.2020		(114)	(0.14)
Bought for ¥ 33,351,899.00, Sold for € 282,812.76			22.05.2020		(2)	0.00
Bought for KRW 784,558,939.00, Sold for US\$ 635,388.86			22.05.2020		6	0.01
Bought for MXN 29,940,429.51, Sold for € 1,111,760.10			22.05.2020		32	0.04
Bought for RUB 66,298,682.37, Sold for US\$ 1,034,220.14			22.05.2020		(175)	(0.22)
Bought for THB 7,423,887.30, Sold for US\$ 228,357.04			22.05.2020		(2)	0.00
Bought for TW\$ 15,830,745.00, Sold for US\$ 529,638.45			22.05.2020		(2)	0.00
Bought for US\$ 4,307,358.40, Sold for € 3,932,380.34			22.05.2020		(6)	(0.01)
Bought for US\$ 1,067,147.54, Sold for INR 77,153,699.88			22.05.2020		53	0.07
Bought for US\$ 1,512,971.26, Sold for KRW 1,786,032,315.00			22.05.2020		48	0.06
Bought for US\$ 1,834,109.23, Sold for THB 57,336,835.15			22.05.2020		79	0.10
Bought for US\$ 2,675,542.60, Sold for TW\$ 79,704,414.00			22.05.2020		19	0.02
Bought for ZAR 5,306,740.11, Sold for € 285,261.72			22.05.2020		(16)	(0.02)
Bought for HK\$ 103,121,208.63, Sold for US\$ 13,276,562.32			25.09.2020		15	0.02
Bought for US\$ 14,185,887.84, Sold for HK\$ 111,200,697.10			25.09.2020		(135)	(0.17)
Portfolio of investments					55,191	67.87

M&G (Lux) Global Target Return Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
SHARE CLASS HEDGING						
Bought for CHF 47,114.68, Sold for € 44,255.54			08.04.2020		0	0.00
Bought for € 2,323.88, Sold for CHF 2,460.12			08.04.2020		0	0.00
Bought for € 2,229.27, Sold for £ 1,992.27			08.04.2020		0	0.00
Bought for € 1,360.28, Sold for US\$ 1,521.85			08.04.2020		0	0.00
Bought for £ 25,678.71, Sold for € 29,521.61			08.04.2020		0	0.00
Bought for US\$ 26,619.54, Sold for € 23,922.68			08.04.2020		0	0.00
Bought for € 213,022.42, Sold for US\$ 234,889.34			06.05.2020		(1)	0.00
Bought for US\$ 259,456.30, Sold for € 235,743.29			06.05.2020		1	0.00
Total portfolio					55,191	67.87
Net other assets/(liabilities)					26,124	32.13
NET ASSETS					81,315	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					5,485	6.74
Equity portfolios					8,056	9.91
Debt securities					41,204	50.67
Unrealised gains on futures contracts					491	0.60
Unrealised gains on forward currency contracts					1,722	2.12
Total Investment assets					56,958	70.04
Investment liabilities						
Unrealised losses on futures contracts					(152)	(0.18)
Unrealised losses on forward currency contracts					(464)	(0.57)
Unrealised losses on options contracts					(461)	(0.57)
Unrealised losses on swap contracts					(690)	(0.85)
Total Investment liabilities					(1,767)	(2.17)
Total portfolio					55,191	67.87
Net other assets/(liabilities)					26,124	32.13
NET ASSETS					81,315	100.00

[a] Crossholding (see note 13).

[b] Related Party (see note 13).

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures				Collateral held as cash €'000
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Options €'000	
Bank of America Merrill Lynch	0	0	7,455	46	0
Barclays Bank London	47	16,023	0	0	0
Citigroup Global Markets Limited	38	27,440	0	0	0
Goldman Sachs International	0	2,720	0	0	0
HSBC Bank Plc	0	3,149	0	0	0
JP Morgan Chase	605	7,691	0	0	860
State Street Bank and Trust Company	0	552	0	0	0
State Street Bank London	0	23,746	0	0	0
UBS AG London	0	32,118	0	0	310

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Target Return Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price-to-price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-4.8	-2.5	n/a	-2.0	21/12/2016
Class 'B' Accumulation	-5.3	-2.9	n/a	-2.5	21/12/2016
Class 'C' Accumulation	-4.1	-1.7	n/a	-1.3	21/12/2016
Class 'CI' Accumulation	-4.1	-1.7	n/a	-1.2	21/12/2016
Sterling					
Class 'C-H' Accumulation	-3.3	-0.8	n/a	-0.3	21/12/2016
Swiss franc					
Class 'A-H' Accumulation	-5.1	-2.8	n/a	-2.4	21/12/2016
Class 'C-H' Accumulation	-4.5	-2.1	n/a	-1.6	21/12/2016
US dollar					
Class 'A-H' Accumulation	-2.2	+0.2	n/a	+0.6	21/12/2016
Class 'C-H' Accumulation	-1.5	+0.9	n/a	+1.3	21/12/2016

M&G (Lux) Global Target Return Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	9.3563	9.8319	10.2770
Class 'B' Accumulation	9.2078	9.7248	10.2163
Class 'C' Accumulation	9.5900	10.0018	10.3762
Class 'CI' Accumulation	9.6053	10.0142	10.3847
Sterling	£	£	£
Class 'C-H' Accumulation	9.8967	10.2329	10.4957
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.2429	9.7445	10.2200
Class 'C-H' Accumulation	9.4736	9.9166	10.3186
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	10.1888	10.4198	10.5682
Class 'C-H' Accumulation	10.4431	10.5976	10.6705
NAV at fund level	€'000	€'000	€'000
Net assets	81,315	103,002	100,030
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	81,315	103,002	100,030
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	1.47		
Class 'B' Accumulation	1.97		
Class 'C' Accumulation	0.72		
Class 'CI' Accumulation	0.68		
Sterling	%		
Class 'C-H' Accumulation	0.73		
Swiss franc	%		
Class 'A-H' Accumulation	1.49		
Class 'C-H' Accumulation	0.74		
US dollar	%		
Class 'A-H' Accumulation	1.49		
Class 'C-H' Accumulation	0.74		

M&G (Lux) Global Themes Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equities market over any rolling five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets.

The Fund uses an investment process that combines top-down and bottom-up analysis. The Investment Manager aims to identify themes arising from long-term structural shifts, changes or trends. Stocks are then selected on the basis of their quality, growth and valuation.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

Themes are identified through analysis of global macroeconomics, demographics, government policies and spending, and technological innovation, among other considerations.

The bottom-up stock selection process is designed to identify well-run companies which can benefit from those themes and which are trading on attractive valuations with good, sustainable growth prospects.

Performance Comparator

MSCI ACWI Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Global Themes Fund

Investment review

For the year ended 31 March 2020

Performance review

Global stock markets fell during the 12 months under review, although the losses were largely concentrated at the end of the period, when the Covid-19 outbreak rattled investors. Prior to this point, the year-long US-China trade war was the dominant issue for investors. After bouts of turbulence, share prices rallied when the world's two largest economies reached an interim trade deal.

However, the upbeat mood faded quickly as Covid-19 spread around the globe and entire countries went into lockdown. Fears that the pandemic would cause a global economic recession sparked a dramatic stock market sell-off and investors flocked to perceived 'safe-haven' assets, such as US government bonds and gold.

Against this backdrop, the sub-fund declined over the review period, but proved considerably more resilient as it outperformed the MSCI ACWI Net Return Index, with stock selection adding value across a variety of sectors.

Franco-Nevada in the materials sector made the biggest positive contribution. The Canadian company, which owns rights to cashflows from mineral landholdings including those producing gold, rose steadily during the year, while providing resilience during times of turbulence. Air Products and Chemicals also outperformed in the same sector.

London Stock Exchange rallied after its transformational acquisition of Refinitiv propelled the company to global leadership in financial data and analytics. Ørsted, the world leader in offshore wind power generation, was the standout performer in utilities. CVS Health and Roche outperformed in a resilient healthcare sector.

Stock selection added most value in real estate, helped by strong gains from CoreSite and Equinix in data centres, and Crown Castle in communication towers. These companies are classified as real estate investment trusts (REITs), but are long-term beneficiaries of the structural growth in digital infrastructure. Data centres are exposed to the proliferation of data in our increasingly digital world, while communication towers are capitalising on the long-term opportunity created by rising internet penetration and mobile connectivity.

PrairieSky (royalty) and ONEOK (pipelines) were the top detractors in an unloved energy sector. Unlike oil & gas producers, the cashflows generated by pipeline businesses have limited direct exposure to the underlying commodity price, but the negative sentiment has infiltrated all areas of the energy industry. Royalty companies offer cashflows running into perpetuity with minimal operating costs, capital requirement or environmental liabilities – favourable characteristics, we believe, for long-term investors. We note that the current situation in energy has parallels with 2015 before the sector recovered strongly in 2016. We have been adding to both stocks in a measured manner, conscious of the fact that negative sentiment can persist for long periods of time before fundamentals reassert themselves.

Erste Group Bank, DBS Group and KBC Group underperformed as banks were out of favour. We added to our bank holdings on weakness.

Investment activities

We made eight new purchases during the past 12 months as we added selectively to attractively priced risk.

CVS Health, which provides a range of healthcare services in the US, was our first purchase during the review period. We also bought Celgene, which subsequently completed its acquisition by Bristol-Myers Squibb. Both companies are well placed, in our view, to provide solutions for an aging population.

The sub-fund's exposure to Asia increased with the addition of Tencent and Kunlun Energy. We believe that Tencent, the leading provider of internet services in China, has excellent long-term growth potential by connecting more people in the world's most populous economy. We see Kunlun Energy as a long-term beneficiary of the demand for cleaner energy sources in China as its natural gas infrastructure assets have a crucial role to play in the country's transition from coal to natural gas. Manulife, the new holding in financials, has a strong Asian business, in our view, which is benefiting from the region's structural growth in long-term savings.

We also started positions in Cheniere Energy, which like Kunlun Energy, is part of the natural gas supply chain, and Unite Group, the UK's leading provider of student accommodation.

Nokia was the final purchase during the review period. The technology company based in Finland is a leading manufacturer of telecoms equipment and a long-term beneficiary, we believe, of structural growth trends including 5G deployment.

Atmos Energy and National Grid were sold as sources of cash in utilities.

Outlook

The sub-fund is usually managed as a low turnover, buy-and-hold strategy, but the current market conditions are far from normal. The unprecedented circumstances are presenting pricing disruptions which are rarely seen, in our view, and we are actively taking advantage of these opportunities by backing our conviction with a long-term investment horizon.

For how long the coronavirus will impact the real economy and financial markets is still unknown, but we remain focused on our disciplined approach. We strongly believe that company fundamentals are reflected in share prices over time and we are excited by the growth opportunities provided by multi-decade themes – opportunities which are available today without the burden of excessive valuations, in our view. We remain true to our mantra of 'themes grounded in reality'.

M&G (Lux) Global Themes Fund

Investment review

Outlook (continued)

We believe that the portfolio is well placed not only to weather the current uncertainty, but to capture robust and sustainable growth over the long term.

Alex Araujo

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Global Themes Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					332,141	98.89
United Kingdom					17,695	5.27
AstraZeneca	38,743	£			3,377	1.01
Linde	19,578	€			3,402	1.01
London Stock Exchange Group	32,959	£			2,918	0.87
Unilever	94,166	£			4,689	1.40
UNITE Group	336,531	£			3,309	0.98
Austria						
Erste Group Bank	165,306	€			3,103	0.92
Belgium						
KBC Group	82,653	€			3,855	1.15
Denmark						
Ørsted	50,600	DKK			5,000	1.49
Finland						
Nokia	1,907,127	€			5,894	1.76
France						
Vinci	83,093	€			6,560	1.95
Germany					17,147	5.11
Henkel	40,496	€			3,182	0.95
Infineon Technologies	414,657	€			6,250	1.86
Siemens	92,084	€			7,715	2.30
Ireland						
Kerry Group 'A'	26,350	€			2,995	0.89
Italy						
Enel	489,324	€			3,440	1.03
Netherlands (The)						
NXP Semiconductors	33,000	US\$			2,799	0.83
Spain					9,841	2.93
Ferrovial	288,500	€			6,728	2.00
Naturgy Energy Group	179,862	€			3,113	0.93
Sweden						
Epiroc 'A'	363,982	SEK			3,493	1.04
Switzerland					13,614	4.05
Garmin	88,281	US\$			6,767	2.01
Roche Holding	21,075	CHF			6,847	2.04
United States					140,411	41.80
Air Products & Chemicals	33,250	US\$			6,855	2.04
American Tower	15,472	US\$			3,561	1.06
American Water Works	29,100	US\$			3,687	1.10
Becton Dickinson	29,926	US\$			6,670	1.99
Bristol-Myers Squibb	82,426	US\$			4,484	1.33
Bristol-Myers Squibb (Right 31.03.21)	36,330	US\$			115	0.03
Bunge	50,916	US\$			2,016	0.60
Cheniere Energy	155,912	US\$			5,063	1.51
Comcast 'A'	190,177	US\$			6,749	2.01
CoreSite Realty	52,133	US\$			5,951	1.77
Crown Castle International	40,975	US\$			6,058	1.80
CSX	118,850	US\$			6,893	2.05
CVS Health	145,375	US\$			8,675	2.58
Edison International	61,249	US\$			3,449	1.03
Equinix	5,596	US\$			3,608	1.07
First Republic Bank	137,582	US\$			11,888	3.54
Honeywell International	24,483	US\$			3,226	0.96
Johnson & Johnson	36,537	US\$			4,857	1.45
Microsoft	64,251	US\$			10,300	3.07
Motorola Solutions	31,373	US\$			4,184	1.25
NextEra Energy	14,848	US\$			3,648	1.09
ONEOK	215,871	US\$			4,325	1.29
PepsiCo	54,165	US\$			6,799	2.02
Republic Services	82,421	US\$			6,318	1.88
Visa 'A'	21,269	US\$			3,521	1.05
Walt Disney	53,254	US\$			5,315	1.58
Yum! Brands	31,064	US\$			2,196	0.65

M&G (Lux) Global Themes Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Canada					29,928	8.91
Franco-Nevada	73,385	CA\$			7,135	2.12
Manulife Financial	538,665	US\$			6,467	1.93
PrairieSky Royalty	1,952,228	CA\$			9,669	2.88
TC Energy	161,637	US\$			6,657	1.98
Japan					20,317	6.05
Shimano	72,900	¥			10,348	3.08
Toyota Motor	166,700	¥			9,969	2.97
Australia					9,080	2.70
Starpharma Holdings	6,126,939	AU\$			2,826	0.84
Transurban Group	856,015	AU\$			6,254	1.86
China						
Tencent Holdings	129,500	HK\$			6,349	1.89
Hong Kong					15,399	4.59
AIA Group	1,188,800	HK\$			10,761	3.21
Kunlun Energy	7,956,000	HK\$			4,638	1.38
Singapore						
DBS Group Holdings	465,300	SG\$			6,059	1.80
South Korea						
Samsung Electronics	233,445	KRW			9,162	2.73
Portfolio of investments					332,141	98.89
Total portfolio					332,141	98.89
Net other assets/(liabilities)					3,740	1.11
NET ASSETS					335,881	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					332,141	98.89
Total Investment assets					332,141	98.89
Total portfolio					332,141	98.89
Net other assets/(liabilities)					3,740	1.11
NET ASSETS					335,881	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Global Themes Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price-to-price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-7.3	n/a	n/a	-6.3	19/03/2019
Class 'A' Distribution	-7.3	n/a	n/a	-6.3	19/03/2019
Class 'C' Accumulation	-6.4	n/a	n/a	-5.3	19/03/2019
Class 'C' Distribution	-6.5	n/a	n/a	-5.4	19/03/2019
Class 'CI' Accumulation	n/a	n/a	n/a	-7.8	10/05/2019
Class 'CI' Distribution	n/a	n/a	n/a	-7.8	10/05/2019
Swiss franc					
Class 'A' Accumulation	n/a	n/a	n/a	-15.1	10/05/2019
Class 'A' Distribution	n/a	n/a	n/a	-15.1	10/05/2019
Class 'C' Accumulation	n/a	n/a	n/a	-14.3	10/05/2019
Class 'C' Distribution	n/a	n/a	n/a	-14.3	10/05/2019
Class 'CI' Accumulation	n/a	n/a	n/a	-14.3	10/05/2019
Class 'CI' Distribution	n/a	n/a	n/a	-14.3	10/05/2019
US dollar					
Class 'A' Accumulation	n/a	n/a	n/a	-10.9	10/05/2019
Class 'A' Distribution	n/a	n/a	n/a	-10.9	10/05/2019
Class 'C' Accumulation	n/a	n/a	n/a	-10.1	10/05/2019
Class 'C' Distribution	n/a	n/a	n/a	-10.1	10/05/2019
Class 'CI' Accumulation	n/a	n/a	n/a	-10.1	10/05/2019
Class 'CI' Distribution	n/a	n/a	n/a	-10.1	10/05/2019

M&G (Lux) Global Themes Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	01.04.19	31.03.20	17.04.20	20.04.20	23.04.20
	Class 'A' Distribution	Class 'C' Distribution	Class 'CI' Distribution	Class 'A' Distribution	Class 'C' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	Swiss €	Swiss €
Final	0.2317	0.2328	0.1907	0.1763	0.1771
	Class 'CI' Distribution	Class 'A' Distribution	Class 'C' Distribution	Class 'CI' Distribution	
to 31 March 2020	Swiss €	US €	US €	US €	US €
Final	0.1771	0.1850	0.1859	0.1858	

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.98
Class 'A' Distribution	1.98
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'CI' Distribution	0.94
Swiss franc	%
Class 'A' Accumulation	1.98
Class 'A' Distribution	1.98
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'CI' Distribution	0.94
US dollar	%
Class 'A' Accumulation	1.98
Class 'A' Distribution	1.98
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'CI' Distribution	0.94

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	9.3537	10.0920	n/a
Class 'A' Distribution	9.3533	10.0925	n/a
Class 'C' Accumulation	9.4521	10.0957	n/a
Class 'C' Distribution	9.4380	10.0965	n/a
Class 'CI' Accumulation	9.2246	n/a	n/a
Class 'CI' Distribution	9.2247	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	8.4893	n/a	n/a
Class 'A' Distribution	8.4893	n/a	n/a
Class 'C' Accumulation	8.5660	n/a	n/a
Class 'C' Distribution	8.5660	n/a	n/a
Class 'CI' Accumulation	8.5679	n/a	n/a
Class 'CI' Distribution	8.5679	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	8.9053	n/a	n/a
Class 'A' Distribution	8.9083	n/a	n/a
Class 'C' Accumulation	8.9869	n/a	n/a
Class 'C' Distribution	8.9878	n/a	n/a
Class 'CI' Accumulation	8.9904	n/a	n/a
Class 'CI' Distribution	8.9906	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	335,881	172,459	n/a
Swing pricing adjustment (see note 12)	(569)	229	n/a
Swung net assets	335,312	172,688	n/a

M&G (Lux) Income Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to generate a growing level of income over any three-year period through investment in a range of global assets. The Fund also aims to provide capital growth of 2-4% p.a. over any three-year period.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of assets issued anywhere in the world and denominated in any currency.

The Fund will typically invest in income-generating assets from the following asset classes: fixed income securities, equities, cash and deposits. The Fund can also invest in currencies, near cash and warrants. The Investment Manager will normally seek to hold more than 70% of the Fund's Net Asset Value in euro denominated assets or in other currencies hedged back to euro.

The Fund's exposure to these assets will mostly be gained directly. The Fund may also invest indirectly through other collective investment schemes, and via derivatives. Derivatives can be used to meet the Fund's investment objective, for hedging purposes and for efficient portfolio management. The Fund may take synthetic short positions (holding derivative instruments with the aim of delivering a positive return when the assets they are linked to fall in value) in markets, currencies, securities, indices and other groups of securities.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund will normally invest within the following net allocation ranges: 40-80% in fixed income, 10-50% in equities and 0-20% in other assets.

Fixed income instruments that the Fund may invest in include the following:

- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies;
- bonds from issuers located in emerging markets;
- Chinese onshore bonds denominated in CNY traded on the China Interbank Bond Market;
- bonds which are rated investment grade by a recognised rating agency;
- unrated bonds and bonds which are rated sub-investment grade, up to 40% of the Fund's Net Asset Value;
- Asset-Backed Securities, up to 10% of the Fund's Net Asset Value; and
- derivatives whose value is derived from bonds, interest rates or credit risk.

Equity instruments that the Fund may invest in include (a) direct company shares and (b) derivatives whose value is derived from company shares.

Other assets, for this purpose, include Convertible Bonds and Contingent Convertible Debt Securities. The Fund may invest up to 5% of its Net Asset value in Contingent Convertible Debt Securities.

Derivative instruments can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management. The derivative instruments that the Fund can invest in to achieve its objectives include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

Investment approach

The Investment Manager has a very flexible top-down approach to the allocation of capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events, to identify investment opportunities. In particular, the manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The Fund seeks to manage risk by investing globally across multiple asset classes, sectors, currencies and countries. Where the Investment Manager believes opportunities are limited to a few areas, the portfolio may be very concentrated in certain assets or markets. The Fund will typically take investment positions in individual shares or bonds, but it may also take positions at an index or sector level.

The Fund aims to generate a growing level of income by investing in assets that offer a regular income such as dividend-paying company shares, corporate bonds and government bonds.

The Investment Manager believes that this approach has the potential to deliver an annualised volatility (the degree to which the value of the Fund fluctuates over any 12-month period) of between 4% and 8%, and an estimated gross annual yield of 4%, based on the gross income, before withholding tax, expected to be received from the underlying investments in the Fund, as a percentage of the current Fund share price.

Performance Comparator

Not applicable

M&G (Lux) Income Allocation Fund

Investment review

For the year ended 31 March 2020

Performance review

The investment environment changed markedly over the review period. Initially, investors were encouraged by the increasingly accommodative stance of central banks and hopes that a trade deal could be agreed between the US and China, meaning that most assets rose in price. However, the impact of the coronavirus and the effect of the measures being taken to contain it caused a massive reversal. All the previous gains in equities were quickly wiped out as investors flocked into cash.

Over the 12 months to 31 March 2020, equities fell, led by emerging markets, the UK and Europe. Mainstream government bonds, on the other hand, rose. Investment grade credit did reasonably well, while high yield and emerging market government bonds weakened.

Against this background, the sub-fund delivered a negative total return (the combination of capital growth and income) across all its share classes, led by the allocation to equities, as the asset class suffered severe weakness in the first quarter of 2020. The largest losses were generated by positions in banks in Europe, the US, Canada and Japan, with holdings in the US technology sector and the rest of Japan also weighing on returns.

Non-mainstream government bonds also cost the sub-fund significant value, with local currency weakness compounding losses in bonds from South Africa and eroding gains in bonds from Mexico and Brazil.

Gains in mainstream government bonds offset some of the losses. Bonds from the US made significant positive contributions while sovereign debt from Italy and Spain added some value.

We maintained a broadly pro-growth/pro-risk stance throughout the period, believing that economic fundamentals were better than perceived by many investors and that equities were more attractively valued than most core government bonds. This stance proved successful as investors' appetite for risk improved through 2019 and the early weeks of 2020, when several major stock markets hit record highs. However, when concerns about the coronavirus caused panic-selling of risk assets towards the end of the period, the only diversification came from our holdings of US government bonds.

Over the 12-month period to 31 March 2020, the sub-fund distributed income of 0.3260 cents per euro class 'A' (Distribution) share, representing a yield of 4.0%.

Investment activity

The main change to the sub-fund's positioning in the review period was a reduction in the allocation to mainstream government bonds. We took advantage of remarkably strong rallies in government bonds, which enabled us to realise profits by selling our holdings of 10-year US Treasuries and bonds from Spain and Italy. While keeping exposure to US and Italian government bonds, we tactically adjusted our weightings, reducing exposure when their yields declined and using

subsequent price weakness to rebuild positions. We have been switching from US Treasuries with maturity of around 20 years into those with 30 years' life so as to benefit from the upward slope of the US yield curve.

We increased the sub-fund's allocation to equities and ended the period close to the top of the expected range for the sub-fund. We used price weakness in August 2019 to add to the sub-fund's exposure to shares in the US and Hong Kong, while scaling back holdings of Korean equities. Larger additions were made in March 2020 when, following steep price falls, we purchased bank equities from the US, Europe and Canada, as well as US technology stocks.

The equity risk premium remained high and reinforced our view that equities were attractively valued. We therefore maintained a bias towards the asset class.

In other activity, we added small positions in listed infrastructure stocks, giving exposure to renewable energy. Infrastructure investment tends to pay good levels of income and we believe may offer some diversification from equity holdings. We also boosted our holdings of Italian government bonds as they typically provide a significant yield spread over bunds. We increased our positions in bonds from Colombia, Peru, Brazil, Chile and South Africa in the belief that selected emerging market government bonds provide attractive yields and have the potential to provide a degree of diversification from other assets.

Outlook

In our opinion, the imminent virus-induced recession will not be a 'traditional', long drawn-out one. The downturn is not caused by bad policy decisions or misallocation of capital, but is being 'voluntarily' imposed on the world's economy in order to protect the health of the population. We believe the bottom should be hit quickly and, once the virus has passed, the economy may be able to recover quicker than some commentators think.

We have seen unprecedented levels of support being given by governments and central banks, which we believe should boost the recovery once we get over the worst of the effects of the virus. As markets tend to move ahead of anticipated improvements, we feel any possible rebound could be rapid.

The crisis means that valuations are currently unclear as earnings forecasts and dividends are under review. However, we retain our bias towards the equity market as we believe shares remain more attractively valued than other assets, particularly most government bond markets.

M&G (Lux) Income Allocation Fund

Investment review

Outlook (continued)

In our view, the recent volatility has presented some compelling opportunities to benefit from a potential recovery in asset prices, which would lead capital growth in the sub-fund, in turn helping to support the sub-fund in achieving its objectives of growth in both capital and income over the medium term.

Steven Andrew

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					566,436	50.95
Software & Computer Services						
Microsoft	133,474	US\$			19,544	1.76
Technology Hardware & Equipment					23,709	2.13
Apple	74,699	US\$			17,380	1.56
Lenovo Group	12,928,000	HK\$			6,329	0.57
Telecommunications Equipment						
Cisco Systems	279,334	US\$			10,286	0.93
Telecommunications Service Providers					6,036	0.54
CenturyLink	517,276	US\$			4,647	0.42
Consolidated Communications Holdings	334,700	US\$			1,389	0.12
Health Care Providers					18,222	1.64
Quest Diagnostics	99,414	US\$			7,545	0.68
UnitedHealth Group	46,535	US\$			10,677	0.96
Pharmaceuticals & Biotechnology					15,704	1.41
GlaxoSmithKline	560,661	£			9,429	0.85
Pfizer	210,189	US\$			6,275	0.56
Banks					217,335	19.55
Banco Bilbao Vizcaya Argentaria	2,942,424	€			8,470	0.76
Banco de Sabadell	15,424,850	€			7,114	0.64
Banco Santander	3,525,441	€			7,817	0.70
Bank of America	393,019	US\$			7,910	0.71
Bank of Ireland Group	1,236,611	€			2,131	0.19
Bank of Montreal	242,106	CA\$			10,528	0.95
Bank of Nova Scotia	248,689	CA\$			8,742	0.79
Bankinter	2,067,241	€			6,786	0.61
BNP Paribas	327,453	€			8,986	0.81
Chiba Bank	1,619,200	¥			6,473	0.58
Citigroup	180,035	US\$			7,249	0.65
Commonwealth Bank of Australia	97,960	AU\$			3,367	0.30
Fifth Third Bancorp	429,150	US\$			6,219	0.56
HSBC Holdings	1,063,259	£			5,438	0.49
ING Groep	1,399,862	€			6,711	0.60
Intesa Sanpaolo	7,371,571	€			10,655	0.96
JPMorgan Chase	105,575	US\$			9,012	0.81
KBC Group	234,310	€			9,983	0.90
KeyCorp	823,495	US\$			8,112	0.73
M&T Bank	74,479	US\$			7,270	0.65
Mediobanca Banca di Credito Finanziario	2,185,918	€			10,808	0.97
Mitsubishi UFJ Financial Group	1,239,400	¥			4,202	0.38
Mizuho Financial Group	6,206,100	¥			6,452	0.58
PNC Financial Services Group	94,522	US\$			8,717	0.79
Resona Holdings	2,225,200	¥			6,078	0.55
Sumitomo Mitsui Financial Group	287,100	¥			6,331	0.57
Sumitomo Mitsui Trust Holdings	187,900	¥			4,918	0.44
Truist Financial	249,034	US\$			7,405	0.67
US Bancorp	287,698	US\$			9,423	0.85
Wells Fargo	147,360	US\$			4,028	0.36
Finance & Credit Services					14,335	1.29
American Express	110,879	US\$			9,135	0.82
Mastercard 'A'	22,509	US\$			5,200	0.47
Investment Banking & Brokerage Services					38,855	3.49
Banca Mediolanum	2,423,305	€			11,285	1.01
IG Group Holdings	344,754	£			2,703	0.24
Natixis	2,382,854	€			7,429	0.67
Nomura Holdings	2,536,500	¥			9,741	0.88
ORIX	704,200	¥			7,694	0.69
Pendal Group	1,109	AU\$			3	0.00
Life Insurance						
Legal & General Group	1,803,364	£			3,913	0.35
Non-life Insurance					14,621	1.32
Fairfax Financial Holdings	14,147	CA\$			3,699	0.34
Münchener Rückversicherungs-Gesellschaft	59,681	€			10,922	0.98
Real Estate Investment & Services						
Kerry Properties	2,889,000	HK\$			6,943	0.62

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Real Estate Investment Trusts					12,647	1.14
Advance Residence Investment	2,407	¥			6,299	0.57
Japan Retail Fund Investment	3,610	¥			3,698	0.33
Stockland	1,898,283	AU\$			2,650	0.24
Automobiles & Parts					28,894	2.60
Daimler	205,848	€			5,663	0.51
Ford Motor	1,020,755	US\$			4,694	0.42
Honda Motor	469,200	¥			9,552	0.86
Kia Motors	251,258	KRW			4,906	0.44
Nissan Motor	1,357,200	¥			4,079	0.37
Household Goods & Home Construction					13,776	1.24
Barratt Developments	1,093,378	£			5,468	0.49
Coway	87,664	KRW			3,805	0.34
Panasonic	650,600	¥			4,503	0.41
Personal Goods						
LVMH Moët Hennessy Louis Vuitton	34,712	€			11,932	1.07
Media						
Shaw Communications 'B'	278,224	CA\$			3,949	0.36
Retailers					14,534	1.31
Home Depot	49,083	US\$			8,783	0.79
Industria de Diseño Textil	215,957	€			4,970	0.45
Truworths International	607,626	ZAR			781	0.07
Aerospace & Defense						
BAE Systems	495,969	£			2,842	0.26
Electronic & Electrical Equipment					15,464	1.39
Hitachi	460,600	¥			12,150	1.09
Hon Hai Precision Industry	1,570,600	TW\$			3,314	0.30
Industrial Engineering						
Sembcorp Marine	327,800	SG\$			142	0.01
Industrial Support Services					32,671	2.94
ITOCHU	891,200	¥			16,780	1.51
Mitsubishi	465,400	¥			8,961	0.81
Sumitomo	665,800	¥			6,930	0.62
Industrial Transportation					24,135	2.17
East Japan Railway	140,600	¥			9,662	0.87
West Japan Railway	232,400	¥			14,473	1.30
Chemicals						
BASF	102,042	€			4,351	0.39
Renewable Energy					11,596	1.04
Greencoat UK Wind	3,810,548	£			5,722	0.51
Renewables Infrastructure Group	4,122,888	£			5,874	0.53
FIXED INCOME					506,326	45.54
Bond portfolios					25,628	2.31
M&G (Lux) Emerging Markets Hard Currency Bond Fund USD Class 'C' (Distribution) ^(a)	2,063,722	US\$			15,653	1.41
SPDR® Barclays 10+ Year US Corporate Bond ETF	323,324	US\$			9,975	0.90
Debt securities					482,128	43.36
'AAA' credit rated bonds					203,246	18.28
Inter-American Development Bank 7.875%	377,340,000,000	IDR	14.03.2023		21,899	1.97
US Treasury Note 2.75%	57,703,700	US\$	15.08.2042		68,238	6.14
US Treasury Note 3%	89,184,200	US\$	15.02.2048		113,109	10.17
'A' credit rated bonds					45,714	4.11
Chile (Republic of) 4%	12,275,000,000	CLP	01.03.2023		13,938	1.25
Peru (Republic of) 6.95%	36,870,000	PEN	12.08.2031		11,399	1.03
Poland (Republic of) 5.75%	82,859,000	PLN	23.09.2022		20,377	1.83
'BBB' credit rated bonds					154,704	13.91
Admiral Group 5.5%	3,201,000	£	25.07.2024		3,900	0.35
BUFA Finance 5%	3,016,000	£	25.04.2023		3,573	0.32
Colombia (Republic of) 10%	120,430,500,000	COP	24.07.2024		31,229	2.81
innogy Finance 5.625%	1,131,000	£	06.12.2023		1,429	0.13
Italy (Republic of) 2.7%	71,669,000	€	01.03.2047		76,748	6.90
Mexico (United Mexican States) 8.5%	820,620,300	MXN	18.11.2038		33,497	3.01
Norfolk Southern Railway 9.75%	252,000	US\$	15.06.2020		234	0.02

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Tesco 6.125%	109,000	£	24.02.2022		131	0.01
Thomson Reuters 5.85%	125,000	US\$	15.04.2040		153	0.01
Western Union 6.2%	344,000	US\$	17.11.2036		309	0.03
Zoetis 3.25%	3,760,000	US\$	01.02.2023		3,501	0.32
'BB' credit rated bonds					75,345	6.78
Brazil (Federal Republic of) 10%	173,802,000	BRL	01.01.2023		34,020	3.06
Ford Motor 7.125%	840,000	US\$	15.11.2025		661	0.06
HCA 4.75%	1,840,000	US\$	01.05.2023		1,713	0.15
John Lewis 6.125%	2,347,000	£	21.01.2025		2,556	0.23
Ladbrokes Group Finance 5.125%	1,740,000	£	08.09.2023		1,631	0.15
Marks & Spencer 4.75%	2,047,000	£	12.06.2025		2,208	0.20
South Africa (Republic of) 6.25%	945,911,617	ZAR	31.03.2036		29,593	2.66
Virgin Media Secured Finance 4.875%	2,822,000	£	15.01.2027		2,963	0.27
'B' credit rated bonds						
Sprint Capital 6.875%	2,917,000	US\$	15.11.2028		3,017	0.27
Bonds with no credit rating					102	0.01
TRU Taj 12% ^{[b],[c]}	131,000	US\$	15.08.2021		5	0.00
Windstream Services Via Windstream Finance 9% ^[b]	3,281,000	US\$	30.06.2025		97	0.01
Debt derivatives					(1,430)	(0.13)
Interest rate swaps					(1,430)	(0.13)
Pay 1.515% Receive Var. Feb 2047	4,500,000	£			(1,168)	(0.11)
Pay 1.523% Receive Var. Jan 2048	200,000	£			(55)	0.00
Pay 1.641% Receive Var. Mar 2048	670,000	£			(207)	(0.02)
CURRENCY					(10,488)	(0.94)
Forward currency contracts					(10,488)	(0.94)
Bought for AU\$ 7,327,038.70, Sold for € 3,983,551.94			17.04.2020		89	0.01
Bought for CA\$ 7,635,474.03, Sold for € 4,885,592.43			17.04.2020		8	0.00
Bought for € 8,481,142.90, Sold for AU\$ 13,772,770.51			17.04.2020		826	0.07
Bought for € 27,275,532.96, Sold for CA\$ 42,516,200.69			17.04.2020		24	0.00
Bought for € 64,616,044.85, Sold for £ 57,082,843.81			17.04.2020		187	0.02
Bought for € 169,052,519.77, Sold for ¥ 20,681,312,852.00			17.04.2020		(4,855)	(0.44)
Bought for € 5,569,091.74, Sold for MXN 116,996,966.26			17.04.2020		1,066	0.10
Bought for € 21,015,049.44, Sold for PLN 89,213,571.23			17.04.2020		1,403	0.13
Bought for € 521,363,058.81, Sold for US\$ 583,241,913.29			17.04.2020		(11,064)	(1.00)
Bought for € 3,939,451.07, Sold for ZAR 64,184,196.00			17.04.2020		659	0.06
Bought for £ 8,732,473.45, Sold for € 9,803,434.13			17.04.2020		52	0.00
Bought for ¥ 8,597,468,521.00, Sold for € 72,794,289.63			17.04.2020		(500)	(0.04)
Bought for US\$ 198,147,597.61, Sold for € 179,268,413.80			17.04.2020		1,617	0.15
Portfolio of investments					1,062,274	95.55
SHARE CLASS HEDGING					63	0.01
Bought for CHF 872,036.16, Sold for € 819,460.72			08.04.2020		6	0.00
Bought for € 169,405.71, Sold for CHF 179,332.73			08.04.2020		0	0.00
Bought for € 31,030.09, Sold for SG\$ 48,883.30			08.04.2020		0	0.00
Bought for € 1,405,189.88, Sold for US\$ 1,563,593.72			08.04.2020		(22)	0.00
Bought for SG\$ 228,751.51, Sold for € 148,269.80			08.04.2020		(1)	0.00
Bought for US\$ 6,171,031.56, Sold for € 5,553,328.01			08.04.2020		80	0.01
Total portfolio					1,062,337	95.56
Net other assets/(liabilities)					49,453	4.44
NET ASSETS					1,111,790	100.00

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					566,436	50.95
Bond portfolios					25,628	2.31
Debt securities					482,128	43.36
Unrealised gains on forward currency contracts					6,017	0.55
Total Investment assets					1,080,209	97.17
Investment liabilities						
Unrealised losses on forward currency contracts					(16,442)	(1.48)
Unrealised losses on swap contracts					(1,430)	(0.13)
Total Investment liabilities					(17,872)	(1.61)
Total portfolio					1,062,337	95.56
Net other assets/(liabilities)					49,453	4.44
NET ASSETS					1,111,790	100.00

[a] Crossholding (see note 13).

[b] Defaulted Bond.

[c] Unlisted/unquoted.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps €'000	Forward currency contracts €'000	Collateral held as cash €'000
Barclays Bank London	0	13,498	0
BNP Paribas	1,168	0	1,140
Citigroup Global Markets Limited	0	107,817	248
Goldman Sachs International	0	82,677	0
HSBC Bank Plc	55	49,408	0
JP Morgan Chase	0	129,963	1,470
Merrill Lynch Pierce Fenner + Smith Inc	0	28,737	0
National Australia Bank Ltd	0	8,481	0
Standard Chartered Bank	0	74,564	0
State Street Bank and Trust Company	0	8,127	6,880
State Street Bank London	0	352,747	0
UBS AG London	207	244,155	790

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Income Allocation Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-7.8	-2.2	-0.8	+2.6	07/11/2013	16/01/2018
Class 'A' Distribution	-7.8	-2.2	-0.8	+2.6	07/11/2013	16/01/2018
Class 'A F2' Distribution	-7.9	n/a	n/a	-5.0	n/a	03/04/2018
Class 'A F3' Distribution	-7.8	n/a	n/a	-5.0	n/a	03/04/2018
Class 'A Q' Distribution	-7.9	-2.2	n/a	-0.5	08/05/2015	16/01/2018
Class 'B' Accumulation	-8.3	-2.7	n/a	+0.9	11/09/2015	16/01/2018
Class 'B F2' Distribution	-8.3	n/a	n/a	-5.4	n/a	03/04/2018
Class 'B F3' Distribution	-8.3	n/a	n/a	-5.4	n/a	03/04/2018
Class 'B Q' Distribution	-8.3	-2.7	n/a	+0.9	11/09/2015	16/01/2018
Class 'C' Accumulation	-7.1	-1.4	-0.1	+3.4	07/11/2013	16/01/2018
Class 'C' Distribution	-7.1	-1.4	-0.1	+3.4	07/11/2013	16/01/2018
Class 'C Q' Distribution	-7.1	-1.4	n/a	+0.2	08/05/2015	16/01/2018
Class 'CI' Accumulation	-7.0	-1.4	n/a	+3.4	07/11/2013	16/01/2018
Class 'JI' Accumulation	n/a	n/a	n/a	-16.2	n/a	13/12/2019
Class 'ZI' Distribution	-6.4	n/a	n/a	-4.5	n/a	08/05/2018
Singapore dollar						
Class 'A-H' Accumulation	-6.2	-0.4	n/a	+2.5	09/10/2018	16/01/2018
Class 'A-H' Distribution	-6.2	-0.4	n/a	+2.5	09/10/2018	16/01/2018
Class 'C-H' Accumulation	-5.4	+0.4	n/a	+3.3	09/10/2018	16/01/2018
Class 'C-H' Distribution	-5.4	+0.3	n/a	+3.2	09/10/2018	16/01/2018
Swiss franc						
Class 'A-H' Accumulation	-8.1	-2.5	-1.4	+2.0	07/11/2013	16/01/2018
Class 'C-H' Accumulation	-7.3	-1.7	-0.6	+2.8	07/11/2013	16/01/2018

M&G (Lux) Income Allocation Fund

Financial highlights

Sub-fund performance (continued)

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
US dollar						
Class 'A-H' Accumulation	-5.5	+0.3	n/a	+2.9	09/10/2015	16/01/2018
Class 'A-H' Distribution	-5.5	+0.3	n/a	+2.9	09/10/2015	16/01/2018
Class 'C-H' Accumulation	-4.7	+1.2	n/a	+3.7	09/10/2015	16/01/2018
Class 'C-H' Distribution	-4.7	+1.2	n/a	+3.7	09/10/2015	16/01/2018

[a] Fund performance before the launch of the fund on 16 January 2018 is that of the relevant Merged Share Class of the M&G Income Allocation Fund, which includes UK taxes but excludes entry and exit charges. The M&G Income Allocation Fund is a UK authorised fund which launched on 7 November 2013 and its non-Sterling share classes merged into M&G (Lux) Income Allocation Fund on 16 March 2018.

M&G (Lux) Income Allocation Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A Q' Distribution Euro €	Class 'B Q' Distribution Euro €	Class 'C Q' Distribution Euro €
to 31 March 2020			
First interim	0.0779	0.0773	0.0787
Second interim	0.0800	0.0793	0.0811
Third interim	0.0828	0.0820	0.0841
Final	0.0870	0.0862	0.0869

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'A F2' Distribution Euro €	Class 'A F3' Distribution Euro €	Class 'B F2' Distribution Euro €	Class 'B F3' Distribution Euro €
to 31 March 2020					
First interim	0.0259	0.0163	0.0242	0.0162	0.0240
Second interim	0.0253	0.0159	0.0236	0.0158	0.0235
Third interim	0.0260	0.0164	0.0243	0.0163	0.0241
Fourth interim	0.0263	0.0165	0.0245	0.0164	0.0243
Fifth interim	0.0262	0.0165	0.0245	0.0164	0.0243
Sixth interim	0.0269	0.0170	0.0251	0.0168	0.0249
Seventh interim	0.0272	0.0172	0.0254	0.0170	0.0252
Eighth interim	0.0275	0.0174	0.0256	0.0172	0.0254
Ninth interim	0.0275	0.0174	0.0256	0.0172	0.0254
Tenth interim	0.0275	0.0174	0.0257	0.0173	0.0255
Eleventh interim	0.0261	0.0166	0.0244	0.0164	0.0242
Final	0.0333	0.0145	0.0213	0.0143	0.0211

	Class 'C' Distribution Euro €	Class 'ZI' Distribution Euro €	Class 'A-H' Distribution SGD €	Class 'C-H' Distribution SGD €	Class 'A-H' Distribution US €
to 31 March 2020					
First interim	0.0262	0.0271	0.0266	0.0269	0.0270
Second interim	0.0256	0.0264	0.0260	0.0263	0.0264
Third interim	0.0264	0.0272	0.0268	0.0271	0.0272
Fourth interim	0.0266	0.0275	0.0271	0.0274	0.0275
Fifth interim	0.0266	0.0275	0.0271	0.0275	0.0276
Sixth interim	0.0273	0.0282	0.0278	0.0282	0.0283
Seventh interim	0.0276	0.0286	0.0282	0.0286	0.0287
Eighth interim	0.0279	0.0289	0.0285	0.0290	0.0290
Ninth interim	0.0279	0.0289	0.0286	0.0291	0.0291
Tenth interim	0.0280	0.0290	0.0287	0.0292	0.0292
Eleventh interim	0.0266	0.0276	0.0273	0.0278	0.0276
Final	0.0339	0.0366	0.0334	0.0336	0.0335

	Class 'C-H' Distribution US €
to 31 March 2020	
First interim	0.0272
Second interim	0.0267
Third interim	0.0275
Fourth interim	0.0278
Fifth interim	0.0279
Sixth interim	0.0286
Seventh interim	0.0291
Eighth interim	0.0294
Ninth interim	0.0295
Tenth interim	0.0297
Eleventh interim	0.0283
Final	0.0347

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	8.7615	9.5077	9.7020
Class 'A' Distribution	8.1436	9.1745	9.6766
Class 'A Q' Distribution	8.2181	9.2490	9.7038
Class 'A F2' Distribution	8.6933	9.6268	n/a
Class 'A F3' Distribution	8.5266	9.5380	n/a
Class 'B' Accumulation	8.6664	9.4522	9.6940
Class 'B Q' Distribution	8.1275	9.1935	9.6938
Class 'B F2' Distribution	8.6081	9.5796	n/a
Class 'B F3' Distribution	8.4421	9.4913	n/a
Class 'C' Accumulation	8.9272	9.6051	9.7185
Class 'C' Distribution	8.2978	9.2685	9.6934
Class 'C Q' Distribution	8.3631	9.3317	9.7204
Class 'CI' Accumulation	8.9376	9.6129	9.7220
Class 'JI' Accumulation	8.3846	n/a	n/a
Class 'ZI' Distribution	8.6119	9.5512	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	9.1370	9.7418	9.7393
Class 'A-H' Distribution	8.4838	9.3926	9.7141
Class 'C-H' Accumulation	9.3103	9.8430	9.7558
Class 'C-H' Distribution	8.6441	9.4901	9.7299
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	8.6982	9.4661	9.6948
Class 'C-H' Accumulation	8.8636	9.5622	9.7113

M&G (Lux) Income Allocation Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

NAV per share	31.03.2020	31.03.2019	31.03.2018
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	9.3067	9.8478	9.7598
Class 'A-H' Distribution	8.6618	9.5123	9.7341
Class 'C-H' Accumulation	9.4888	9.9522	9.7747
Class 'C-H' Distribution	8.8085	9.5928	9.7492

NAV at fund level	€'000	€'000	€'000
Net assets	1,111,790	1,243,100	1,333,711
Swing pricing adjustment (see note 12)	2,582	n/a	n/a
Swung net assets	1,114,372	1,243,100	1,333,711

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.72
Class 'A' Distribution	1.72
Class 'A Q' Distribution	1.72
Class 'A F2' Distribution	1.72
Class 'A F3' Distribution	1.72
Class 'B' Accumulation	2.22
Class 'B Q' Distribution	2.22
Class 'B F2' Distribution	2.22
Class 'B F3' Distribution	2.22
Class 'C' Accumulation	0.87
Class 'C' Distribution	0.87
Class 'C Q' Distribution	0.87
Class 'CI' Accumulation	0.83
Class 'JI' Accumulation	0.73
Class 'ZI' Distribution	0.18
Singapore dollar	%
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.89
Class 'C-H' Distribution	0.90
Swiss franc	%
Class 'A-H' Accumulation	1.74
Class 'C-H' Accumulation	0.89
US dollar	%
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.89
Class 'C-H' Distribution	0.89

M&G (Lux) Japan Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the Japanese equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies that are domiciled in, or conducting the major part of their economic activity in, Japan. The Fund usually holds fewer than 50 stocks.

The Investment Manager believes that market mis-pricings can and often do occur because psychological factors (i.e. behavioural biases) may prevent investors from always assessing investments rationally. As a result, market prices do not always reflect fundamental values.

The Investment Manager believes that it is possible to profit systematically from such behavioural biases that are prevalent in the Japanese equity market.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Investment Manager aims to take advantage of market mis-pricings by adopting a disciplined, long-term investment approach. The Fund screens a wide investment universe to form a focused list of stocks which will trade on low valuations relative to their history and the market. These companies are then subject to disciplined and rigorous fundamental analysis. Attaining an understanding of a company's sustainable earnings ensures our fundamental analysis leads to a high level of conviction for each of the companies held in the Fund.

The Investment Manager aims to construct a reasonably diversified portfolio and expects stock selection to be the main driver of performance.

Performance Comparator

MSCI Japan Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Japan Fund

Investment review

For the year ended 31 March 2020

Performance review

The Japanese stock market recorded a negative return over the 12-month review period. As investors moderated their views on the global growth outlook in the first half of 2019, Japanese company shares (equities) underperformed other major markets, with pessimism reaching extreme levels in the summer months. As the year drew to a close, however, Japan's resilient corporate fundamentals, combined with significant evidence of accelerating structural changes, were powerful ingredients for a market recovery.

In 2020, however, growing evidence of corporate reform has been overtaken by concerns about Covid-19. By the end of the review period, market conditions had become highly volatile and Japanese equities, having now declined sharply since the beginning of the year, are showing signs of panic investor behaviour.

Unsurprisingly given the fall in the stock market, some cyclical sectors including financials, industrials and energy underperformed, whereas defensive sectors such as healthcare and communication services outperformed.

Against this backdrop, the sub-fund underperformed the MSCI Japan Net Return Index and recorded a negative total return. Underperformance was mainly due to stock picking, but sector allocation also held back relative returns. The sub-fund's above-index weight in financials and below-index weight in healthcare were notable detractors.

Among the sub-fund's key detractors were industrial companies Mitsubishi Heavy Industries, whose shares fell after the company cut profit guidance, and Fuji Electric, which manufactures power supplies and semiconductors used in automotive applications. Car manufacturer Isuzu Motors was also a notable laggard and another company that suffered from a downgrade to expected profits.

Key contributors came from a range of sectors. Technology materials business JSR outperformed as investors took a more balanced assessment of the company's ability to sustain its earnings over the medium term. Meanwhile, Z Holdings (formerly Yahoo Japan) announced a merger with Line Corp, the owner of Japan's top messenger app, which has positive strategic implications, in our view. Another holding that added value was diversified financial Nomura Holdings, which recovered following a period of weakness.

Investment activity

On 20 September 2019, Carl Vine took over as manager of the M&G (Lux) Japan Fund. Following the sub-fund manager change, we have been making two key changes to portfolio construction. Firstly, we have been gradually shifting the portfolio away from a concentrated exposure to risk factors (these can be thought of as stocks exhibiting particular characteristics, for example value, growth, quality) towards a portfolio where stock-specific features drive performance.

At the same time, we insist on a compelling valuation and a margin of safety behind our investment decisions. Our desire is for future portfolio returns to be driven by our stock picking ability, rather than the portfolio's exposure to one or more investment styles.

Secondly, we have been paying close attention to the portfolio's below-index positions. The performance gap between the portfolio and the benchmark over time is affected not just by what we invest in, but also what we do not invest in, and is included in the index.

As a result of this, and when an opportunity has presented itself, we have reduced portfolio risk by selectively investing in some companies that are large constituents of the index. In these cases, we determined that while an above-index position is not warranted, a below-index position could create a significant performance drag.

In addition, we are enhancing our engagement with the management of the companies we invest in and where we feel value is being unduly trapped. Given the sweeping set of institutional reforms we have seen in Japan, we believe constructive corporate engagement can lead to superior investment returns. Given the reform backdrop, we have been keen to include in the portfolio companies where we perceive there are significant opportunities from improved capital allocation.

Outlook

Notwithstanding the uncertainties caused by the coronavirus, we believe current valuations in Japanese companies are undemanding and economic policy is now extremely supportive and interest rates are at very low levels.

As active managers, we are increasingly excited by the investment opportunities we see in the stock market today. Not only do we believe we can add value as stock pickers, but we can also leverage M&G's long tradition of engaging with management, which can be its own catalyst for value realisation.

The Abe administration has presided over an unprecedented state-led campaign to cajole corporate Japan into raising returns on capital. The Corporate Governance Code, the Stewardship Code, the revamped Companies Act, and the revised Fair Merger & Acquisition guidelines are all now bearing down upon corporate Japan, forcing behavioural change. We believe we are in the early stages of a process in which long-trapped value is being released from balance sheets.

Regular meetings with company directors allow us to identify whether a company's strategy is aligned with our interests as long-term shareholders. Our active engagement with companies, which takes place regularly, helps us to encourage positive change.

M&G (Lux) Japan Fund

Investment review

Outlook (continued)

Looking forward, we continue to see valuations in Japanese companies as highly supportive for prospective returns. More importantly, the significant variation in valuation between stocks, combined with continued restructuring at the company level, leaves us excited about the opportunity to add additional value through our stock picking approach.

Carl Vine

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Japan Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥000	Market value ¥000	% of net assets
EQUITIES					9,365,918	98.87
Chemicals					607,651	6.41
Fujimi	72,900	¥			194,043	2.05
JSR	210,200	¥			413,608	4.36
Construction & engineering					222,389	2.35
Taisei	68,000	¥				
Electrical equipment					405,345	4.28
Fuji Electric	167,200	¥				
Machinery					305,804	3.23
Hitachi Zosen	887,500	¥				
Trading companies & distributors					228,633	2.41
Mitsui	154,100	¥				
Marine					94,336	1.00
Mitsui OSK Lines	54,600	¥				
Road & rail					506,412	5.35
East Japan Railway	35,700	¥			288,106	3.04
Keisei Electric Railway	70,700	¥			218,306	2.31
Auto components					576,531	6.09
Denso	27,600	¥			95,237	1.01
Toyota Industries	94,200	¥			481,294	5.08
Automobiles					691,551	7.30
Honda Motor	65,200	¥			155,861	1.65
Isuzu Motors	457,700	¥			323,370	3.41
Toyota Motor	33,100	¥			212,320	2.24
Household durables					445,132	4.70
Haseko	255,700	¥			292,088	3.08
Sony	24,200	¥			153,044	1.62
Specialty retail					91,589	0.97
Fast Retailing	2,100	¥				
Food & staples retailing					212,220	2.24
Seven & i Holdings	60,000	¥				
Beverages					287,179	3.03
Asahi Group Holdings	83,000	¥				
Pharmaceuticals					491,112	5.18
Shionogi	28,700	¥			150,745	1.59
Takeda Pharmaceutical	104,500	¥			340,367	3.59
Banks					454,637	4.80
Mitsubishi UFJ Financial Group	430,100	¥			171,214	1.81
Sumitomo Mitsui Financial Group	65,300	¥			169,090	1.78
Sumitomo Mitsui Trust Holdings	37,200	¥			114,333	1.21
Diversified financial services					329,345	3.48
ORIX	256,700	¥				
Capital markets					302,463	3.19
Credit Saison	169,200	¥			208,981	2.20
Nomura Holdings	207,300	¥			93,482	0.99
Insurance					199,917	2.11
Japan Post Holdings	111,200	¥			92,848	0.98
T&D Holdings	122,400	¥			107,069	1.13
IT services					218,617	2.31
NTT Data	212,300	¥				
Electronic equipment, instruments & components					577,024	6.09
Hitachi	139,300	¥			431,503	4.55
Murata Manufacturing	27,000	¥			145,521	1.54
Semiconductors & semiconductor equipment					231,235	2.44
Rohm	15,700	¥			91,841	0.97
SUMCO	101,500	¥			139,394	1.47
Diversified telecommunication services					223,034	2.35
Nippon Telegraph & Telephone	87,500	¥				
Wireless telecommunication services					182,242	1.92
SoftBank Group	48,800	¥				

M&G (Lux) Japan Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥'000	Market value ¥'000	% of net assets
EQUITIES (continued)						
Media						
Tokyo Broadcasting System Holdings	191,400	¥			284,115	3.00
Interactive Media & Services						
Z Holdings	352,000	¥			120,767	1.27
Equity Real Estate Investment Trusts (REITs)						
Invincible Investment	2,197	¥			292,713	3.09
Japan Retail Fund Investment	1,036	¥			52,373	0.55
Nomura Real Estate Master Fund	863	¥			124,633	1.32
					115,707	1.22
Real estate management & development						
Mitsui Fudosan	296,800	¥			783,925	8.28
Nomura Real Estate Holdings	137,200	¥			546,942	5.78
					236,983	2.50
Portfolio of investments					9,365,918	98.87
SHARE CLASS HEDGING						
Bought for ¥ 5,952,739.00, Sold for € 50,351.13			08.04.2020		(159)	0.00
Bought for ¥ 1,290,618.00, Sold for CHF 11,567.74			08.04.2020		(35)	0.00
Bought for ¥ 1,341,888.00, Sold for US\$ 12,739.74			08.04.2020		(11)	0.00
Bought for € 204,121.92, Sold for ¥ 24,395,271.00			08.04.2020		(42)	0.00
Bought for CHF 47,943.68, Sold for ¥ 5,387,927.00			08.04.2020		(117)	0.00
Bought for US\$ 50,280.80, Sold for ¥ 5,420,355.00			08.04.2020		6	0.00
					40	0.00
Total portfolio					9,365,759	98.87
Net other assets/(liabilities)					106,713	1.13
NET ASSETS					9,472,472	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					9,365,918	98.87
Unrealised gains on forward currency contracts					46	0.00
Total Investment assets					9,365,964	98.87
Investment liabilities						
Unrealised losses on forward currency contracts					(205)	0.00
Total Investment liabilities					(205)	0.00
Total portfolio					9,365,759	98.87
Net other assets/(liabilities)					106,713	1.13
NET ASSETS					9,472,472	100.00

All securities are on an official stock exchange listing except where referenced.

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts ¥'000
State Street Bank and Trust Company	43,789

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Japan Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-14.3	-7.3	-1.9	+1.9	28/11/2001	26/10/2018
Class 'A-H' Accumulation	-19.0	n/a	n/a	-20.4	n/a	06/11/2018
Class 'C' Accumulation	-13.7	-6.6	-1.2	+2.7	28/11/2001	26/10/2018
Class 'C-H' Accumulation	-18.4	n/a	n/a	-19.8	n/a	06/11/2018
Class 'CI' Accumulation	-13.6	-6.6	-1.2	+2.7	28/11/2001	06/11/2018
Japanese yen						
Class 'A' Accumulation	-18.0	-7.3	-3.4	+2.4	28/11/2001	06/11/2018
Class 'C' Accumulation	-17.4	-6.6	-2.7	+3.2	28/11/2001	06/11/2018
Class 'CI' Accumulation	n/a	n/a	n/a	-13.8	n/a	28/05/2019
Class 'CI' Distribution	n/a	n/a	n/a	-13.8	n/a	28/05/2019
Sterling						
Class 'C' Accumulation	n/a	n/a	n/a	-16.8	n/a	05/07/2019
Class 'C' Distribution	n/a	n/a	n/a	-16.8	n/a	05/07/2019
Class 'CI' Accumulation	n/a	n/a	n/a	-16.8	n/a	05/07/2019
Class 'CI' Distribution	n/a	n/a	n/a	-16.8	n/a	05/07/2019
Swiss franc						
Class 'A-H' Accumulation	-19.1	n/a	n/a	-20.4	n/a	06/11/2018
Class 'C-H' Accumulation	-18.5	n/a	n/a	-19.8	n/a	06/11/2018
US dollar						
Class 'A' Accumulation	-16.5	-6.5	n/a	-1.6	09/10/2015	26/10/2018
Class 'A-H' Accumulation	-17.3	n/a	n/a	-18.4	n/a	06/11/2018
Class 'C' Accumulation	-15.8	-5.8	n/a	-0.8	09/10/2015	26/10/2018
Class 'C-H' Accumulation	-16.7	n/a	n/a	-17.8	n/a	06/11/2018
Class 'CI' Accumulation	-15.8	-5.8	n/a	-0.8	09/10/2015	06/11/2018

[a] Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Japan Fund, which includes UK taxes but excludes entry and exit charges. The M&G Japan Fund is a UK authorised fund which launched on 6 April 1971 and its non-Sterling share classes merged into M&G (Lux) Japan Fund on 26 October 2018.

M&G (Lux) Japan Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 28 May 2019 (the launch date of the Class 'CI' Distribution JPY €) and 5 July 2019 (the launch date of the Class 'C' Distribution UK p and Class 'CI' Distribution UK p) to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	28.05.19	31.03.20	17.04.20	20.04.20	23.04.20
			Class 'C' Distribution UK p	Class 'CI' Distribution UK p	Class 'CI' Distribution JPY €
to 31 March 2020					
Final			0.2490	0.2490	27.9060

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	14.2328	16.6082	n/a
Class 'A-H' Accumulation	7.2687	8.9763	n/a
Class 'C' Accumulation	16.2246	18.7899	n/a
Class 'C-H' Accumulation	7.3449	9.0029	n/a
Class 'CI' Accumulation	8.1082	9.3868	n/a
Japanese yen	¥	¥	¥
Class 'A' Accumulation	739.0200	901.7685	n/a
Class 'C' Accumulation	746.8200	904.4223	n/a
Class 'CI' Accumulation	861.8500	n/a	n/a
Class 'CI' Distribution	861.8500	n/a	n/a
Sterling	£	£	£
Class 'C' Accumulation	8.3153	n/a	n/a
Class 'C' Distribution	8.3153	n/a	n/a
Class 'CI' Accumulation	8.3177	n/a	n/a
Class 'CI' Distribution	8.3177	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	7.2633	8.9772	n/a
Class 'C-H' Accumulation	7.3402	9.0036	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.3108	11.1448	n/a
Class 'A-H' Accumulation	7.5273	9.1022	n/a
Class 'C' Accumulation	9.6288	11.4384	n/a
Class 'C-H' Accumulation	7.6032	9.1280	n/a
Class 'CI' Accumulation	7.7826	9.2420	n/a
NAV at fund level	¥'000	¥'000	¥'000
Net assets	9,472,472	16,100,445	n/a
Swing pricing adjustment (see note 12)	28,805	n/a	n/a
Swung net assets	9,501,277	16,100,445	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.74
Class 'A-H' Accumulation	1.76
Class 'C' Accumulation	0.99
Class 'C-H' Accumulation	1.01
Class 'CI' Accumulation	0.95
Japanese yen	%
Class 'A' Accumulation	1.74
Class 'C' Accumulation	0.99
Class 'CI' Accumulation	0.95
Class 'CI' Distribution	0.95
Sterling	%
Class 'C' Accumulation	0.99
Class 'C' Distribution	0.99
Class 'CI' Accumulation	0.95
Class 'CI' Distribution	0.95
Swiss franc	%
Class 'A-H' Accumulation	1.76
Class 'C-H' Accumulation	1.01
US dollar	%
Class 'A' Accumulation	1.74
Class 'A-H' Accumulation	1.76
Class 'C' Accumulation	0.99
Class 'C-H' Accumulation	1.01
Class 'CI' Accumulation	0.95

M&G (Lux) Japan Smaller Companies Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the Japanese Smaller Companies equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in equity securities of smaller companies that are incorporated, domiciled, or do most of their business in Japan.

Smaller companies are defined as the bottom half in terms of total market capitalisation of all publicly listed companies in Japan.

The Fund usually holds a concentrated portfolio of fewer than 50 companies.

The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The Fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The Investment Manager believes that stock market mispricing can and often occurs because psychological factors (i.e. behavioural biases) prevent investors from always assessing investments rationally. This can lead to companies being priced differently to what the Investment Manager believes is the true value, which can cause volatility in prices. The Fund seeks to profit from such behavioural biases by employing an investment approach which aims to take advantage of this price volatility.

The investment approach filters the Fund's investment universe down to a focused list of companies whose shares trade on low valuations relative to their history and the market. These companies are then subject to rigorous fundamental analysis to attain an understanding of a company's sustainable earnings. This fundamental analysis leads to a high level of conviction for each of the companies held in the Fund.

The Investment Manager expects stock selection to be the main driver of performance.

Performance Comparator

Russell/Nomura Mid-Small Cap Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Japan Smaller Companies Fund

Investment review

For the year ended 31 March 2020

Performance review

The Japanese stock market recorded a negative return in the 12-month review period. As investors moderated their views on the global growth outlook in the first half of 2019, Japanese company shares (equities) underperformed other major markets, with pessimism reaching extreme levels in the summer months. However, Japan's resilient corporate fundamentals, combined with significant evidence of accelerating structural changes, were powerful ingredients for a market recovery as the year drew to a close.

In 2020, on the other hand, growing evidence of corporate reform has been overtaken by concerns about Covid-19. By the end of the review period, market conditions had become highly volatile and Japanese stock markets, having declined sharply since the beginning of the year, are showing signs of panic investor behaviour.

Unsurprisingly given the economic contraction, some cyclical sectors including financials, industrials and energy underperformed, whereas defensive sectors such as healthcare and communication services outperformed.

Against this backdrop, the sub-fund underperformed the Russell/Nomura Mid-Small Net Return Index and recorded a negative total return. Underperformance was mainly due to stock picking, but sector allocation also held back relative returns. The sub-fund's above-index weight in industrials and below-index weight in healthcare were notable detractors.

Several of the detractors from sub-fund performance were from industrials, which in our view, suffered from indiscriminate selling related to a rapid rise in coronavirus-linked concerns towards the end of the review period. Examples include electronic and electrical equipment manufacturer Noritsu Koki and industrial support services company Forum Engineering. Automobile and parts manufacturers sold off very heavily and Mazda Motors was also a significant detractor.

Conversely, technology companies JMDC and JSR added value. We took part in the Initial Public Offering (IPO) of technology company JMDC in December 2019. Having followed JMDC before it was listed and still part of a larger group, we were positive on the management team and the business fundamentals and felt poor market conditions were resulting in depressed IPO valuations. The stock rose significantly following the listing. Technology materials business JSR outperformed as investors took a more balanced assessment of the company's ability to sustain its earnings over the medium term.

Investment activity

On 20 September 2019, Carl Vine took over as manager of the M&G (Lux) Japan Smaller Companies Fund. Following the sub-fund manager change, we have been increasing exposure to what we believe are mispriced business franchises, where we see a disproportionate probability that either corporate action or M&G engagement can unlock significant value.

The aim of the changes is so the portfolio can benefit from the company-specific balance sheet and operational restructuring trends that are accelerating across the Japanese corporate landscape, especially in the small to medium-sized company space.

The stocks we have added to the portfolio do not necessarily fit neatly into thematic buckets, but they can broadly be split into three categories. The first is cyclicals (that is, companies whose earnings are sensitive to the economic cycle). Following the indiscriminate selloff, we were able to buy shares in these companies at prices that we believe are very attractive.

We have also identified some mispriced growth and quality names. In each case, we feel the future growth story is poorly understood, mispriced or that the quality and resilience of the business is not reflected in current valuations. Growth stocks are companies whose sales and earnings are expected to grow faster than those of other companies. Quality companies are ones which have the ability to generate high returns and margins.

Finally, we have added stocks we believe are going through corporate reforms that can unlock significant value for investors. We are looking to engage with such companies to unlock value for our investors.

Outlook

Notwithstanding the uncertainties caused by the coronavirus, we believe current valuations in Japanese companies are undemanding and economic policy is now extremely supportive and interest rates are at very low levels.

As active managers, we are increasingly excited by the investment opportunities we see in the stock market today. Not only do we believe we can add value as stock pickers, but we can also leverage M&G's long tradition of engaging with management, which can be its own catalyst for value realisation.

The Abe administration has presided over an unprecedented state-led campaign to cajole corporate Japan into raising returns on capital. The Corporate Governance Code, the Stewardship Code, the revamped Companies Act and the revised Fair Merger & Acquisition guidelines are all now bearing down upon corporate Japan, forcing behavioural change. We believe we are in the early stages of a process in which long-trapped value is being released from balance sheets.

Regular meetings with company directors allow us to identify whether a company's strategy is aligned with our interests as long-term shareholders. Our active engagement with companies, which takes place regularly, helps us to encourage positive change.

M&G (Lux) Japan Smaller Companies Fund

Investment review

Outlook (continued)

Looking forward, we continue to see valuations in Japanese companies as highly supportive for prospective returns. More importantly, the significant variation in valuation between stocks, combined with continued restructuring at the company level, leaves us excited about the opportunity to add additional value through our stock-picking approach.

Carl Vine

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Japan Smaller Companies Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥000	Market value ¥000	% of net assets
EQUITIES					2,626,256	100.37
Software & Computer Services						
NTT Data	54,700	¥			56,328	2.15
Technology Hardware & Equipment					154,645	5.91
Noritsu Koki	63,000	¥			57,721	2.20
SUMCO	32,900	¥			45,183	1.73
Wacom	164,800	¥			51,741	1.98
Telecommunications Equipment						
Denki Kogyo	24,400	¥			60,008	2.29
Medical Equipment & Services						
Kawasumi Laboratories	24,000	¥			23,067	0.88
Banks						
Sumitomo Mitsui Trust Holdings	13,600	¥			41,799	1.60
Finance & Credit Services					126,467	4.83
Aruhi	48,600	¥			58,659	2.24
Credit Saison	54,900	¥			67,808	2.59
Investment Banking & Brokerage Services					201,249	7.69
Forum Engineering	119,844	¥			72,650	2.77
Mizuho Leasing	17,600	¥			36,560	1.40
Sparx Group	559,900	¥			92,039	3.52
Real Estate Investment & Services						
Nomura Real Estate Holdings	52,600	¥			90,855	3.47
Real Estate Investment Trusts					65,333	2.50
Invincible Investment	969	¥			23,099	0.88
Nomura Real Estate Master Fund	315	¥			42,234	1.62
Automobiles & Parts					199,223	7.62
Isuzu Motors	134,900	¥			95,309	3.65
Toyota Industries	12,500	¥			63,866	2.44
Yamaha Motor	31,000	¥			40,048	1.53
Household Goods & Home Construction						
Haseko	75,100	¥			85,787	3.28
Leisure Goods						
Shimano	2,600	¥			39,583	1.51
Media						
Tokyo Broadcasting System Holdings	49,700	¥			73,775	2.82
Beverages						
Asahi Group Holdings	21,500	¥			74,390	2.84
Construction & Materials					118,447	4.53
OSJB Holdings	212,300	¥			50,095	1.92
Taisei	20,900	¥			68,352	2.61
Electronic & Electrical Equipment						
Fuji Electric	45,000	¥			109,094	4.17
Industrial Engineering					485,928	18.57
Aichi	100,300	¥			67,783	2.59
CKD	47,900	¥			70,015	2.68
Hitachi Zosen	307,700	¥			106,024	4.05
METAWATER	18,200	¥			69,315	2.65
Mitsubishi Logisnext	38,200	¥			33,019	1.26
Nippon Thompson	384,700	¥			139,772	5.34
Industrial Support Services					147,082	5.62
Kintetsu World Express	49,300	¥			77,440	2.96
Relia	67,500	¥			69,642	2.66
Industrial Transportation					163,903	6.27
Hamakyorex	17,700	¥			45,925	1.76
Kamigumi	21,700	¥			39,260	1.50
Keisei Electric Railway	17,100	¥			52,801	2.02
Mitsui OSK Lines	15,000	¥			25,917	0.99
Chemicals					309,293	11.82
Fujimi	43,700	¥			116,319	4.44
JSR	58,100	¥			114,322	4.37
Shin-Etsu Polymer	94,500	¥			78,652	3.01
Portfolio of investments					2,626,256	100.37

M&G (Lux) Japan Smaller Companies Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥000	Market value ¥000	% of net assets
SHARE CLASS HEDGING						
Bought for ¥ 1,387,268.00, Sold for € 11,767.80			08.04.2020		(47)	0.00
Bought for ¥ 1,301,957.00, Sold for CHF 11,700.91			08.04.2020		(12)	0.00
Bought for ¥ 1,350,281.00, Sold for US\$ 12,922.49			08.04.2020		(14)	0.00
Bought for € 44,892.99, Sold for ¥ 5,365,927.00			08.04.2020		(52)	0.00
Bought for CHF 45,072.21, Sold for ¥ 5,064,258.00			08.04.2020		(26)	0.00
Bought for US\$ 47,399.57, Sold for ¥ 5,095,616.00			08.04.2020		5	0.00
					52	0.00
Total portfolio					2,626,209	100.37
Net other assets/(liabilities)					(9,734)	(0.37)
NET ASSETS					2,616,475	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					2,626,256	100.37
Unrealised gains on forward currency contracts					57	0.00
Total Investment assets					2,626,313	100.37
Investment liabilities						
Unrealised losses on forward currency contracts					(104)	0.00
Total Investment liabilities					(104)	0.00
Total portfolio					2,626,209	100.37
Net other assets/(liabilities)					(9,734)	(0.37)
NET ASSETS					2,616,475	100.00

All securities are on an official stock exchange listing except where referenced.

Counterparty exposure

Counterparty	Derivative exposures Forward currency contracts ¥000
State Street Bank and Trust Company	19,565

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Japan Smaller Companies Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-20.5	-9.8	-1.3	+4.6	28/11/2001	26/10/2018
Class 'A-H' Accumulation	-24.9	n/a	n/a	-23.9	n/a	06/11/2018
Class 'C' Accumulation	-19.9	-9.1	-0.6	+5.3	28/11/2001	26/10/2018
Class 'C-H' Accumulation	-24.4	n/a	n/a	-23.4	n/a	06/11/2018
Class 'CI' Accumulation	-19.9	-9.1	-0.6	+5.3	28/11/2001	06/11/2018
Japanese yen						
Class 'A' Accumulation	-24.0	-9.8	-2.8	+5.1	28/11/2001	06/11/2018
Class 'C' Accumulation	-23.4	-9.1	-2.1	+5.9	28/11/2001	06/11/2018
Class 'CI' Accumulation	n/a	n/a	n/a	-16.9	n/a	28/05/2019
Class 'CI' Distribution	n/a	n/a	n/a	-16.9	n/a	28/05/2019
Swiss franc						
Class 'A-H' Accumulation	-25.1	n/a	n/a	-24.0	n/a	06/11/2018
Class 'C-H' Accumulation	-24.4	n/a	n/a	-23.4	n/a	06/11/2018
US dollar						
Class 'A' Accumulation	-22.5	-9.0	n/a	-1.1	09/10/2015	26/10/2018
Class 'A-H' Accumulation	-23.3	n/a	n/a	-22.0	n/a	06/11/2018
Class 'C' Accumulation	-21.9	-8.4	n/a	-0.3	09/10/2015	26/10/2018
Class 'C-H' Accumulation	-22.7	n/a	n/a	-21.4	n/a	06/11/2018
Class 'CI' Accumulation	-21.9	-8.3	n/a	-0.3	09/10/2015	06/11/2018

[a] Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Japan Smaller Companies Fund, which includes UK taxes but excludes entry and exit charges. The M&G Japan Smaller Companies Fund is a UK authorised fund which launched on 15 May 1984 and its non-Sterling share classes merged into M&G (Lux) Japan Smaller Companies Fund on 26 October 2018.

M&G (Lux) Japan Smaller Companies Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 28 May 2019 (the launch date of the class) to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	28.05.19	31.03.20	17.04.20	20.04.20	23.04.20
					Class 'CI' Distribution
to 31 March 2020					JPY €
Final					23.3719

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	22.6709	28.5157	n/a
Class 'A-H' Accumulation	6.8243	9.0873	n/a
Class 'C' Accumulation	25.9822	32.4262	n/a
Class 'C-H' Accumulation	6.8860	9.1142	n/a
Class 'CI' Accumulation	7.6130	9.5002	n/a
Japanese yen	¥	¥	¥
Class 'A' Accumulation	693.8500	912.6270	n/a
Class 'C' Accumulation	701.1700	915.3116	n/a
Class 'CI' Accumulation	831.4100	n/a	n/a
Class 'CI' Distribution	831.4100	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	6.8122	9.0890	n/a
Class 'C-H' Accumulation	6.8879	9.1157	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.5264	12.2897	n/a
Class 'A-H' Accumulation	7.0674	9.2131	n/a
Class 'C' Accumulation	9.8499	12.6129	n/a
Class 'C-H' Accumulation	7.1422	9.2403	n/a
Class 'CI' Accumulation	7.3070	9.3532	n/a
NAV at fund level	¥'000	¥'000	¥'000
Net assets	2,616,475	15,287,272	n/a
Swing pricing adjustment (see note 12)	9,314	n/a	n/a
Swung net assets	2,625,789	15,287,272	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	1.78		
Class 'A-H' Accumulation	1.80		
Class 'C' Accumulation	1.03		
Class 'C-H' Accumulation	1.05		
Class 'CI' Accumulation	0.99		

Total Expense Ratio 31.03.2020	TER
Japanese yen	%
Class 'A' Accumulation	1.78
Class 'C' Accumulation	1.03
Class 'CI' Accumulation	0.99
Class 'CI' Distribution	0.99
Swiss franc	%
Class 'A-H' Accumulation	1.80
Class 'C-H' Accumulation	1.05
US dollar	%
Class 'A' Accumulation	1.78
Class 'A-H' Accumulation	1.80
Class 'C' Accumulation	1.03
Class 'C-H' Accumulation	1.05
Class 'CI' Accumulation	0.99

M&G (Lux) Multi Asset 2023 Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to pay a fixed annual distribution of 2.5% based on the initial amount invested until maturity in December 2023; and
- to grow capital over the six-year term.

Investment policy

The Fund invests in open-ended investment funds where the Investment Manager is M&G Investment Management Limited to gain exposure to a range of assets. The open-ended investment funds can be invested in single asset class or in a range of asset classes, including equities, fixed income securities, property, convertibles, currencies and money market instruments from anywhere in the world.

In the period leading up to maturity, the Fund may hold high levels of cash and near cash.

The Fund will be established for a period of six years after the Initial Offer Period, during which time no further subscriptions will be allowed. Investors who remain invested until maturity will not be subject to any redemption charge, however investors who redeem prior to maturity will be subject to a regressive redemption charge.

Investment approach

The Investment approach combines in-depth research to work out the value of assets over the short to medium term, with analysis of market reactions to events, to identify investment opportunities. The Investment Manager has a flexible top-down approach to the allocation of capital between different types of funds in response to changes in economic conditions and asset values.

The Investment Manager believes that this approach has the potential to deliver the objective over the six year term with an expected annualised volatility (the degree to which the value of the Fund fluctuates over any 12-month period) of around 8%. The Fund will invest in different strategies, including income strategies to generate an income but can distribute from capital to meet the annual fixed distribution of 2.5%.

Performance Comparator

Not applicable

M&G (Lux) Multi Asset 2023 Fund

Investment review

For the year ended 31 March 2020

Performance review

The 12-month review period was notable for a protracted trade war between the US and China, followed by the outbreak of the coronavirus, which resulted in economic shutdowns across the world. Against this backdrop, the sub-fund delivered negative returns.

Events in March 2020 had a particularly significant impact on the sub-fund's overall performance. Stock markets experienced some of the worst volatility on record, while traditional safe-haven assets, such as core government bonds and gold, were generally unable to offer investors protection, as a rush to sell those assets for cash put downward pressure on their prices. In some cases, we felt there was clear evidence of forced selling by investors.

Elsewhere, corporate bonds in both investment grade and high yield markets sold off sharply, as investors appeared to price in unprecedented default rates. Emerging market assets were also hard hit, as risk aversion was compounded by increased demand for the US dollar and collapses in commodity prices, notably oil.

Equities were among the key detractors from sub-fund performance. While the portfolio has exposure to a diverse range of stock market indices and sectors, the extent and global nature of market declines had a material impact on performance. European and US bank positions were among those worst-affected. In fixed income, short positions in German bunds and UK gilts delivered negative returns, as interest rates declined over the 12-month period. The portfolio's underlying credit funds also delivered negative returns, due largely to their exposure to US credit. In emerging markets, underlying bond funds, as well as positions held in the multi-asset funds, notably South African bonds, suffered losses.

Losses were mitigated by long positions in US Treasuries and tactical asset allocation decisions, which are described in further detail below.

Investment activities

We actively scaled our exposure across asset classes, sectors and geographies in line with our investment strategy throughout the review period. In the summer of 2019, we increased equity exposure, as we felt markets had been oversold due to excessive fears around the US-China trade war and its potential effects on the global economy. This proved beneficial, as stock markets subsequently rallied and – although it seems difficult to imagine now – reached all-time highs in mid-February 2020. In late 2019, we began to meaningfully reduce our equity exposure, as we felt these rallies had left the asset class vulnerable to the downside. However, the changes were clearly insufficient to offset the severe volatility that followed.

During March's volatility, we increased the sub-fund's exposure to US Treasuries to protect the portfolio. Bond yields initially declined (as bond prices rose) as fears around the coronavirus grew, which prompted us to take some of the profits from these

positions. However, shortly after this, yields rose sharply as investors scrambled to liquidate assets for cash and sold their bond holdings. As such, we increased our positions again at the long end of the yield curve. This allowed us to benefit as yields fell towards the end of the month.

Following sharp rises in credit yields, we also increased credit exposure in the underlying multi-asset funds via European investment grade and high yield corporate bond indices. In our view, markets were pricing in unprecedented default rates and, given the extensive support measures announced by central banks, we believe these assets offer substantial compensation for risk.

We also increased equity exposure in March by adding to stock market indices in Germany, Japan, the UK and the US, as we felt there was evidence of panic-driven selling exacerbating the volatility.

Outlook

At the start of April, markets had begun to settle down, due to central bank and government interventions, as well as signs that new coronavirus cases were flattening in several countries. We cannot know if this optimism will last, especially as the situation continues to deteriorate in the world's largest economy, the US. However, the temporary and voluntary nature of economic shutdowns suggest a recovery may be possible more quickly than in historical recessions. This is evidenced by China beginning to reopen parts of its economy. If this is indeed the case, we believe current asset prices in some areas of markets may be presenting opportunities to enhance investment returns.

We understand that performance over the review period has been deeply disappointing. However, we believe it is important to continue to apply the same investment philosophy we have used to successfully navigate other extreme market events over the past 20 years, and we feel recent changes leave the portfolio better-placed to deliver on its medium-term goals.

Craig Moran

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Multi Asset 2023 Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					80,334	63.38
Equity portfolios					80,334	63.38
Mutual Funds					80,334	63.38
M&G (Lux) Conservative Allocation Fund Euro Class 'C' (Accumulation) ^[a]	1,524,200	€		12,976	12,976	10.24
M&G (Lux) Dynamic Allocation Fund Euro Class 'C' (Accumulation) ^[a]	2,151,518	€		17,298	17,298	13.65
M&G (Lux) Episode Macro Fund Euro Class 'S-H' (Accumulation) ^[a]	1,519,344	€		18,809	18,809	14.84
M&G (Lux) Global Dividend Fund Euro Class 'C' (Distribution) ^[a]	835,799	€		6,317	6,317	4.98
M&G (Lux) Global Target Return Fund Euro Class 'CI' (Accumulation) ^[a]	785,669	€		7,498	7,498	5.91
M&G (Lux) Income Allocation Fund Euro Class 'C' (Distribution) ^[a]	2,109,626	€		17,436	17,436	13.76
FIXED INCOME					44,682	35.25
Bond portfolios					44,682	35.25
M&G (Lux) Absolute Return Bond Fund Euro Class 'C' (Distribution) ^[a]	582,834	€			5,302	4.18
M&G (Lux) Emerging Markets Bond Fund Euro Class 'C-H' (Distribution) ^[a]	713,695	€			6,039	4.77
M&G (Lux) Emerging Markets Corporate ESG Bond Fund Euro Class 'CI-H' (Distribution) ^[a]	300,000	€			2,468	1.95
M&G (Lux) Emerging Markets Hard Currency Bond Fund Euro Class 'C-H' (Distribution) ^[a]	954,991	€			7,470	5.89
M&G (Lux) Global Convertibles Fund Euro Class 'C-H' (Distribution) ^[a]	225,085	€			2,667	2.10
M&G (Lux) Global High Yield Bond Fund Euro Class 'C-H' (Distribution) ^[a]	718,223	€			7,378	5.82
M&G (Lux) Optimal Income Fund Euro Class 'C' (Distribution) ^[a]	1,480,154	€			13,358	10.54
Portfolio of investments					125,016	98.63
Total portfolio					125,016	98.63
Net other assets/(liabilities)					1,736	1.37
NET ASSETS					126,752	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity portfolios					80,334	63.38
Bond portfolios					44,682	35.25
Total Investment assets					125,016	98.63
Total portfolio					125,016	98.63
Net other assets/(liabilities)					1,736	1.37
NET ASSETS					126,752	100.00

^[a] Crossholding (see note 13).

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Multi Asset 2023 Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'P' Accumulation	-9.2	n/a	n/a	-5.7	14/12/2017
Class 'P' Distribution	-9.2	n/a	n/a	-5.7	14/12/2017

M&G (Lux) Multi Asset 2023 Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	14.12.18	13.12.19	13.12.19	16.12.19	19.12.19
					Class 'P' Distribution
to 31 March 2020					Euro €
Final					0.2500

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'P' Accumulation	8.7474	9.6359	9.8670
Class 'P' Distribution	8.2988	9.3782	9.8670
NAV at fund level	€'000	€'000	€'000
Net assets	126,752	152,458	168,778
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	126,752	152,458	168,778
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'P' Accumulation	1.66		
Class 'P' Distribution	1.66		

M&G (Lux) North American Dividend Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to deliver a higher total return (the combination of capital growth and income) than that of the US equity market over any five-year period and;
- to deliver an income stream that increases every year in US Dollar terms.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in, the US and Canada. The Fund usually holds fewer than 50 stocks.

The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies. Dividend yield is not the primary consideration for stock selection.

The Investment Manager aims to create a diversified portfolio with exposure to a broad range of sectors. Stocks with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions.

Performance Comparator

S&P 500 Net Total Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) North American Dividend Fund

Investment review

For the year ended 31 March 2020

Performance review

US stock markets declined in the 12 months under review, although the losses were largely concentrated at the end of the period, when the coronavirus outbreak rattled investors. For most of the review period, share prices rose even though escalating trade tensions between the US and China caused some bumps along the way. The S&P 500 Index climbed to all-time highs in mid-February before reversing suddenly as the coronavirus spread around the globe. Amid fears about the economic impact of the pandemic, global stock markets plunged and investors flocked to perceived 'safe-haven' assets, such as US government bonds and gold. As oil prices plunged on concerns about weak demand and a price war between Saudi Arabia and Russia, the energy sector was amongst the weakest. Worries about the economic outlook weighed heavily on financials, industrials and consumer discretionary.

Against this backdrop, the sub-fund declined, and lagged the S&P 500 Net Return Index, led by energy-related stocks. Methanex and ONEOK were the dominant detractors as these holdings became embroiled in a broader sector malaise, which was exacerbated towards the end of the review period by the dual shock of an OPEC supply increase and lower demand triggered by the virus outbreak. We continue to have confidence in methanol producer Methanex given its dominance in a long-term growth market and the distressed valuation which remains on a significant discount to its replacement cost of assets. ONEOK also remains a core holding. Unlike oil & gas producers, the cashflows generated by pipeline businesses have limited direct exposure to the underlying commodity price, but the negative sentiment has infiltrated all areas of the energy industry. We believe the current situation has parallels with 2015 before the sector recovered strongly in 2016.

Not owning Apple for most of the review period held back relative performance, as did the zero exposure to Amazon.com. We bought Apple during the market downturn in March, but Amazon.com remains out of scope because of the lack of a dividend discipline.

Data centre company Equinix added the most value. Despite its status as a real estate investment trust (REIT), the company is a beneficiary of structural growth, namely the proliferation of data in our increasingly digital world.

Microsoft, Fidelity National Information Services (FIS) and Lam Research outperformed in a buoyant technology sector. Mondelez (consumer staples) and Merck (healthcare) benefited from the market's preference for safety. Stock selection added value in financials as Intercontinental Exchange and S&P Global outperformed.

The sub-fund also benefited from dividend increases across a variety of sectors. Most of our holdings raised their dividends in the core 5% to 15% range, in line with previous years. Technology remained a source of strong growth as Broadcom, MasterCard and Visa boosted their dividends by 20% or more.

Investment activities

We made 12 new purchases and 14 complete sales during the 12 months under review – a level of turnover consistent with our investment timeframe of three to five years.

The sub-fund's exposure to technology increased meaningfully after we bought KLA, Automatic Data Processing (ADP) and Apple during the market downturn in February and March. We sold Cognizant earlier in the review period.

Healthcare moved from an underweight to an overweight following the purchases of Merck, Agilent and Bristol-Myers Squibb; Johnson & Johnson made way.

The exposure to industrials moved higher with the addition of L3Harris. Boeing was bought and sold during the review period as the dividend outlook deteriorated significantly.

The energy weighting moved lower as we sold the stakes in EOG Resources, Pembina Pipeline and PrairieSky Royalty.

In financials, the sub-fund moved to an underweight in banks following the sale of MTB Bank and Wells Fargo. In insurance, Progressive traded places with Arthur J Gallagher.

Intercontinental Exchange also exited the portfolio after a strong run.

Consumer discretionary was another area of activity with the purchases of Tractor Supply and Nike counterbalanced by the sale of Starbucks, Six Flags and Yum China.

Outlook

Equity markets have been rattled by the coronavirus pandemic, but the sharp declines in share prices are creating buying opportunities for long-term winners, in our view. We are seeking to take advantage of the situation with decisive action. The opportunity is most apparent, we believe, in the 'rapid growth' category where premium growth is available at realistic prices. We also see value in distressed cyclicals, but our focus is very much on those with the cleanest balance sheets. We are positioning the portfolio accordingly, with 'quality' providing the source of cash.

We are also conscious of the reality that dividends will be tested in 2020. Dividends are under pressure in many industries and it would be reasonable to expect more dividend cuts, if not outright eliminations, as the year progresses. Being selective will be paramount. However, we are also seeking to take a common sense approach. Should our companies need to pause dividends for one or two quarters due to this current unprecedented situation, we will not penalise them too harshly, so long as they are reinstated at the prior level.

Balance sheet strength is a key consideration in our company research to ensure that dividends are sustainable in the current climate. We will not be immune to dividend cuts, but we have an established process to deal with those scenarios to deliver a favourable outcome for our clients.

M&G (Lux) North American Dividend Fund

Investment review

Outlook (continued)

We continue to believe that the majority of our holdings can sustain dividend growth at 5-15% over the long term, but the lack of visibility in the short term presents a challenge. The objective of providing a rising income stream will be demanding in the next 12 months. That said, the abundance of growth in the portfolio bodes well for the long term, in our view, and we are confident about the prospects ahead.

John Weavers

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) North American Dividend Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					133,343	98.25
Oil, gas & consumable fuels					4,575	3.37
Gibson Energy	170,985	CA\$			1,763	1.30
ONEOK	140,373	US\$			2,812	2.07
Chemicals					3,607	2.66
Air Products & Chemicals	7,032	US\$			1,450	1.07
LyondellBasell Industries 'A'	12,642	US\$			626	0.46
Methanex	125,975	US\$			1,531	1.13
Aerospace & defense						
L3Harris Technologies	26,691	US\$			4,858	3.58
Electrical equipment						
Emerson Electric	23,970	US\$			1,118	0.82
Road & rail						
Union Pacific	16,366	US\$			2,293	1.69
Textiles, apparel & luxury goods						
Nike 'B'	10,436	US\$			891	0.66
Hotels, restaurants & leisure						
Las Vegas Sands	64,323	US\$			2,798	2.06
Specialty retail					7,755	5.72
Lowe's	52,809	US\$			4,684	3.45
Tractor Supply	35,890	US\$			3,071	2.27
Beverages						
Constellation Brands 'A'	35,621	US\$			5,222	3.85
Food products						
Mondelez International 'A'	77,750	US\$			3,975	2.93
Health care equipment & supplies						
Becton Dickinson	15,182	US\$			3,384	2.49
Health care providers & services					10,346	7.62
Anthem	23,999	US\$			5,534	4.08
UnitedHealth Group	19,156	US\$			4,812	3.54
Pharmaceuticals					8,585	6.33
Bristol-Myers Squibb	72,327	US\$			3,935	2.90
Merck	60,424	US\$			4,650	3.43
Life sciences tools & services						
Agilent Technologies	20,600	US\$			1,497	1.10
Banks					4,862	3.58
First Republic Bank	15,035	US\$			1,299	0.96
JPMorgan Chase	38,120	US\$			3,563	2.62
Consumer finance						
American Express	41,245	US\$			3,720	2.74
Capital markets					4,864	3.58
BlackRock	4,721	US\$			2,148	1.58
S&P Global	11,015	US\$			2,716	2.00
Insurance					6,487	4.78
Marsh & McLennan	33,980	US\$			3,043	2.24
Progressive	45,201	US\$			3,444	2.54
IT services					21,757	16.03
Automatic Data Processing	20,306	US\$			2,797	2.06
Broadridge Financial Solutions	35,911	US\$			3,477	2.56
Fidelity National Information Services	46,048	US\$			5,768	4.25
Mastercard 'A'	11,599	US\$			2,934	2.16
Visa 'A'	40,961	US\$			6,781	5.00
Software						
Microsoft	69,758	US\$			11,183	8.24
Technology hardware, storage & peripherals						
Apple	10,620	US\$			2,705	1.99
Semiconductors & semiconductor equipment					8,371	6.17
Broadcom	17,692	US\$			4,248	3.13
KLA	7,663	US\$			1,145	0.84
Lam Research	11,653	US\$			2,978	2.20
Media						
Comcast 'A'	124,188	US\$			4,407	3.25

M&G (Lux) North American Dividend Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Equity Real Estate Investment Trusts (REITs)					4,083	3.01
Crown Castle International	7,918	US\$			1,171	0.86
Equinix	4,517	US\$			2,912	2.15
Portfolio of investments					133,343	98.25
CASH EQUIVALENTS						
'AAA' rated money market funds					1,995	1.47
Northern Trust Global Funds - US Dollar Fund Class 'D'	1,995,000	US\$			1,995	1.47
SHARE CLASS HEDGING						
Bought for € 543,731.41, Sold for CA\$ 810,372.01			08.04.2020		(227)	(0.17)
Bought for € 21,609,576.87, Sold for US\$ 23,980,797.45			08.04.2020		26	0.02
Bought for CA\$ 439,566.03, Sold for € 284,419.51			08.04.2020		(318)	(0.23)
Bought for US\$ 7,467,634.43, Sold for € 6,758,443.27			08.04.2020		(2)	0.00
					67	0.04
Total portfolio					135,111	99.55
Net other assets/(liabilities)					608	0.45
NET ASSETS					135,719	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					133,343	98.25
Unrealised gains on forward currency contracts					93	0.06
Total Investment assets					133,436	98.31
Investment liabilities						
Unrealised losses on forward currency contracts					(320)	(0.23)
Total Investment liabilities					(320)	(0.23)
Total portfolio					133,116	98.08
Cash equivalents					1,995	1.47
Net other assets/(liabilities)					608	0.45
NET ASSETS					135,719	100.00

All securities are on an official stock exchange listing except where referenced.

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company	33,300

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) North American Dividend Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-9.3	+2.6	+4.4	+4.2	28/11/2001	09/11/2018
Class 'A' Distribution	-9.3	+2.6	+4.4	+10.0	08/08/2014	09/11/2018
Class 'A-H' Accumulation	-13.8	+0.7	+2.9	+5.0	12/09/2008	09/11/2018
Class 'C' Accumulation	-8.6	+3.4	+5.2	+6.3	28/11/2001	09/11/2018
Class 'C' Distribution	-8.6	+3.5	+5.2	+10.9	08/08/2014	09/11/2018
Class 'C-H' Accumulation	-13.2	+1.5	+3.7	+7.8	01/10/2010	09/11/2018
Class 'CI' Accumulation	-8.5	+3.4	+5.2	+6.3	28/11/2001	19/11/2018
Sterling						
Class 'C' Accumulation	n/a	n/a	n/a	-15.0	n/a	05/07/2019
Class 'C' Distribution	n/a	n/a	n/a	-15.0	n/a	05/07/2019
Class 'CI' Accumulation	n/a	n/a	n/a	-15.0	n/a	05/07/2019
Class 'CI' Distribution	n/a	n/a	n/a	-15.0	n/a	05/07/2019
US dollar						
Class 'A' Accumulation	-11.5	+3.4	+4.8	+4.7	09/03/2007	09/11/2018
Class 'A' Distribution	-11.5	+3.4	+4.8	+6.2	08/08/2014	09/11/2018
Class 'C' Accumulation	-10.9	+4.2	+5.6	+5.5	09/03/2007	09/11/2018
Class 'C' Distribution	-10.9	+4.2	+5.6	+7.0	08/08/2014	09/11/2018
Class 'CI' Accumulation	-10.8	+4.8	+6.7	+6.3	09/03/2007	19/11/2018
Class 'CI' Distribution	n/a	n/a	n/a	-24.2	n/a	21/02/2020

[a] Fund performance before the launch of the fund on 09 November 2018 is that of the relevant Merged Share Class of the M&G North American Dividend Fund, which includes UK taxes but excludes entry and exit charges. The M&G North American Dividend Fund is a UK authorised fund which launched on 18 December 1972 and its non-Sterling share classes merged into M&G (Lux) North American Dividend Fund on 9 November 2018.

M&G (Lux) North American Dividend Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'C' Distribution	Class 'C' Distribution	Class 'CI' Distribution	Class 'A' Distribution
to 31 March 2020	Euro €	Euro €	UK p	UK p	US ¢
First interim	0.0700	0.0780	n/a	n/a	0.0625
Second interim	0.0729	0.0815	0.0234	0.0234	0.0625
Third interim	0.0710	0.0793	0.0275	0.0275	0.0625
Final	0.1717	0.1924	0.0724	0.0724	0.1475

	Class 'C' Distribution	Class 'CI' Distribution
to 31 March 2020	US ¢	US ¢
First interim	0.0677	n/a
Second interim	0.0678	n/a
Third interim	0.0680	n/a
Final	0.1606	0.0196

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	135,719	140,190	n/a
Swing pricing adjustment (see note 12)	(102)	n/a	n/a
Swung net assets	135,617	140,190	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.73
Class 'A' Distribution	1.73
Class 'A-H' Accumulation	1.75
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'C-H' Accumulation	1.00
Class 'CI' Accumulation	0.94

Sterling	%
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'CI' Distribution	0.94

US dollar	%
Class 'A' Accumulation	1.73
Class 'A' Distribution	1.73
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'CI' Distribution ^[a]	0.94

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	21.3200	23.4973	n/a
Class 'A' Distribution	19.5032	21.8428	n/a
Class 'A-H' Accumulation	17.6223	20.4440	n/a
Class 'C' Accumulation	24.0973	26.3571	n/a
Class 'C' Distribution	21.8765	24.3232	n/a
Class 'C-H' Accumulation	18.8002	21.6473	n/a
Class 'CI' Accumulation	9.6817	10.5862	n/a
Sterling	£	£	£
Class 'C' Accumulation	8.4953	n/a	n/a
Class 'C' Distribution	8.4529	n/a	n/a
Class 'CI' Accumulation	8.4975	n/a	n/a
Class 'CI' Distribution	8.4551	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	18.3238	20.7154	n/a
Class 'A' Distribution	16.7520	19.2456	n/a
Class 'C' Accumulation	20.1978	22.6617	n/a
Class 'C' Distribution	18.2721	20.8337	n/a
Class 'CI' Accumulation	9.2764	10.4045	n/a
Class 'CI' Distribution	7.5759	n/a	n/a

M&G (Lux) North American Value Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the US equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in, the US and Canada.

The investment process of the Fund is based on the fundamental analysis of companies trading on low valuations relative to their history and the market.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund employs a bottom-up stock picking approach to identify shares of North American companies that the Investment Manager believes are undervalued. The Investment Manager seeks to identify companies that are mispriced, while trying to avoid firms that are cheap for a reason and whose share prices are unlikely to improve over time.

The Fund's approach combines strict value-focused screening with rigorous qualitative analysis to ensure the Fund has a consistent and disciplined value bias, without compromising on the robustness of the companies in the portfolio.

The main driver of returns is expected to be the value style and overall stock selection rather than any individual sector or stock.

Performance Comparator

S&P 500 Net Total Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) North American Value Fund

Investment review

For the year ended 31 March 2020

Performance review

US stock markets declined in the 12 months under review, although the losses were largely concentrated at the end of the period, when the coronavirus outbreak rattled investors.

For most of the review period, share prices rose even though escalating trade tensions between the US and China caused some bumps along the way. The S&P 500 Index climbed to all-time highs in mid-February before reversing suddenly as the coronavirus spread around the globe.

Amid fears about the economic impact of the pandemic, global stock markets plunged and investors flocked to perceived 'safe-haven' assets, such as US government bonds and gold.

As oil prices plunged on concerns about weak demand and a price war between Saudi Arabia and Russia, the energy sector was amongst the weakest. Worries about the economic outlook weighed heavily on financials, industrials and consumer discretionary.

In contrast, consumer staples, healthcare and utilities outperformed. These 'defensive' sectors are generally perceived to be resilient in challenging economic conditions. Information technology was the standout performer, as Apple and Microsoft rallied strongly.

In terms of style, cheaper 'value' stocks were out of favour for most of the period and underperformed the broader market by a wide margin. This presented a significant style headwind for the sub-fund's value approach. In this context, the sub-fund declined and underperformed the S&P 500 Net Return Index.

At the portfolio level, our relatively small allocation to information technology held back returns as the sector outperformed. In particular, not owning Apple or Microsoft proved costly as the large index constituents outperformed the market. The stock market was also heavily led by the mega-cap stocks, which worked against us as we found few opportunities in that space that justified our involvement as long-term value investors.

Among the stocks we hold, IT services firms DXC Technology and Hewlett Packard Enterprise were notable detractors.

A number of our consumer discretionary holdings were hurt by the coronavirus pandemic. Footwear retailer Foot Locker and fashion company Tapestry tumbled on concerns about the impact of store closures on their earnings. Hotel operator Extended Stay America fell as travel restrictions hit demand.

In energy, our holdings in Chevron and Kosmos Energy were a drag on performance as oil prices fell.

These detractors outweighed positive contributions from healthcare stocks Bristol-Myers Squibb and Biogen. Shares in Biogen were boosted by optimism about the prospects of its new Alzheimer's drug.

Supermarket chain Kroger also added value. The stock gained as food retailers are expected to see resilient demand during the lockdowns. Rising gold prices supported gold miner Newmont, while our shares in oil tanker firm Euronav rose as the company's vessels were in demand for the storage of crude oil.

Investment activities

There was a relatively high level of activity towards the end of the period as we took advantage of the dramatic share price falls associated with the Covid-19 pandemic to add several new holdings. These included Stryker, a high-quality medical device company that fell nearly 50% from its highs; conglomerate General Electric, and Southwest Airlines, a high-quality airline company that was previously out of our valuation zone.

We also started positions in building materials firm Owens Corning and database software company Oracle. We are pleased to add such a large-cap name in the IT sector as it gives the sub-fund a more balanced exposure.

On the other hand, we sold our entire stakes in healthcare stocks Biogen and Eli Lilly following good share price performance. We also sold our holding in AVX, an electronics components maker, after the company's largest shareholder proposed buying the shares it did not own. Paper-based consumer products company Kimberly-Clark and energy firm Suncor Energy left the portfolio too.

Outlook

The spread of Covid-19 and the prospect of a global economic recession are likely to dominate financial markets for the foreseeable future. The difficulty for investors is that we are in uncharted territory and it is not possible to accurately predict what might happen next.

After the dramatic sell-off at the end of the period, we see opportunities in a range of areas. However, as the economic fallout from coronavirus is likely to be very severe, we will pay close attention to company fundamentals. We think balance sheet strength will be a key factor for companies trying to withstand this crisis.

It is impossible to have absolute clarity on the market in the short term, but we think there are plenty of opportunities available for careful long-term investors. Just as we did in the review period, we will seek to take advantage of any turbulence to invest in companies that we think have fallen too far. We believe our clear process in value investing with an emphasis on balance sheet strength should be beneficial for returns once we come out of this crisis.

Daniel White

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) North American Value Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					211,654	97.41
Energy equipment & services						
Helmerich & Payne	22,318	US\$			346	0.16
Oil, gas & consumable fuels					11,815	5.44
Chevron	75,930	US\$			5,462	2.51
Cobalt International Energy ^[a]	34,444	US\$			0	0.00
ConocoPhillips	74,416	US\$			2,180	1.00
Euronav	222,010	US\$			2,712	1.25
Hess	37,184	US\$			1,187	0.55
Kosmos Energy	319,654	US\$			274	0.13
Construction materials						
Eagle Materials	34,692	US\$			1,888	0.87
Containers & packaging						
Westrock	76,853	US\$			2,225	1.02
Metals & mining					4,096	1.88
Newmont	53,684	US\$			2,488	1.14
Steel Dynamics	73,682	US\$			1,608	0.74
Paper & forest products						
Domtar	40,973	US\$			901	0.41
Aerospace & defense					3,132	1.44
General Dynamics	19,090	US\$			2,550	1.17
Spirit AeroSystems Holdings 'A'	24,003	US\$			582	0.27
Building products						
Owens Corning	57,186	US\$			2,281	1.05
Industrial conglomerates						
General Electric	270,801	US\$			2,133	0.98
Machinery					4,922	2.27
Caterpillar	16,488	US\$			1,842	0.85
Oshkosh	29,285	US\$			1,807	0.83
Spx Flow	47,989	US\$			1,273	0.59
Professional services						
ManpowerGroup	25,443	US\$			1,404	0.65
Air freight & logistics						
FedEx	21,121	US\$			2,627	1.21
Airlines						
Southwest Airlines	41,950	US\$			1,473	0.68
Road & rail						
CSX	34,879	US\$			2,023	0.93
Auto components						
Magna International	36,275	US\$			1,156	0.53
Automobiles						
General Motors	86,415	US\$			1,841	0.85
Textiles, apparel & luxury goods					3,213	1.48
Columbia Sportswear	18,684	US\$			1,323	0.61
Kontoor Brands	42,810	US\$			846	0.39
Tapestry	79,369	US\$			1,044	0.48
Hotels, restaurants & leisure					1,806	0.83
Carnival	10,364	US\$			133	0.06
Extended Stay America	224,101	US\$			1,673	0.77
Multiline retail						
Target	17,885	US\$			1,717	0.79
Specialty retail						
Foot Locker	72,956	US\$			1,637	0.75
Food & staples retailing					7,813	3.60
Kroger	179,586	US\$			5,324	2.45
Walgreens Boots Alliance	33,879	US\$			1,529	0.71
Weis Markets	23,987	US\$			960	0.44
Beverages					8,024	3.69
Coca-Cola European Partners	101,132	US\$			3,722	1.71
Molson Coors Beverage 'B'	106,766	US\$			4,302	1.98
Food products						
Tyson Foods 'A'	24,214	US\$			1,433	0.66

M&G (Lux) North American Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Household products						
Energizer Holdings	54,635	US\$			1,728	0.80
Personal products						
Coty 'A'	240,600	US\$			1,303	0.60
Health care equipment & supplies						
Stryker	16,332	US\$			2,659	1.22
Health care providers & services						
Anthem	25,654	US\$			5,915	2.72
Pharmaceuticals						
Bristol-Myers Squibb	142,291	US\$			7,741	3.57
Johnson & Johnson	77,332	US\$			10,279	4.73
Merck	66,887	US\$			5,148	2.37
Pfizer	216,901	US\$			7,089	3.26
Banks						
Citigroup	75,403	US\$			3,324	1.53
JPMorgan Chase	78,164	US\$			7,305	3.36
PNC Financial Services Group	29,282	US\$			2,957	1.36
Wells Fargo	31,884	US\$			954	0.44
Thriffs & mortgage finance						
Capitol Federal Financial	111,192	US\$			1,304	0.60
New York Community Bancorp	264,891	US\$			2,520	1.16
Diversified financial services						
Voya Financial	50,031	US\$			2,074	0.95
Capital markets						
Goldman Sachs Group	14,295	US\$			2,280	1.05
Insurance						
Hartford Financial Services Group	96,140	US\$			3,447	1.58
Loews	71,015	US\$			2,514	1.16
MetLife	52,964	US\$			1,697	0.78
IT services						
Cognizant Technology Solutions 'A'	80,990	US\$			3,837	1.77
DXC Technology	91,985	US\$			1,326	0.61
Software						
Oracle	136,353	US\$			6,865	3.16
Communications equipment						
Cisco Systems	158,820	US\$			6,403	2.95
Technology hardware, storage & peripherals						
Hewlett Packard Enterprise	338,471	US\$			3,400	1.56
Western Digital	29,343	US\$			1,276	0.59
Electronic equipment, instruments & components						
Celestica	176,607	CA\$			612	0.28
Vishay Intertechnology	69,423	US\$			1,030	0.48
Semiconductors & semiconductor equipment						
Intel	112,512	US\$			6,243	2.87
Micron Technology	48,187	US\$			2,145	0.99
Diversified telecommunication services						
AT&T	121,782	US\$			3,683	1.70
CenturyLink	114,988	US\$			1,131	0.52
Verizon Communications	125,447	US\$			6,870	3.16
Wireless telecommunication services						
Telephone & Data Systems	41,437	US\$			699	0.32
United States Cellular	26,897	US\$			813	0.38
Media						
Comcast 'A'	185,858	US\$			7,976	3.67
News 'A'	156,846	US\$			6,595	3.03
Interactive Media & Services						
Alphabet 'A'	7,081	US\$			8,116	3.73
Electric utilities						
Exelon	190,439	US\$			7,085	3.26
Portfolio of investments					211,654	97.41

M&G (Lux) North American Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
CASH EQUIVALENTS					5,105	2.35
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	5,105,000	US\$			5,105	2.35
SHARE CLASS HEDGING					(98)	(0.05)
Bought for £ 364.67, Sold for € 399.16			08.04.2020		0	0.00
Bought for £ 327.09, Sold for CA\$ 559.54			08.04.2020		0	0.00
Bought for £ 26,063.32, Sold for US\$ 33,121.03			08.04.2020		(1)	0.00
Bought for € 411.04, Sold for £ 370.70			08.04.2020		0	0.00
Bought for € 112,549.43, Sold for CA\$ 167,361.60			08.04.2020		6	0.00
Bought for € 572.70, Sold for CHF 606.80			08.04.2020		0	0.00
Bought for € 408.18, Sold for SG\$ 642.48			08.04.2020		0	0.00
Bought for € 8,565,061.45, Sold for US\$ 9,510,759.96			08.04.2020		(129)	(0.06)
Bought for CA\$ 417.53, Sold for £ 241.39			08.04.2020		0	0.00
Bought for CA\$ 126,336.86, Sold for € 81,268.41			08.04.2020		0	0.00
Bought for CA\$ 631.43, Sold for CHF 429.77			08.04.2020		0	0.00
Bought for CA\$ 522.18, Sold for SG\$ 531.18			08.04.2020		0	0.00
Bought for CHF 585.76, Sold for € 553.98			08.04.2020		0	0.00
Bought for CHF 612.42, Sold for CA\$ 855.23			08.04.2020		0	0.00
Bought for CHF 49,092.48, Sold for US\$ 51,235.17			08.04.2020		0	0.00
Bought for SG\$ 622.35, Sold for € 394.84			08.04.2020		0	0.00
Bought for SG\$ 706.18, Sold for CA\$ 681.68			08.04.2020		0	0.00
Bought for SG\$ 50,966.63, Sold for US\$ 36,652.56			08.04.2020		(2)	0.00
Bought for US\$ 9,592.29, Sold for £ 7,816.66			08.04.2020		0	0.00
Bought for US\$ 2,815,189.82, Sold for € 2,544,972.08			08.04.2020		28	0.01
Bought for US\$ 14,158.26, Sold for CHF 13,560.83			08.04.2020		0	0.00
Bought for US\$ 10,227.01, Sold for SG\$ 14,526.57			08.04.2020		0	0.00
Total portfolio					216,661	99.71
Net other assets/(liabilities)					620	0.29
NET ASSETS					217,281	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					211,654	97.41
Unrealised gains on forward currency contracts					34	0.01
Total Investment assets					211,688	97.42
Investment liabilities						
Unrealised losses on forward currency contracts					(132)	(0.06)
Total Investment liabilities					(132)	(0.06)
Total portfolio					211,556	97.36
Cash equivalents					5,105	2.35
Net other assets/(liabilities)					620	0.29
NET ASSETS					217,281	100.00

[a] Suspended.

All securities are on an official stock exchange listing except where referenced.

Counterparty exposure

Counterparty	Derivative exposures Forward currency contracts US\$'000
State Street Bank and Trust Company	12,926

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) North American Value Fund

Financial highlights

Sub-fund performance

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In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-18.1	-4.7	+0.3	+4.0	01/07/2005	09/11/2018
Class 'A-H' Accumulation	-22.4	n/a	n/a	-18.8	n/a	19/11/2018
Class 'C' Accumulation	-17.5	-4.0	+1.1	+4.8	01/07/2005	09/11/2018
Class 'C-H' Accumulation	-21.8	n/a	n/a	-21.9	27/02/2019	26/02/2019
Class 'CI' Accumulation	-17.5	-4.0	+1.1	+4.8	01/07/2005	19/11/2018
Singapore dollar						
Class 'A-H' Accumulation	-21.1	n/a	n/a	-21.1	27/02/2019	26/02/2019
Class 'C-H' Accumulation	-20.4	n/a	n/a	-20.5	27/02/2019	26/02/2019
Sterling						
Class 'C-H' Accumulation	n/a	n/a	n/a	-21.9	n/a	05/07/2019
Class 'CI' Accumulation	-14.7	n/a	n/a	-14.0	27/02/2019	26/02/2019
Swiss franc						
Class 'A-H' Accumulation	-22.4	n/a	n/a	-22.5	27/02/2019	26/02/2019
Class 'C-H' Accumulation	-21.8	n/a	n/a	-21.9	27/02/2019	26/02/2019
US dollar						
Class 'A' Accumulation	-20.2	-3.9	+0.7	+2.1	09/03/2007	09/11/2018
Class 'C' Accumulation	-19.6	-3.2	+1.5	+2.8	09/03/2007	09/11/2018
Class 'CI' Accumulation	-19.6	-3.2	+1.5	+2.8	09/03/2007	19/11/2018

[a] Fund performance before the launch of the fund on 9 November 2018 is that of the relevant Merged Share Class of the M&G North American Value Fund, which includes UK taxes but excludes entry and exit charges. The M&G North American Value Fund is a UK authorised fund which launched on 1 July 2005 and its non-Sterling share classes merged into M&G (Lux) North American Value Fund on 9 November 2018.

M&G (Lux) North American Value Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	17.8695	21.8305	n/a
Class 'A-H' Accumulation	7.5278	9.6987	n/a
Class 'C' Accumulation	19.9731	24.2163	n/a
Class 'C-H' Accumulation	7.6182	9.7452	n/a
Class 'CI' Accumulation	8.2540	10.0041	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	7.7058	9.7606	n/a
Class 'C-H' Accumulation	7.7695	9.7668	n/a
Sterling	£	£	£
Class 'C-H' Accumulation	7.8082	n/a	n/a
Class 'CI' Accumulation	8.4028	9.8529	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	7.5603	9.7371	n/a
Class 'C-H' Accumulation	7.6223	9.7433	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	13.0738	16.3837	n/a
Class 'C' Accumulation	14.4238	17.9385	n/a
Class 'CI' Accumulation	7.9085	9.8323	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	217,281	416,592	n/a
Swing pricing adjustment (see note 12)	161	n/a	n/a
Swung net assets	217,442	416,592	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	1.72		
Class 'A-H' Accumulation	1.74		
Class 'C' Accumulation	0.97		
Class 'C-H' Accumulation	0.99		
Class 'CI' Accumulation	0.93		
Singapore dollar	%		
Class 'A-H' Accumulation	1.74		
Class 'C-H' Accumulation	0.99		
Sterling	%		
Class 'C-H' Accumulation	0.99		
Class 'CI' Accumulation	0.93		
Swiss franc	%		
Class 'A-H' Accumulation	1.74		
Class 'C-H' Accumulation	0.99		
US dollar	%		
Class 'A' Accumulation	1.72		
Class 'C' Accumulation	0.97		
Class 'CI' Accumulation	0.93		

M&G (Lux) Optimal Income Fund

Investment objective and policy

Investment objective

The Fund aims to provide a total return (the combination of capital growth and income) to investors based on exposure to optimal income streams in investment markets.

Investment policy

The Fund invests at least 50% of its Net Asset Value in debt securities, including investment grade bonds, high yield bonds, unrated securities and Asset-Backed Securities. These securities may be issued by governments and their agencies, public authorities, quasi-sovereigns, supranational bodies and companies. Issuers of these securities may be located in any country, including emerging markets, and denominated in any currency. At least 80% of the Net Asset Value will be in EUR or hedged into EUR.

While the Fund's overall duration will not be negative, the Fund may derive negative duration from individual fixed income markets.

The Fund may invest up to a combined maximum of 100% of the Fund's Net Asset Value in below investment grade and unrated securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

The Fund may also hold up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities and up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities.

The Fund is a flexible bond fund that allows investment across a broad range of fixed income assets according to where the Investment Manager finds value. In identifying the optimal income stream, the Fund also has the flexibility to invest up to a maximum of 20% of its Net Asset Value in equities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets. Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps, Total Return Swaps and Interest Rate Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, warrants and other debt securities.

Investment approach

The Investment Manager begins with a top-down assessment of the macroeconomic environment, including the likely path of growth, inflation and interest rates. The results of this analysis help inform the Fund's duration positioning and its allocation to the various bond asset classes.

Individual credit selection is carried out in conjunction with the in-house team of credit analysts, which provides bottom-up analysis of the corporate bond markets to complement the Investment Manager's views.

Performance Comparator

Composite index made of the following three indices:

- 1/3 Bloomberg Barclays Global Aggregate Corporate Index EUR Hedged
- 1/3 Bloomberg Barclays Global High Yield Index EUR Hedged
- 1/3 Bloomberg Barclays Global Treasury Index EUR Hedged

These indices represent the global investment grade corporate market, the global high yield corporate market and the global government bond market respectively.

The Fund is actively managed. The composite index is a point of reference against which the performance of the Fund may be measured. The Fund may bear little resemblance to this composite index as it only represents the neutral position of the Fund.

M&G (Lux) Optimal Income Fund

Investment review

For the year ended 31 March 2020

Performance review

The period under review began in a positive vein, as the global risk-on sentiment that pervaded for much of the preceding three months continued. However, by May 2019 the optimistic mood was somewhat dampened, as renewed fears about the prospects for global trade caused investors to prefer safer assets once again.

During the summer, there was a series of interest rate decisions from central banks in response to mounting uncertainties on the path of global economic growth.

In the final few months of 2019, the Federal Reserve cut interest rates, there were signs of a resolution to trade wars, and Brexit was on the cusp of clearing the final hurdle following victory for the pro-Brexit Conservative Party in December's UK general election. The European Central Bank resuming its bond-buying programme (in November) was an additional source of support for European credit. Investor sentiment improved as a result.

A promising start to 2020 had fallen away by the middle of January as investors retreated on the news of the coronavirus outbreak in China. Thereafter, as the number of coronavirus cases increased across Europe, 'risk-off' sentiment returned to markets with a vengeance.

By March this year, employment, consumer demand and broader economic activity took a major blow. Investors reacted by exiting risk strategies, which resulted in significant price falls across most asset classes.

The sub-fund delivered a negative total return and lagged behind its composite index benchmark over the 12 months under review. A large part of the sub-fund's negative returns in the period was due to the poor performance of investment grade corporate bonds during the first quarter of 2020. The sub-fund's holdings are split between investment grade corporate bonds, high-yielding corporate bonds and government bonds, as these typically provide liquidity and stability in uncertain markets.

Investment activity

We adjust the sub-fund's positioning to reflect changes in our outlook regarding interest rates, credit risk and changes in relative value among the different fixed income asset classes. Throughout the review period, we continued to find most value in investment grade corporate bonds, and as a result held proportionately more of these than other bonds.

We can invest a portion of the sub-fund (up to 20%) in equities if we believe a company's shares present a more attractive investment opportunity relative to its bonds. The portion allocated to equities ended the review period at around 3.0%, roughly in line with the historical average for the sub-fund.

One of the key drivers of the sub-fund's performance is the ability to reduce or increase the portfolio's sensitivity to changes in bond yields, otherwise known as 'duration'. (Bond yields refer to the interest received from a fixed income security, which is

usually expressed annually as a percentage based on the investment's cost, its current market value or its face value. Bond yields typically move in the opposite direction to bond prices). The longer the duration, the more sensitive a bond/bond sub-fund is to movements in interest rates. We maintained the sub-fund's short duration during the entire period, as we believed interest rates would likely rise further in the medium term. However, the sub-fund's relative lack of sensitivity to changes in interest rates did constrain relative performance, as the overall direction of government bond yields over the period was downwards. Duration was increased towards the end of the review period in light of a worsening economic scenario.

Outlook

Turning to the economic environment as we see it in the coming months, in this extraordinary period for all of us, we think a 'T'-shaped recovery is possible. This means we get a very sharp fall in growth followed by an equally fast rise once we come out of the crisis. By June, with a possible easing of the lockdown worldwide, we could see lots of job offers come back – restaurants and bars looking to refill those roles lost in March, for example. The bounce in spending and growth could therefore be as dynamic as the sharp drop encountered at the beginning of the lockdown.

Richard Woolnough

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					457,592	3.05
Telecommunications Service Providers						
BT Group	21,000,000	£			28,431	0.19
Pharmaceuticals & Biotechnology						
Bristol-Myers Squibb	800,000	US\$			39,753	0.26
Life Insurance						
AXA	2,250,000	€			34,609	0.23
Automobiles & Parts					67,779	0.45
Bayerische Motoren Werke	750,000	€			34,764	0.23
Daimler	1,200,000	€			33,015	0.22
Travel & Leisure						
Codere ^[a]	1,514,129	€			2,998	0.02
Tobacco					102,923	0.69
British American Tobacco	1,700,000	£			51,445	0.34
Imperial Brands	3,000,000	£			51,478	0.35
Electronic & Electrical Equipment						
Patterson-UTI Energy	15,318	US\$			30	0.00
Industrial Support Services					36,903	0.25
Adecco Group	800,000	CHF			28,540	0.19
Babcock International Group	2,000,000	£			8,363	0.06
Industrial Metals & Mining						
New World Resources 'A' ^[b]	13,243,773	£			0	0.00
Chemicals						
BASF	440,000	€			18,762	0.12
Non-Renewable Energy					88,635	0.59
BP	6,000,000	£			22,818	0.15
Chaparral Energy 'A'	116,440	US\$			53	0.00
Denbury Resources	603,399	US\$			113	0.00
Repsol	2,000,000	€			15,810	0.11
Royal Dutch Shell 'A'	1,500,000	€			23,958	0.16
TOTAL	750,000	€			25,883	0.17
Gas, Water & Multi-utilities						
SSE	2,500,000	£			36,769	0.25
FIXED INCOME					13,212,023	88.18
Debt securities					13,341,982	89.05
'AAA' credit rated bonds					5,482,756	36.59
Anchorage Capital Europe CLO FRN	15,543,000	€	15.07.2032		13,651	0.09
Ardmore Securities FRN	7,580,558	€	15.08.2057		7,490	0.05
Avoca CLO XVII Designated Activity FRN ^[b]	15,000,000	€	15.10.2032		13,681	0.09
BPCE Home Loans FCT FRN	15,555,553	€	31.10.2054		15,732	0.10
Capital Four CLO I FRN ^[b]	16,250,000	€	15.01.2033		14,455	0.10
CIFC European Funding CLO II FRN ^[b]	15,000,000	€	15.04.2033		13,708	0.09
CMF FRN	8,982,000	£	16.01.2057		9,896	0.07
Commonwealth Bank of Australia FRN	10,946,000	£	16.01.2025		12,006	0.08
European Investment Bank 4.5%	10,000,000	£	07.06.2029		14,842	0.10
European Investment Bank 5.5%	14,761,000	£	15.04.2025		20,732	0.14
Friry No. 6 FRN	5,613,901	£	21.11.2067		6,165	0.04
FROSN FRN	0	€	21.05.2028		0	0.00
Germany (Federal Republic of) 0%	50,000,000	€	17.04.2020		50,014	0.33
Germany (Federal Republic of) 0%	300,000,000	€	09.04.2021		302,007	2.02
Germany (Federal Republic of) 0%	375,000,000	€	08.10.2021		379,108	2.53
Germany (Federal Republic of) 0%	374,999,999	€	07.10.2022		382,005	2.55
Germany (Federal Republic of) 0%	399,999,999	€	13.10.2023		410,530	2.74
Germany (Federal Republic of) 0.25%	100,000,000	€	16.10.2020		100,511	0.67
Germany (Federal Republic of) 0.5%	50,000,000	€	15.02.2025		52,988	0.35
Germany (Federal Republic of) 1%	300,000,000	€	15.08.2024		322,851	2.15
Germany (Federal Republic of) 1.75%	250,000,000	€	04.07.2022		264,070	1.76
Germany (Federal Republic of) 1.75%	50,000,000	€	15.02.2024		54,869	0.37
Germany (Federal Republic of) 2%	300,000,000	€	15.08.2023		328,215	2.19
Germany (Federal Republic of) 2.25%	50,000,000	€	04.09.2020		50,630	0.34
Germany (Federal Republic of) 2.25%	250,000,000	€	04.09.2021		260,434	1.74
Germany (Federal Republic of) 3%	50,000,000	€	04.07.2020		50,478	0.34
Germany (Federal Republic of) 3.25%	250,000,000	€	04.07.2021		262,369	1.75
Germany (Federal Republic of) I/L 0.1%	200,000,000	€	15.04.2023		220,024	1.47
Germany (Federal Republic of) I/L 0.1%	200,000,000	€	15.04.2026		222,129	1.48

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'AAA' credit rated bonds (continued)						
Germany (Federal Republic of) I/L 0.5%	200,000,000	€	15.04.2030		242,754	1.62
Harvest CLO XXIII FRN ^[b]	13,061,000	€	20.10.2032		11,553	0.08
Invesco Euro Clo III FRN	13,000,000	€	15.07.2032		11,933	0.08
Lloyds Bank 4.875%	8,057,000	£	30.03.2027		11,387	0.08
Lloyds Bank 5.125%	12,693,000	£	07.03.2025		17,158	0.11
Lloyds Bank 6%	16,500,000	£	08.02.2029		26,129	0.17
Madison Park Euro Funding XIV FRN ^[b]	7,582,000	€	15.07.2032		6,998	0.05
Microsoft 3.45%	70,000,000	US\$	08.08.2036		72,929	0.49
Microsoft 3.5%	8,841,000	US\$	12.02.2035		9,496	0.06
Microsoft 3.95%	100,000,000	US\$	08.08.2056		116,200	0.78
Microsoft 4%	65,000,000	US\$	12.02.2055		75,527	0.50
Microsoft 4.1%	30,000,000	US\$	06.02.2037		33,414	0.22
Microsoft 4.5%	60,000,000	US\$	06.02.2057		77,206	0.52
Microsoft 4.75%	85,000,000	US\$	03.11.2055		113,384	0.76
Nationwide Building Society 0.05%	2,498,000	€	03.06.2024		2,506	0.02
Oak No. 3 FRN	0	£	28.07.2061		0	0.00
Orbita Funding FRN	5,544,000	£	17.03.2027		6,222	0.04
Paragon Mortgages No 15 FRN	3,569,791	€	15.12.2039		3,315	0.02
Polaris Holdings FRN	0	£	27.04.2057		0	0.00
Ripon Mortgages FRN	0	£	20.08.2056		0	0.00
Rockford Tower Europe CLO FRN	16,250,000	€	20.01.2033		14,554	0.10
Santander UK 5.25%	20,000,000	£	16.02.2029		30,210	0.20
Santander UK FRN	8,057,000	£	16.11.2022		8,991	0.06
Shamrock Residential FRN	3,217,612	€	24.11.2057		3,190	0.02
Sound Point Euro CLO III Funding FRN ^[b]	15,495,000	€	15.04.2033		14,189	0.09
University of Oxford 2.544%	10,000,000	£	08.12.2117		13,514	0.09
US Treasury I/I 0.125%	700,000,000	US\$	15.01.2030		663,483	4.43
Voya Euro CLO III FRN ^[b]	11,275,000	€	15.04.2033		10,304	0.07
Wellcome Trust 2.517%	23,827,000	£	07.02.2118		30,620	0.20
'AA' credit rated bonds					409,577	2.73
Apple 4.5%	10,000,000	US\$	23.02.2036		11,483	0.08
Apple 4.65%	32,000,000	US\$	23.02.2046		38,826	0.26
Deutsche Bahn Finance 1.375%	10,000,000	£	07.07.2025		11,085	0.07
Deutsche Bahn Finance 3.125%	10,000,000	£	24.07.2026		12,239	0.08
Deutsche Pfandbriefbank 1%	12,800,000	£	04.12.2020		14,493	0.10
France (Republic of) 0%	50,000,000	€	25.05.2021		50,319	0.33
France (Republic of) 0%	50,000,000	€	25.05.2022		50,660	0.34
France (Republic of) 0.7%	75,000,000	€	25.07.2030		89,077	0.59
Land Securities Capital Markets 2.375%	23,814,000	£	29.03.2027		28,099	0.19
Land Securities Capital Markets 2.399%	7,161,000	£	08.02.2029		8,462	0.06
MassMutual Global Funding II 1.375%	15,660,000	£	15.12.2026		16,320	0.11
New York Life Global Funding 0.25%	17,104,000	€	23.01.2027		16,015	0.11
New York Life Global Funding 1.25%	14,921,000	£	17.12.2026		15,474	0.10
Paragon Mortgages No 13 FRN	0	US\$	15.01.2039		0	0.00
Paragon Mortgages No 13 FRN	5,745,577	€	15.01.2039		4,653	0.03
SLM Student Loan Trust FRN	3,920,331	£	15.12.2039		4,272	0.03
SNCF Réseau 5.25%	21,042,000	£	07.12.2028		32,001	0.21
SNCF Réseau 5.5%	5,000,000	£	01.12.2021		6,099	0.04
'A' credit rated bonds					706,271	4.72
Aéroports de Paris 2.75%	7,200,000	€	02.04.2030		7,297	0.05
Air Liquide Finance 2.25%	24,194,000	US\$	10.09.2029		20,985	0.14
Argentum Netherlands for Zurich Insurance FRN	4,741,000	€	19.02.2049		4,750	0.03
Assura Financing 3%	5,312,000	£	19.07.2028		6,156	0.04
Bank of America FRN	41,350,000	€	04.05.2023		39,345	0.26
Bank of America FRN	50,000,000	€	25.04.2024		46,468	0.31
Banque Fédérative du Crédit Mutuel 1.25%	20,300,000	€	05.12.2025		21,070	0.14
BNP Paribas 3.5%	8,000,000	US\$	16.11.2027		7,277	0.05
Chubb INA Holdings 0.875%	18,928,000	€	15.12.2029		16,636	0.11
Chubb INA Holdings 1.55%	811,000	€	15.03.2028		779	0.01
CK Hutchison Europe Finance 18 1.25%	9,856,000	€	13.04.2025		9,781	0.07
Comcast 4.95%	50,000,000	US\$	15.10.2058		62,659	0.42
Comcast Cable Communications 8.5%	4,534,000	US\$	01.05.2027		5,721	0.04
Électricité de France 4.5%	30,000,000	US\$	04.12.2069		27,897	0.19
Électricité de France 6%	35,000,000	US\$	22.01.2114		40,837	0.27
Électricité de France 6%	42,600,000	£	23.01.2114		72,249	0.48

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
ELM for Swiss Life Insurance & Pension Group FRN	5,582,000	€	29.12.2049		5,593	0.04
Engie 5.95%	25,000,000	€	16.03.2111		51,075	0.34
GlaxoSmithKline Capital FRN	30,000,000	€	23.09.2021		29,879	0.20
Landmark Mortgage Securities No 1 FRN	0	£	17.06.2038		0	0.00
Legrand France 8.5%	6,273,000	US\$	15.02.2025		7,684	0.05
London & Quadrant Housing Trust 2.625%	4,964,000	£	28.02.2028		5,799	0.04
London & Quadrant Housing Trust 3.125%	1,773,000	£	28.02.2053		2,135	0.01
Medtronic Global Holdings 1.75%	20,000,000	€	02.07.2049		17,449	0.12
National Grid Electricity Transmission 3.806%	3,136,000	£	27.07.2020		6,017	0.04
Notting Hill Genesis 3.25%	4,795,000	£	12.10.2048		5,661	0.04
Philip Morris International 1.45%	40,000,000	€	01.08.2039		32,181	0.21
Philip Morris International 4.125%	25,000,000	US\$	04.03.2043		24,301	0.16
Philip Morris International 4.25%	35,000,000	US\$	10.11.2044		34,427	0.23
Philip Morris International 4.875%	10,000,000	US\$	15.11.2043		10,057	0.07
Philip Morris International 6.375%	4,307,000	US\$	16.05.2038		5,142	0.03
Places for People Homes 3.625%	8,057,000	£	22.11.2028		9,841	0.07
Places for People Homes 5.875%	250,000	£	23.05.2031		368	0.00
Project Silver 3.967% ^[b]	12,220,436	US\$	15.07.2044		7,829	0.05
Société Nationale SNCF 5.375%	4,028,000	£	18.03.2027		5,830	0.04
Wells Fargo 2.125%	23,193,000	£	24.09.2031		23,550	0.16
Wells Fargo 3.5%	4,920,000	£	12.09.2029		5,751	0.04
Wells Fargo Bank 5.25%	20,000,000	£	01.08.2023		24,392	0.16
Willow No 2 Ireland for Zurich Insurance FRN	1,568,000	US\$	01.10.2045		1,403	0.01
'BBB' credit rated bonds					5,440,710	36.31
3i Group 5.75%	17,497,000	£	03.12.2032		23,621	0.16
AbbVie 4.05%	11,019,000	US\$	21.11.2039		10,441	0.07
AbbVie 4.25%	11,549,000	US\$	21.11.2049		11,316	0.08
Albemarle New Holding 1.125%	12,111,000	€	25.11.2025		11,404	0.08
Altria Group 2.2%	40,000,000	€	15.06.2027		38,894	0.26
Altria Group 3.125%	79,365,000	€	15.06.2031		78,180	0.52
Altria Group 3.875%	50,000,000	US\$	16.09.2046		40,307	0.27
Altria Group 4.5%	8,165,000	US\$	02.05.2043		7,138	0.05
Altria Group 5.375%	22,620,000	US\$	31.01.2044		23,033	0.15
Altria Group 5.8%	70,000,000	US\$	14.02.2039		70,448	0.47
Altria Group 5.95%	50,000,000	US\$	14.02.2049		53,558	0.36
Altria Group 6.2%	44,000,000	US\$	14.02.2059		45,629	0.30
Anglian Water Services Financing 4.5%	8,057,000	£	22.02.2026		9,842	0.07
Anglo American Capital 3.375%	10,000,000	£	11.03.2029		10,163	0.07
Anglo American Capital 4.5%	35,329,000	US\$	15.03.2028		31,974	0.21
Anheuser-Busch Cos Via Anheuser-Busch InBev Worldwide 4.7%	10,000,000	US\$	01.02.2036		9,629	0.06
Anheuser-Busch Cos Via Anheuser-Busch InBev Worldwide 4.9%	17,681,000	US\$	01.02.2046		17,785	0.12
Anheuser-Busch InBev 2.25%	10,302,000	£	24.05.2029		10,822	0.07
Anheuser-Busch InBev Worldwide 4.6%	30,000,000	US\$	15.04.2048		28,957	0.19
Anheuser-Busch InBev Worldwide 4.75%	30,000,000	US\$	15.04.2058		28,310	0.19
Anheuser-Busch InBev Worldwide 5.45%	51,166,000	US\$	23.01.2039		54,151	0.36
Anheuser-Busch InBev Worldwide 5.55%	42,633,000	US\$	23.01.2049		45,952	0.31
Anheuser-Busch InBev Worldwide 5.8%	58,000,000	US\$	23.01.2059		65,693	0.44
Annington Funding 3.685%	5,915,000	£	12.07.2034		6,771	0.04
Argentum Netherlands for Swiss Re FRN	1,568,000	US\$	15.08.2050		1,436	0.01
Aroundtown 3%	20,000,000	£	16.10.2029		21,531	0.14
Aroundtown 3.25%	1,000,000	£	18.07.2027		1,134	0.01
Assicurazioni Generali FRN	25,298,000	€	27.10.2047		27,573	0.18
AT&T 4.25%	50,914,000	£	01.06.2043		62,530	0.42
AT&T 4.375%	51,233,000	£	14.09.2029		64,292	0.43
AT&T 4.875%	74,512,000	£	01.06.2044		98,496	0.66
AT&T 4.9%	15,000,000	US\$	15.08.2037		15,458	0.10
AT&T 5.15%	15,000,000	US\$	15.03.2042		15,663	0.10
AT&T 5.2%	20,000,000	£	18.11.2033		26,932	0.18
AT&T 5.7%	10,000,000	US\$	01.03.2057		11,520	0.08
Aviva FRN	40,810,000	£	14.11.2036		51,857	0.35
Aviva FRN	14,465,000	€	03.07.2044		14,745	0.10
Aviva FRN	12,301,000	£	12.09.2049		13,121	0.09
Aviva FRN	25,236,000	£	04.06.2050		27,560	0.18
Aviva FRN	35,000,000	£	20.05.2058		45,068	0.30
AXA FRN	10,000,000	£	29.07.2049		12,212	0.08
AXA FRN	37,063,000	£	16.01.2054		43,878	0.29

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Bank of America 4.25%	40,000,000	US\$	22.10.2026		35,382	0.24
Bank of America 8.125%	10,350,000	£	02.06.2028		14,775	0.10
BAT Capital 4.39%	23,754,000	US\$	15.08.2037		20,488	0.14
BAT International Finance 2.25%	46,920,000	£	09.09.2052		33,624	0.22
BAT International Finance 4%	8,053,000	£	23.11.2055		8,352	0.06
Bayer US Finance II 4.375%	45,000,000	US\$	15.12.2028		44,054	0.29
Bayer US Finance II 4.625%	40,000,000	US\$	25.06.2038		39,722	0.26
Bayer US Finance II 4.7%	40,000,000	US\$	15.07.2064		35,672	0.24
Bayer US Finance II 4.875%	40,000,000	US\$	25.06.2048		41,387	0.28
Belfius Bank FRN	3,900,000	€	15.03.2028		3,517	0.02
BNP Paribas 4.375%	12,500,000	US\$	28.09.2025		11,567	0.08
BNP Paribas 4.375%	12,301,000	US\$	12.05.2026		11,470	0.08
BNP Paribas 4.625%	40,000,000	US\$	13.03.2027		37,219	0.25
Boston Scientific 0.625%	14,143,000	€	01.12.2027		12,949	0.09
BPCE 5.25%	22,900,000	£	16.04.2029		28,565	0.19
British Telecommunications 9.625%	43,743,000	US\$	15.12.2030		63,919	0.43
BUPA Finance 5%	8,057,000	£	08.12.2026		9,661	0.06
Bureau Veritas 1.875%	14,700,000	€	06.01.2025		14,605	0.10
Cadent Finance 2.125%	25,112,000	£	22.09.2028		28,019	0.19
Channel Link Enterprises Finance 3.848%	1,307,000	£	30.06.2050		1,725	0.01
Channel Link Enterprises Finance FRN	17,220,000	€	30.06.2050		17,074	0.11
Channel Link Enterprises Finance FRN	8,057,000	£	30.06.2050		9,305	0.06
Channel Link Enterprises Finance FRN	11,987,000	€	30.06.2050		12,479	0.08
Cheltenham & Gloucester 11.75%	800,000	£	29.10.2049		1,883	0.01
Cigna 4.375%	7,217,000	US\$	15.10.2028		7,097	0.05
Cigna 4.8%	20,000,000	US\$	15.08.2038		20,555	0.14
Cigna 4.9%	5,920,000	US\$	15.12.2048		6,604	0.04
Citigroup 4.3%	15,000,000	US\$	20.11.2026		14,396	0.10
Citigroup 4.45%	40,000,000	US\$	29.09.2027		37,815	0.25
Citigroup 4.5%	12,193,000	£	03.03.2031		14,178	0.09
Citigroup 4.6%	35,000,000	US\$	09.03.2026		34,033	0.23
Citigroup 6.625%	4,136,000	US\$	15.06.2032		4,714	0.03
CK Hutchison Group Telecom Finance 0.75%	15,000,000	€	17.04.2026		14,195	0.09
CK Hutchison Group Telecom Finance 1.125%	10,000,000	€	17.10.2028		9,289	0.06
CK Hutchison Group Telecom Finance 1.5%	5,000,000	€	17.10.2031		4,564	0.03
CK Hutchison Group Telecom Finance 2%	10,000,000	£	17.10.2027		10,702	0.07
CK Hutchison Group Telecom Finance 2.625%	16,762,000	£	17.10.2034		17,046	0.11
Cooperatieve Rabobank 4.625%	24,848,000	£	23.05.2029		29,461	0.20
Cooperatieve Rabobank 5.25%	21,410,000	£	14.09.2027		26,389	0.18
CPUK Finance 3.69%	8,936,000	£	28.08.2028		9,891	0.07
Crédit Suisse Group FRN	20,000,000	£	12.09.2025		21,442	0.14
CVS Health 3.75%	16,216,000	US\$	01.04.2030		15,160	0.10
CVS Health 4.78%	15,000,000	US\$	25.03.2038		14,642	0.10
CVS Health 5.05%	15,000,000	US\$	25.03.2048		15,730	0.10
Delamare Finance 5.5457%	16,932,376	£	19.02.2029		21,815	0.15
Delamare Finance 6.067%	730,000	£	19.02.2029		1,030	0.01
Dell International Via EMC 8.1%	10,000,000	US\$	15.07.2036		10,172	0.07
Dell International Via EMC 8.35%	40,000,000	US\$	15.07.2046		43,628	0.29
Deutsche Telekom 3.125%	5,736,000	£	06.02.2034		6,887	0.05
Deutsche Telekom International Finance 8.75%	95,000,000	US\$	15.06.2030		116,700	0.78
Deutsche Telekom International Finance 9.25%	12,585,000	US\$	01.06.2032		16,583	0.11
DH Europe Finance II 1.8%	14,617,000	€	18.09.2049		11,681	0.08
Digital Dutch Finco 1.5%	6,527,000	€	15.03.2030		5,712	0.04
Digital Stout Holding 3.3%	6,293,000	£	19.07.2029		7,102	0.05
Digital Stout Holding 3.75%	2,139,000	£	17.10.2030		2,496	0.02
Dow Chemical 5.55%	35,000,000	US\$	30.11.2048		37,525	0.25
DP World 4.25%	21,508,000	£	25.09.2030		22,338	0.15
DuPont de Nemours 5.319%	29,876,000	US\$	15.11.2038		31,005	0.21
DuPont de Nemours 5.419%	27,973,000	US\$	15.11.2048		29,123	0.19
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	2,424,000	€	29.09.2047		2,411	0.02
Enel FRN	3,724,000	US\$	24.09.2073		3,598	0.02
Enel Finance International 3.5%	44,400,000	US\$	06.04.2028		39,753	0.27
Enel Finance International 3.625%	30,548,000	US\$	25.05.2027		27,956	0.19
Enel Finance International 4.75%	20,000,000	US\$	25.05.2047		19,066	0.13
Enel Finance International 4.875%	10,000,000	US\$	14.06.2029		9,940	0.07
Energy Transfer Operating 4.9%	1,568,000	US\$	15.03.2035		1,098	0.01

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Energy Transfer Operating 5.15%	16,329,000	US\$	15.03.2045		12,719	0.08
Energy Transfer Operating 5.3%	17,213,000	US\$	15.04.2047		12,316	0.08
Energy Transfer Operating 5.8%	5,404,000	US\$	15.06.2038		4,332	0.03
Energy Transfer Operating 6%	10,000,000	US\$	15.06.2048		7,598	0.05
Energy Transfer Operating 6.125%	8,057,000	US\$	15.12.2045		6,324	0.04
Energy Transfer Operating 6.5%	11,416,000	US\$	01.02.2042		8,825	0.06
Eni 4.75%	50,000,000	US\$	12.09.2028		45,154	0.30
Eversholt Funding 3.529%	8,057,000	£	07.08.2042		9,252	0.06
Fastighets Balder 1.875%	8,827,000	€	14.03.2025		8,929	0.06
Fastighets Balder 1.875%	6,398,000	€	23.01.2026		6,388	0.04
Fidelity National Information Services 3.36%	7,712,000	£	21.05.2031		8,951	0.06
Fiserv 3%	4,669,000	£	01.07.2031		5,223	0.03
Fresenius Medical Care US Finance 5.75%	3,920,000	US\$	15.02.2021		3,642	0.02
Fresenius Medical Care US Finance III 3.75%	22,094,000	US\$	15.06.2029		20,399	0.14
Gatwick Funding 2.875%	13,710,000	£	05.07.2049		12,692	0.08
Gatwick Funding 3.125%	24,462,000	£	28.09.2039		24,790	0.17
Gatwick Funding 3.25%	22,910,000	£	26.02.2048		22,759	0.15
Gatwick Funding 4.625%	10,000,000	£	27.03.2034		12,391	0.08
Gatwick Funding 6.125%	12,193,000	£	02.03.2026		15,897	0.11
General Electric 6.44%	53,515	£	15.11.2022		62	0.00
General Motors 4.2%	5,000,000	US\$	01.10.2027		3,764	0.02
General Motors 5%	8,057,000	US\$	01.04.2035		5,536	0.04
General Motors 5.15%	24,602,000	US\$	01.04.2038		16,523	0.11
General Motors 5.2%	60,000,000	US\$	01.04.2045		43,489	0.29
General Motors 5.4%	24,386,000	US\$	01.04.2048		16,360	0.11
General Motors 6.25%	5,000,000	US\$	02.10.2043		3,580	0.02
General Motors 6.6%	40,000,000	US\$	01.04.2036		31,490	0.21
General Motors Financial 4.3%	24,278,000	US\$	13.07.2025		18,723	0.12
General Motors Financial 4.35%	25,712,000	US\$	17.01.2027		19,230	0.13
General Motors Financial 5.25%	31,453,000	US\$	01.03.2026		25,330	0.17
Goldman Sachs Group 3.125%	45,000,000	£	25.07.2029		48,484	0.32
Goldman Sachs Group 4.25%	14,261,000	£	29.01.2026		16,581	0.11
Goldman Sachs Group 6.875%	7,000,000	£	18.01.2038		9,739	0.06
Goldman Sachs Group 7.125%	11,409,000	£	07.08.2025		15,326	0.10
Goldman Sachs Group 7.25%	15,000,000	£	10.04.2028		21,062	0.14
Goldman Sachs Group FRN	20,000,000	€	26.09.2023		18,468	0.12
Greene King Finance 3.593%	4,428,000	£	15.03.2035		5,358	0.04
Greene King Finance 4.0643%	1,999,035	£	15.03.2035		2,518	0.02
Greene King Finance FRN	5,641,600	£	15.12.2033		6,346	0.04
Hammerson 3.5%	25,704,000	£	27.10.2025		25,963	0.17
Hammerson 6%	12,000,000	£	23.02.2026		13,555	0.09
Hammerson 7.25%	5,000,000	£	21.04.2028		5,976	0.04
Heathrow Funding 1.5%	2,590,000	€	11.02.2030		2,284	0.02
Heathrow Funding 6.75%	30,000,000	£	03.12.2026		40,735	0.27
Heathrow Funding 7.075%	10,000,000	£	04.08.2028		14,346	0.10
HJ Heinz Finance UK 6.25%	10,975,000	£	18.02.2030		13,996	0.09
Iliad 1.875%	3,600,000	€	25.04.2025		3,485	0.02
Imperial Brands Finance 3.875%	15,147,000	US\$	26.07.2029		13,006	0.09
InterContinental Hotels Group 2.125%	15,000,000	€	24.08.2026		13,561	0.09
InterContinental Hotels Group 2.125%	15,000,000	€	15.05.2027		13,769	0.09
Intu Metrocentre Finance 4.125%	10,801,000	£	06.12.2023		7,776	0.05
Italy (Republic of) 5.25%	12,163,000	£	07.12.2034		17,035	0.11
Italy (Republic of) 6%	63,017,000	£	04.08.2028		87,610	0.58
Kinder Morgan 5.05%	30,000,000	US\$	15.02.2046		26,273	0.18
Kinder Morgan 5.55%	30,000,000	US\$	01.06.2045		28,463	0.19
Kinder Morgan Energy Partners 4.7%	8,057,000	US\$	01.11.2042		7,083	0.05
Kinder Morgan Energy Partners 5.8%	2,960,000	US\$	15.03.2035		2,362	0.02
Kinder Morgan Energy Partners 6.95%	2,352,000	US\$	15.01.2038		2,242	0.01
Koninklijke KPN 5%	7,273,000	£	18.11.2026		9,162	0.06
Koninklijke KPN 5.75%	32,272,000	£	17.09.2029		43,304	0.29
LafargeHolcim Sterling Finance Netherlands 3%	22,687,000	£	12.05.2032		23,498	0.16
Lagardere 1.625%	6,400,000	€	21.06.2024		5,668	0.04
Lear 3.5%	10,000,000	US\$	30.05.2030		8,035	0.05
Lear 4.25%	5,447,000	US\$	15.05.2029		4,581	0.03
Lear 5.25%	30,000,000	US\$	15.05.2049		24,406	0.16
Leeds Building Society FRN	5,420,000	£	25.04.2029		5,760	0.04

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Legal & General Group FRN	39,619,000	£	27.10.2045		46,412	0.31
Legal & General Group FRN	9,774,000	US\$	21.03.2047		8,190	0.05
Legal & General Group FRN	30,000,000	£	14.11.2048		34,560	0.23
Legal & General Group FRN	21,000,000	£	26.11.2049		21,536	0.14
Legal & General Group FRN	50,000,000	£	27.06.2064		54,634	0.36
Lincoln National 3.8%	6,043,000	US\$	01.03.2028		5,349	0.04
Lloyds Bank 7.625%	3,721,000	£	22.04.2025		4,907	0.03
Lloyds Bank 9.625%	5,000,000	£	06.04.2023		6,639	0.04
Lloyds Banking Group FRN	5,658,000	€	01.04.2026		5,873	0.04
Logicor Financing 2.75%	3,126,000	£	15.01.2030		3,235	0.02
LYB Finance 8.1%	3,724,000	US\$	15.03.2027		4,170	0.03
McDonald's 6.3%	4,636,000	US\$	15.10.2037		5,554	0.04
McDonald's 6.3%	9,625,000	US\$	01.03.2038		11,672	0.08
Mexico (United Mexican States) 4%	49,802,000	€	15.03.2115		44,325	0.30
Mexico (United Mexican States) 5.625%	63,200,000	£	19.03.2114		74,805	0.50
Mexico (United Mexican States) 5.75%	20,000,000	US\$	12.10.2110		18,982	0.13
Mitchells & Butlers Finance 5.574%	2,107,985	£	15.12.2030		2,633	0.02
Mitchells & Butlers Finance FRN	7,713,889	US\$	15.12.2030		6,565	0.04
Mitchells & Butlers Finance FRN	1,471,371	£	15.12.2030		1,501	0.01
Mitchells & Butlers Finance FRN	8,057,000	£	15.12.2033		7,789	0.05
Molson Coors Beverage 4.2%	85,000,000	US\$	15.07.2046		69,972	0.47
Molson Coors Beverage 5%	20,000,000	US\$	01.05.2042		17,922	0.12
Mondelez International 3.875%	6,596,000	£	06.03.2045		7,967	0.05
Mondelez International 4.5%	1,372,000	£	03.12.2035		1,840	0.01
Nationwide Building Society 4%	10,000,000	US\$	14.09.2026		8,902	0.06
Nationwide Building Society FRN	18,005,000	€	25.07.2029		16,427	0.11
Nationwide Building Society FRN	51,000,000	US\$	18.10.2032		44,814	0.30
Next Group 3%	7,515,000	£	26.08.2025		8,381	0.06
Next Group 3.625%	20,863,000	£	18.05.2028		23,131	0.15
Next Group 4.375%	16,221,000	£	02.10.2026		19,272	0.13
NGG Finance FRN	28,000,000	£	18.06.2073		33,313	0.22
Orange 3.25%	4,100,000	£	15.01.2032		4,896	0.03
Orange 9%	47,798,000	US\$	01.03.2031		67,517	0.45
Orange FRN	20,000,000	€	29.10.2049		21,891	0.15
Pertamina Persero 6.45%	5,488,000	US\$	30.05.2044		5,508	0.04
Perusahaan Listrik Negara 4.125%	5,227,000	US\$	15.05.2027		4,645	0.03
Quadiant 2.25%	23,400,000	€	03.02.2025		21,859	0.15
RELX Capital 7.5%	9,409,000	US\$	15.05.2025		9,798	0.07
Reynolds American 5.7%	8,085,000	US\$	15.08.2035		7,973	0.05
Reynolds American 6.15%	4,704,000	US\$	15.09.2043		4,575	0.03
Reynolds American 7.25%	7,861,000	US\$	15.06.2037		8,464	0.06
Royal Bank of Scotland Group FRN	11,010,000	US\$	15.05.2023		9,461	0.06
Santander UK Group Holdings FRN	13,755,000	€	27.03.2024		12,828	0.09
Security Capital Group 7.7%	3,920,000	US\$	15.06.2028		3,930	0.03
Severn Trent Utilities Finance 6.25%	7,900,000	£	07.06.2029		11,909	0.08
Société Générale 4.25%	30,000,000	US\$	14.04.2025		26,667	0.18
Société Générale 4.75%	16,329,000	US\$	24.11.2025		14,826	0.10
Society of Lloyd's FRN	4,529,000	£	07.02.2047		5,081	0.03
Stora Enso 7.25%	11,909,000	US\$	15.04.2036		14,304	0.10
Sunoco Logistics Partners Operations 5.35%	16,109,000	US\$	15.05.2045		11,394	0.08
Sunoco Logistics Partners Operations 5.4%	20,000,000	US\$	01.10.2047		14,336	0.10
Telefonica Emisiones 4.895%	15,000,000	US\$	06.03.2048		15,254	0.10
Telefonica Emisiones 5.52%	10,000,000	US\$	01.03.2049		10,967	0.07
Telefonica Emisiones 7.045%	33,497,000	US\$	20.06.2036		40,409	0.27
Tesco 6.15%	3,126,000	US\$	15.11.2037		3,456	0.02
Tesco Property Finance 2 6.0517%	8,002,532	£	13.10.2039		11,381	0.08
Tesco Property Finance 3 5.744%	19,300,109	£	13.04.2040		27,073	0.18
Tesco Property Finance 4 5.8006%	29,211,113	£	13.10.2040		41,436	0.28
Tesco Property Finance 5 5.6611%	25,369,130	£	13.10.2041		35,622	0.24
Tesco Property Finance 6 5.4111%	19,113,804	£	13.07.2044		26,283	0.18
Thames Water Utilities Finance 2.625%	20,000,000	£	24.01.2032		22,309	0.15
Thames Water Utilities Finance 2.875%	3,921,000	£	03.05.2027		4,310	0.03
Thames Water Utilities Finance 3.375%	980,000	£	21.07.2021		1,914	0.01
Thames Water Utilities Finance 4.375%	25,000,000	£	03.07.2034		33,287	0.22
Thames Water Utilities Finance 4.625%	2,000,000	£	04.06.2046		2,877	0.02
Thames Water Utilities Finance 5.125%	15,000,000	£	28.09.2037		21,951	0.15

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Thames Water Utilities Finance 5.5%	8,000,000	£	11.02.2041		12,494	0.08
Thames Water Utilities Finance FRN	18,000,000	£	13.09.2030		21,596	0.14
Thermo Fisher Scientific 1.875%	17,101,000	€	01.10.2049		13,604	0.09
Transportadora de Gas del Peru 4.25%	4,053,000	US\$	30.04.2028		3,514	0.02
UPM-Kymmene 7.45%	3,136,000	US\$	26.11.2027		3,519	0.02
Verizon Communications 3.375%	48,344,000	£	27.10.2036		57,979	0.39
ViacomCBS 4.85%	6,112,000	US\$	01.07.2042		4,984	0.03
Vilmorin 2.375%	5,000,000	€	26.05.2021		4,980	0.03
Vodafone Group 3%	52,764,000	£	12.08.2056		52,874	0.35
Vodafone Group 3.375%	14,000,000	£	08.08.2049		15,027	0.10
Vodafone Group 4.875%	27,278,000	US\$	19.06.2049		28,523	0.19
Vodafone Group 5.125%	50,000,000	US\$	19.06.2059		50,597	0.34
Vodafone Group 5.25%	3,301,000	US\$	30.05.2048		3,499	0.02
Volkswagen Financial Services 1.875%	17,800,000	£	03.12.2024		18,570	0.12
Volkswagen Group of America Finance 4.75%	15,000,000	US\$	13.11.2028		14,818	0.10
Volkswagen International Finance 3.375%	2,300,000	£	16.11.2026		2,490	0.02
Volkswagen International Finance 4.125%	30,000,000	£	17.11.2031		32,223	0.21
Volkswagen International Finance 4.125%	75,000,000	€	16.11.2038		78,909	0.53
Walgreens Boots Alliance 3.6%	20,000,000	£	20.11.2025		22,313	0.15
Walgreens Boots Alliance 4.8%	10,000,000	US\$	18.11.2044		9,044	0.06
Wells Fargo 4.875%	14,000,000	£	29.11.2035		17,628	0.12
Welltower 4.5%	7,000,000	£	01.12.2034		8,834	0.06
Welltower 4.8%	8,286,000	£	20.11.2028		10,524	0.07
Weyerhaeuser 7.375%	3,724,000	US\$	15.03.2032		4,197	0.03
Whitbread Group 3.375%	10,000,000	£	16.10.2025		10,676	0.07
Wm Morrison Supermarkets 2.5%	15,574,000	£	01.10.2031		16,341	0.11
Wm Morrison Supermarkets 4.75%	14,341,000	£	04.07.2029		18,360	0.12
WPC Eurobond 1.35%	20,290,000	€	15.04.2028		17,855	0.12
WPP Finance 2013 2.875%	20,000,000	£	14.09.2046		16,763	0.11
Yorkshire Building Society FRN	3,464,000	£	18.04.2025		3,869	0.03
'BB' credit rated bonds					1,068,170	7.13
Arrow Global Finance FRN	10,517,000	€	01.04.2025		9,272	0.06
Assicurazioni Generali FRN	4,000,000	£	29.06.2049		4,440	0.03
Belden 3.375%	8,273,000	€	15.07.2027		7,198	0.05
Belden 3.875%	3,920,000	€	15.03.2028		3,568	0.02
Berry Global 4.875%	30,000,000	US\$	15.07.2026		27,690	0.18
Centene 4.75%	8,905,000	US\$	15.01.2025		8,296	0.06
Cheniere Corpus Christi Holdings 3.7%	5,225,000	US\$	15.11.2029		3,652	0.02
Cheniere Energy Partners 4.5%	2,932,000	US\$	01.10.2029		2,301	0.02
Coventry Building Society FRN	14,914,000	£	31.12.2099		15,130	0.10
Crown Americas Via Crown Americas Capital 4.25%	2,744,000	US\$	30.09.2026		2,491	0.02
Crown European Holdings 3.375%	7,586,000	€	15.05.2025		7,462	0.05
CSC Holdings 5.375%	3,920,000	US\$	01.02.2028		3,693	0.02
CSC Holdings 5.5%	8,057,000	US\$	15.04.2027		7,487	0.05
CSC Holdings 6.625%	4,724,000	US\$	15.10.2025		4,542	0.03
Daily Mail & General Trust 6.375%	8,050,000	£	21.06.2027		10,097	0.07
Drax Finco 6.625%	5,880,000	US\$	01.11.2025		5,326	0.04
EQM Midstream Partners 4.75%	12,301,000	US\$	15.07.2023		8,061	0.05
EQM Midstream Partners 5.5%	12,170,000	US\$	15.07.2028		6,171	0.04
Eurofins Scientific 2.125%	7,000,000	€	25.07.2024		6,779	0.05
Ford Motor 4.75%	80,000,000	US\$	15.01.2043		45,984	0.31
Ford Motor 5.291%	55,000,000	US\$	08.12.2046		32,248	0.21
Ford Motor Credit 3.021%	5,116,000	€	06.03.2024		4,108	0.03
Ford Motor Credit 4.535%	5,000,000	£	06.03.2025		4,431	0.03
Ford Motor Credit 5.113%	30,000,000	US\$	03.05.2029		23,457	0.16
Ford Motor Credit FRN	20,000,000	€	01.12.2024		14,117	0.09
Grupo KUO 5.75%	10,750,000	US\$	07.07.2027		7,205	0.05
Hanesbrands 4.875%	1,323,000	US\$	15.05.2026		1,172	0.01
HCA 3.5%	10,000,000	US\$	01.09.2030		7,421	0.05
HCA 4.5%	15,000,000	US\$	15.02.2027		14,063	0.09
HCA 5%	29,137,000	US\$	15.03.2024		27,447	0.18
HCA 5.25%	8,000,000	US\$	15.04.2025		7,656	0.05
HCA 5.25%	8,057,000	US\$	15.06.2026		7,787	0.05
HCA 5.5%	40,000,000	US\$	15.06.2047		39,953	0.27
Heathrow Finance 3.875%	17,000,000	£	01.03.2027		16,493	0.11
Heathrow Finance 4.125%	3,048,000	£	01.09.2029		3,011	0.02

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Hilton Worldwide Finance Via Hilton Worldwide Finance 4.625%	5,227,000	US\$	01.04.2025		4,424	0.03
Inretail Pharma 5.375%	9,165,000	US\$	02.05.2023		8,077	0.05
International Game Technology 6.25%	6,596,000	US\$	15.02.2022		5,350	0.04
Intertrust Group 3.375%	4,636,000	€	15.11.2025		4,446	0.03
Intesa Sanpaolo FRN	15,000,000	€	31.12.2099		10,650	0.07
Intrum 3.5%	5,800,000	€	15.07.2026		4,205	0.03
Intu Debenture 5.562%	8,318,000	€	31.12.2027		5,811	0.04
Intu SGS Finance 4.625%	4,528,000	£	17.03.2028		3,222	0.02
IQVIA 3.25%	24,255,000	€	15.03.2025		23,813	0.16
James Hardie International Finance 3.625%	6,199,000	€	01.10.2026		5,602	0.04
John Lewis 4.25%	25,000,000	£	18.12.2034		21,169	0.14
Kraft Heinz Foods 1.5%	8,057,000	€	24.05.2024		7,615	0.05
Kraft Heinz Foods 2%	3,920,000	€	30.06.2023		3,835	0.03
Kraft Heinz Foods 2.25%	25,000,000	€	25.05.2028		21,549	0.14
Kraft Heinz Foods 3.75%	7,915,000	US\$	01.04.2030		6,853	0.05
Kraft Heinz Foods 4.125%	28,156,000	£	01.07.2027		31,003	0.21
Kraft Heinz Foods 4.375%	25,000,000	US\$	01.06.2046		20,463	0.14
Kraft Heinz Foods 4.625%	10,000,000	US\$	01.10.2039		8,326	0.06
Kraft Heinz Foods 4.875%	10,573,000	US\$	01.10.2049		8,964	0.06
Kraft Heinz Foods 5%	10,000,000	US\$	15.07.2035		9,039	0.06
Kraft Heinz Foods 6.75%	9,000,000	US\$	15.03.2032		9,444	0.06
Lloyds Banking Group FRN	31,776,000	£	29.12.2049		32,821	0.22
Lloyds Banking Group FRN	25,000,000	£	29.12.2049		23,976	0.16
Marston's Issuer FRN	1,568,000	£	15.07.2032		1,944	0.01
MGM Resorts International 5.5%	6,529,000	US\$	15.04.2027		5,338	0.04
Millicom International Cellular 6.25%	11,984,000	US\$	25.03.2029		9,921	0.07
Mitchells & Butlers Finance 5.965%	841,881	£	15.12.2023		998	0.01
Mitchells & Butlers Finance 6.013%	1,860,735	£	15.12.2028		2,413	0.02
Nationwide Building Society FRN	5,569,000	£	31.12.2099		5,126	0.03
Occidental Petroleum 4.4%	24,033,000	US\$	15.08.2049		9,766	0.06
Parsley Energy Via Parsley Finance 4.125%	5,781,000	US\$	15.02.2028		3,586	0.02
Pilgrim's Pride 5.75%	6,488,000	US\$	15.03.2025		5,957	0.04
Pilgrim's Pride 5.875%	2,932,000	US\$	30.09.2027		2,694	0.02
Puma International Financing 5%	5,789,000	US\$	24.01.2026		2,129	0.01
Puma International Financing 5.125%	3,073,000	US\$	06.10.2024		1,832	0.01
Solvay Finance FRN	5,000,000	€	29.11.2049		5,195	0.03
Solvay Finance FRN	20,000,000	€	29.12.2049		20,376	0.14
Syngenta Finance 5.182%	8,165,000	US\$	24.04.2028		6,397	0.04
Taylor Morrison Communities 5.875%	20,000,000	US\$	15.06.2027		16,850	0.11
TEGNA 4.625%	20,564,000	US\$	15.03.2028		16,882	0.11
Telecom Italia 2.875%	28,704,000	€	28.01.2026		27,125	0.18
Telecom Italia 4%	3,935,000	€	11.04.2024		3,925	0.03
Telecom Italia 5.25%	63,000,000	€	17.03.2055		64,687	0.43
Telecom Italia Finance 7.75%	30,000,000	€	24.01.2033		39,408	0.26
Tenet Healthcare 4.625%	400,000	US\$	15.07.2024		355	0.00
Tenet Healthcare 5.125%	10,000,000	US\$	01.11.2027		8,853	0.06
Teva Pharmaceutical Finance Netherlands II 1.625%	16,000,000	€	15.10.2028		12,362	0.08
Teva Pharmaceutical Finance Netherlands II 4.5%	3,142,000	€	01.03.2025		2,860	0.02
Teva Pharmaceutical Finance Netherlands III 4.1%	16,000,000	US\$	01.10.2046		10,729	0.07
Time Warner Cable 5.25%	15,000,000	£	15.07.2042		18,593	0.12
Time Warner Cable 5.5%	2,984,000	US\$	01.09.2041		2,899	0.02
Time Warner Cable 5.75%	25,000,000	£	02.06.2031		32,558	0.22
UniCredit FRN	20,036,000	€	15.01.2032		15,981	0.11
Videotron 5.375%	10,778,000	US\$	15.06.2024		9,885	0.07
WPX Energy 5.25%	6,665,000	US\$	15.09.2024		3,672	0.02
ZF Europe Finance 2.5%	11,600,000	€	23.10.2027		8,798	0.06
ZF Europe Finance 3%	10,000,000	€	23.10.2029		7,210	0.05
'B' credit rated bonds					197,183	1.32
1011778 BC Via New Red Finance 5%	3,500,000	US\$	15.10.2025		3,086	0.02
Adient Global Holdings 3.5%	3,920,000	€	15.08.2024		2,574	0.02
Adler Pelzer Holding 4.125%	5,627,000	€	01.04.2024		3,438	0.02
Algeco Global Finance 6.5%	4,411,000	€	15.02.2023		3,286	0.02
Altice France 5.875%	6,000,000	€	01.02.2027		6,105	0.04
Avis Budget Car Rental 5.25%	8,949,000	US\$	15.03.2025		6,310	0.04
Axalta Coating Systems 4.25%	3,493,000	€	15.08.2024		3,179	0.02
Axalta Coating Systems Dutch Holding B 3.75%	3,920,000	€	15.01.2025		3,569	0.02

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
Bausch Health 5%	10,000,000	US\$	30.01.2028		8,560	0.06
Bausch Health 7%	32,954,000	US\$	15.01.2028		30,701	0.21
Burger King France 6%	6,901,000	€	01.05.2024		5,184	0.04
Cabot Financial 7.5%	11,928,000	£	01.10.2023		12,591	0.08
Caesars Resort Collection Via CRC Finco 5.25%	10,603,000	US\$	15.10.2025		6,931	0.05
CSC Holdings 5.75%	10,000,000	US\$	15.01.2030		9,202	0.06
Eurofins Scientific FRN	3,136,000	€	29.12.2049		2,925	0.02
Goodyear Tire & Rubber 5%	7,000,000	US\$	31.05.2026		5,868	0.04
Grupo Antolin-Irausa 3.25%	11,600,000	€	30.04.2024		7,633	0.05
LSF10 Wolverine Investments 5%	7,488,000	€	15.03.2024		6,410	0.04
Panther BF Aggregator Via Panther Finance 4.375% ^[b]	600,000	€	15.05.2026		501	0.00
Refinitiv US Holdings 6.875%	2,750,000	€	15.11.2026		2,788	0.02
Rekeep 9%	5,000,000	€	15.06.2022		4,183	0.03
Selecta Group 5.875%	1,195,000	€	01.02.2024		635	0.00
Shea Homes Via Shea Homes Funding 6.125%	855,000	US\$	01.04.2025		786	0.01
Sprint 7.25%	23,721,000	US\$	01.02.2028		21,666	0.15
Staples 7.5%	10,000,000	US\$	15.04.2026		8,144	0.05
Staples 10.75%	6,292,000	US\$	15.04.2027		4,392	0.03
Tenet Healthcare 5.125%	3,920,000	US\$	01.05.2025		3,472	0.02
Trivium Packaging Finance 3.75%	5,334,000	€	15.08.2026		4,879	0.03
Veritas US Via Veritas Bermuda 7.5% ^[b]	784,000	€	01.02.2023		760	0.01
Virgin Media Finance 5.125%	3,136,000	£	15.02.2022		3,465	0.02
VTR Finance 6.875%	10,238,000	US\$	15.01.2024		8,574	0.06
Yum! Brands 6.875%	6,273,000	US\$	15.11.2037		5,386	0.04
'CCC' credit rated bonds					37,313	0.25
Altice France Holding 6%	10,000,000	US\$	15.02.2028		8,009	0.05
CHS Via Community Health Systems 6.625%	3,151,000	US\$	15.02.2025		2,702	0.02
Ortho-Clinical Diagnostics Via Ortho-Clinical Diagnostics 6.625%	1,884,000	US\$	15.05.2022		1,626	0.01
Panther BF Aggregator 2 Via Panther Finance 8.5%	21,000,000	US\$	15.05.2027		16,515	0.11
Transocean 7.5%	8,805,000	US\$	15.01.2026		3,833	0.03
Trivium Packaging Finance 8.5%	5,000,000	US\$	15.08.2027		4,628	0.03
Bonds with no credit rating					2	0.00
Eirles Two FRN ^{[b],[c]}	15,681,322	€	30.10.2020		0	0.00
ESC Seventy Seven Energy 6.5% ^{[b],[c]}	1,568,132	US\$	15.07.2022		0	0.00
K2016470219 South Africa 3% ^[c]	717,414	US\$	31.12.2022		2	0.00
K2016470219 South Africa 10.177% ^{[b],[c]}	9,727,060	ZAR	31.12.2022		0	0.00
Debt derivatives					(129,959)	(0.87)
Credit default swaps					34,747	0.23
Brazil (Federative Republic of) Dec 2024	250,000,000	US\$			15,893	0.11
Markit CDX Emerging Markets Series 32 5 Year Dec 2024	500,000,000	US\$			53,898	0.36
Markit CDX North American High Yield Series 34 5 Year Jun 2025	200,000,000	US\$			(8,913)	(0.06)
Markit iTraxx Europe Series 33 5 Year Jun 2025	1,050,000,000	€			(1,364)	(0.01)
Markit iTraxx Europe Xover Series 33 5 Year Jun 2025	900,000,000	€			(30,206)	(0.20)
Marks & Spencer Dec 2021	7,841,000	€			225	0.00
Mexico (United Mexican States) Dec 2024	100,000,000	US\$			5,214	0.03
Interest rate swaps					(44,083)	(0.29)
Pay 0.471% Receive Var. Sep 2049	100,000,000	£			(4,697)	(0.03)
Pay 0.54% Receive Var. Sep 2049	100,000,000	£			(6,894)	(0.05)
Pay 0.685% Receive Var. Sep 2049	100,000,000	£			(11,577)	(0.08)
Pay 0.5822% Receive Var. Sep 2049	100,000,000	£			(8,272)	(0.05)
Pay 0.456% Receive Var. Sep 2070	100,000,000	£			(12,643)	(0.08)
Interest rate futures					(120,623)	(0.81)
Deutscher Bund 10 year Futures	(3,200)	€	08.06.2020	5,258	26,479	0.17
Euro BTP Futures	(2,000)	€	08.06.2020	2,271	2,782	0.02
US Treasury Notes 10 year Futures	(11,500)	US\$	19.06.2020	11,538	(82,097)	(0.55)
US Treasury Notes 30 year Futures	(5,000)	US\$	19.06.2020	7,018	(61,736)	(0.41)
UK Treasury Notes Futures	(3,000)	£	26.06.2020	4,952	(6,051)	(0.04)
CURRENCY					60,125	0.39
Forward currency contracts					60,125	0.39
Bought for € 1,916,359,897.83, Sold for £ 1,649,903,348.27			08.04.2020		53,826	0.36
Bought for € 545,411,176.09, Sold for ¥ 66,146,699,870.00			08.04.2020		(10,745)	(0.07)
Bought for € 2,723,671,946.83, Sold for US\$ 3,044,302,368.18			08.04.2020		(56,436)	(0.38)
Bought for £ 921,184,348.29, Sold for € 1,031,996,810.37			08.04.2020		7,906	0.05
Bought for ¥ 66,146,699,870.00, Sold for € 558,631,921.53			08.04.2020		(2,476)	(0.02)

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
CURRENCY (continued)						
Forward currency contracts (continued)						
Bought for US\$ 1,067,535,631.30, Sold for € 959,395,317.10			08.04.2020		15,496	0.10
Bought for CHF 25,497,247.85, Sold for € 24,081,768.40			06.05.2020		46	0.00
Bought for € 51,325,678.69, Sold for CHF 54,756,958.36			06.05.2020		(493)	0.00
Bought for € 1,728,217,295.79, Sold for £ 1,463,563,996.19			06.05.2020		76,932	0.51
Bought for € 1,238,398,299.25, Sold for US\$ 1,361,314,240.41			06.05.2020		(3,303)	(0.02)
Bought for £ 370,850,390.66, Sold for € 416,265,237.82			06.05.2020		2,151	0.01
Bought for € 1,344,488,366.97, Sold for £ 1,176,386,986.45			03.06.2020		18,150	0.12
Bought for € 1,122,445,905.45, Sold for US\$ 1,276,885,988.32			03.06.2020		(40,929)	(0.27)
Portfolio of investments					13,729,740	91.62
CASH EQUIVALENTS						
'AAA' rated money market funds						
JPMorgan Liquidity Funds - EUR Liquidity LVNAV Fund	21,291	€			211,656	1.41
Morgan Stanley Liquidity Funds - Euro Liquidity Fund Class 'D'	15,198	€			151,165	1.01
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	99,533,880	€			97,066	0.65
SHARE CLASS HEDGING						
Bought for CHF 238,480,125.98, Sold for € 224,069,373.05			08.04.2020		45,538	0.32
Bought for € 56,779,938.20, Sold for CHF 60,084,573.12			08.04.2020		1,530	0.01
Bought for € 22,906,612.93, Sold for £ 20,587,954.53			08.04.2020		(57)	0.00
Bought for € 1,056,658.60, Sold for HK\$ 9,285,771.76			08.04.2020		(334)	0.00
Bought for € 6,793,287.80, Sold for SG\$ 10,705,560.79			08.04.2020		(37)	0.00
Bought for € 1,916,493,223.30, Sold for US\$ 2,120,152,221.65			08.04.2020		(62)	0.00
Bought for £ 134,140,223.12, Sold for € 153,644,408.87			08.04.2020		(19,669)	(0.13)
Bought for HK\$ 17,497,584.57, Sold for € 2,023,779.80			08.04.2020		(2,220)	(0.01)
Bought for SG\$ 58,293,315.21, Sold for € 37,813,399.38			08.04.2020		38	0.00
Bought for US\$ 3,956,740,620.21, Sold for € 3,546,594,506.77			08.04.2020		(470)	0.00
Bought for AU\$ 3,532,248.62, Sold for € 1,904,369.22			09.04.2020		66,768	0.45
Bought for € 262,852.69, Sold for AU\$ 489,413.67			09.04.2020		60	0.00
Total portfolio					14,235,165	95.01
Net other assets/(liabilities)					748,618	4.99
NET ASSETS					14,983,783	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					457,592	3.05
Debt securities					13,341,982	89.05
Unrealised gains on futures contracts					29,261	0.19
Unrealised gains on forward currency contracts					242,903	1.61
Unrealised gains on swap contracts					75,230	0.50
Total Investment assets					14,146,968	94.40
Investment liabilities						
Unrealised losses on futures contracts					(149,884)	(1.00)
Unrealised losses on forward currency contracts					(137,240)	(0.90)
Unrealised losses on swap contracts					(84,566)	(0.56)
Total Investment liabilities					(371,690)	(2.46)
Total portfolio					13,775,278	91.94
Cash equivalents					459,887	3.07
Net other assets/(liabilities)					748,618	4.99
NET ASSETS					14,983,783	100.00

[a] Fair valued.

[b] Unlisted/unquoted.

[c] Defaulted Bond.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

M&G (Lux) Optimal Income Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures				
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000	Collateral held as security €'000
Bank of America Merrill Lynch	0	0	3,883,160	0	0
Barclays Bank London	159,572	0	0	310,000	0
BNP Paribas	0	150,255	0	0	0
Citigroup Global Markets Limited	225	158,304	0	0	452
Crédit Suisse International	0	7,900	0	0	0
Goldman Sachs International	0	1,311,487	0	0	30,468
HSBC Bank Plc	0	654,635	0	0	0
JP Morgan Chase	0	796,625	0	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	349,017	0	0	0
National Australia Bank Ltd	0	435	0	0	0
Standard Chartered Bank	0	617	0	0	0
State Street Bank and Trust Company	0	5,970,342	0	0	0
State Street Bank London	0	6,191,136	0	0	0
UBS AG London	0	4,040,277	0	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Optimal Income Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Australian dollar						
Class 'A-H' Accumulation	n/a	n/a	n/a	-9.2	n/a	26/04/2019
Class 'A-H M' Distribution	n/a	n/a	n/a	-9.2	n/a	26/04/2019
Class 'C-H' Accumulation	n/a	n/a	n/a	-8.7	n/a	26/04/2019
Class 'C-H M' Distribution	n/a	n/a	n/a	-8.7	n/a	26/04/2019
Euro						
Class 'A' Accumulation	-8.1	-2.0	-0.2	+4.8	20/04/2007	07/09/2018
Class 'A' Distribution	-8.1	-2.1	-0.2	+1.1	12/07/2013	07/09/2018
Class 'B' Accumulation	-8.5	-2.5	n/a	-0.3	11/09/2015	07/09/2018
Class 'B' Distribution	-8.5	-2.5	n/a	-0.3	11/09/2015	07/09/2018
Class 'C' Accumulation	-7.6	-1.6	+0.3	+5.4	20/04/2017	07/09/2018
Class 'C' Distribution	-7.6	-1.6	+0.3	+0.6	08/08/2014	07/09/2018
Class 'CI' Accumulation	-7.6	-1.5	+0.3	+5.4	20/04/2017	07/09/2018
Class 'CI' Distribution	-7.6	-1.8	+0.1	+0.5	08/08/2014	17/12/2018
Class 'J' Accumulation	-7.5	n/a	n/a	-4.1	27/04/2018	07/09/2018
Class 'J' Distribution	n/a	n/a	n/a	-7.5	n/a	28/05/2019
Class 'JI' Accumulation	-7.4	n/a	n/a	-4.2	27/04/2018	05/10/2018
Class 'JI' Distribution	n/a	n/a	n/a	-7.4	n/a	28/05/2019
Hong Kong dollar						
Class 'A-H' Accumulation	n/a	n/a	n/a	-7.2	n/a	26/04/2019
Class 'A-H M' Distribution	n/a	n/a	n/a	-7.1	n/a	26/04/2019
Class 'C-H' Accumulation	n/a	n/a	n/a	-6.7	n/a	26/04/2019
Class 'C-H M' Distribution	n/a	n/a	n/a	-6.6	n/a	26/04/2019
Singapore dollar						
Class 'A-H' Accumulation	-6.2	-0.1	+1.6	+1.6	16/01/2015	07/09/2018
Class 'A-H M' Distribution	-6.3	-0.2	+1.5	+1.6	16/01/2015	07/09/2018
Class 'C-H' Accumulation	-5.8	+0.4	+2.0	+2.1	16/01/2015	07/09/2018
Class 'J-H' Accumulation	n/a	n/a	n/a	-6.0	n/a	28/05/2019
Class 'J-H M' Distribution	n/a	n/a	n/a	-6.0	n/a	28/05/2019
Class 'JI-H' Accumulation	n/a	n/a	n/a	-8.2	n/a	05/07/2019
Class 'JI-H M' Distribution	n/a	n/a	n/a	-8.3	n/a	05/07/2019

M&G (Lux) Optimal Income Fund

Financial highlights

Sub-fund performance (continued)

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Sterling						
Class 'A-H' Accumulation	n/a	n/a	n/a	-9.6	n/a	05/07/2019
Class 'A-H' Distribution	n/a	n/a	n/a	-9.6	n/a	05/07/2019
Class 'C-H' Accumulation	-7.0	n/a	n/a	-6.6	n/a	14/03/2019
Class 'C-H' Distribution	-6.9	n/a	n/a	-5.7	n/a	22/02/2019
Class 'CI-H' Distribution	-6.9	n/a	n/a	-6.8	n/a	29/03/2019
Class 'J-H' Accumulation	n/a	n/a	n/a	-7.0	n/a	28/05/2019
Class 'J-H' Distribution	n/a	n/a	n/a	-6.9	n/a	28/05/2019
Class 'JI-H' Accumulation	n/a	n/a	n/a	-6.9	n/a	28/05/2019
Class 'JI-H' Distribution	n/a	n/a	n/a	-6.9	n/a	28/05/2019
Swiss franc						
Class 'A-H' Accumulation	-8.4	-2.4	-0.7	+1.5	29/09/2012	07/09/2018
Class 'A-H' Distribution	-8.4	-2.4	-0.7	-0.7	06/01/2015	07/09/2018
Class 'C-H' Accumulation	-7.9	-1.9	-0.2	+2.0	28/09/2012	07/09/2018
Class 'C-H' Distribution	-8.0	-1.9	-0.2	-0.1	16/01/2015	07/09/2018
Class 'CI-H' Accumulation	-7.9	-1.9	-0.2	+2.0	28/09/2012	07/09/2018
Class 'J-H' Accumulation	-7.8	n/a	n/a	-4.4	27/04/2018	07/09/2018
Class 'J-H' Distribution	n/a	n/a	n/a	-9.3	n/a	15/10/2019
US dollar						
Class 'A-H' Accumulation	-5.5	+0.6	+1.8	+4.3	01/10/2010	07/09/2018
Class 'A-H' Distribution	-5.5	+0.6	+1.8	+2.0	08/08/2014	07/09/2018
Class 'A-H M' Distribution	-5.3	+0.7	+1.9	+1.9	16/01/2015	07/09/2018
Class 'C-H' Accumulation	-5.0	+1.1	+2.3	+4.9	01/10/2010	07/09/2018
Class 'C-H' Distribution	-5.0	+1.1	+2.3	+2.5	08/08/2014	07/09/2018
Class 'CI-H' Accumulation	-5.0	+1.1	+2.3	+4.9	01/10/2010	07/09/2018
Class 'CI-H' Distribution	-5.0	+0.9	+2.2	+2.3	08/08/2014	21/01/2019
Class 'J-H' Accumulation	-4.9	n/a	n/a	-1.3	27/04/2018	07/09/2018
Class 'J-H' Distribution	-4.9	n/a	n/a	-1.3	27/04/2018	07/09/2018
Class 'J-H M' Distribution	n/a	n/a	n/a	-5.4	n/a	28/05/2019
Class 'JI-H' Accumulation	-4.8	n/a	n/a	-1.5	27/04/2018	05/11/2018
Class 'JI-H' Distribution	n/a	n/a	n/a	-5.3	n/a	28/05/2019
Class 'JI-H M' Distribution	n/a	n/a	n/a	-5.4	n/a	28/05/2019

[a] Fund performance before the launch of the fund on 05 September 2018 is that of the relevant Merged Share Class of the M&G Optimal Income Fund, which includes UK taxes but excludes entry and exit charges. The M&G Optimal Income Fund is a UK authorised fund which launched on 08 December 2006 and its non-Sterling share classes merged into M&G (Lux) Optimal Income Fund on 8 March 2019.

M&G (Lux) Optimal Income Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays both monthly and semi-annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Semi-annual distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.09.19	18.10.19	21.10.19	24.10.19
Final	01.10.19	31.03.20	17.04.20	20.04.20	23.04.20

to 31 March 2020	Class 'A' Distribution Euro €	Class 'B' Distribution Euro €	Class 'C' Distribution Euro €	Class 'CI' Distribution Euro €	Class 'J' Distribution Euro €
First interim	0.1528	0.1522	0.1537	0.1600	0.1556
Final	0.0936	0.0930	0.0943	0.0972	0.0957

to 31 March 2020	Class 'JI' Distribution Euro €	Class 'A-H' Distribution UK p	Class 'C-H' Distribution UK p	Class 'CI-H' Distribution UK p	Class 'J-H' Distribution UK p
First interim	0.1556	0.0578	0.1412	0.1479	0.1542
Final	0.0959	0.0970	0.1024	0.1020	0.1011

to 31 March 2020	Class 'JI-H' Distribution UK p	Class 'A-H' Distribution Swiss €	Class 'C-H' Distribution Swiss €	Class 'J-H' Distribution Swiss €	Class 'A-H' Distribution US €
First interim	0.1566	0.1515	0.1523	n/a	0.1559
Final	0.1021	0.0909	0.0914	0.2472	0.0938

to 31 March 2020	Class 'C-H' Distribution US €	Class 'CI-H' Distribution US €	Class 'J-H' Distribution US €	Class 'JI-H' Distribution US €
First interim	0.1564	0.1594	0.1574	0.1555
Final	0.0946	0.0952	0.0947	0.0940

Monthly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.04.19	17.05.19	20.05.19	23.05.19
Second interim	01.05.19	31.05.19	21.06.19	24.06.19	27.06.19
Third interim	01.06.19	30.06.19	19.07.19	22.07.19	25.07.19
Fourth interim	01.07.19	31.07.19	16.08.19	19.08.19	22.08.19
Fifth interim	01.08.19	31.08.19	20.09.19	23.09.19	26.09.19
Sixth interim	01.09.19	30.09.19	18.10.19	21.10.19	24.10.19
Seventh interim	01.10.19	31.10.19	15.11.19	18.11.19	21.11.19
Eighth interim	01.11.19	30.11.19	20.12.19	23.12.19	30.12.19
Ninth interim	01.12.19	31.12.19	17.01.20	20.01.20	23.01.20
Tenth interim	01.01.20	31.01.20	21.02.20	24.02.20	27.02.20
Eleventh interim	01.02.20	28.02.20	20.03.20	23.03.20	26.03.20
Final	01.03.20	31.03.20	17.04.20	20.04.20	23.04.20

to 31 March 2020	Class 'A-H M' Distribution AUD €	Class 'C-H M' Distribution AUD €	Class 'A-H M' Distribution HKD €	Class 'C-H M' Distribution HKD €	Class 'A-H M' Distribution SGD €
First interim	n/a	n/a	n/a	n/a	0.0262
Second interim	0.0339	0.0339	0.3348	0.3349	0.0326
Third interim	0.0158	0.0158	0.1577	0.1579	0.0164
Fourth interim	0.0232	0.0233	0.2327	0.2329	0.0237
Fifth interim	0.0222	0.0222	0.2213	0.2216	0.0225
Sixth interim	0.0180	0.0180	0.1789	0.1791	0.0184
Seventh interim	0.0176	0.0176	0.1733	0.1737	0.0179
Eighth interim	0.0160	0.0161	0.1650	0.1653	0.0168
Ninth interim	0.0154	0.0154	0.1527	0.1533	0.0156
Tenth interim	0.0149	0.0149	0.1541	0.1544	0.0155
Eleventh interim	0.0137	0.0139	0.1398	0.1404	0.0140
Final	0.0160	0.0160	0.1770	0.1778	0.0178

to 31 March 2020	Class 'J-H M' Distribution SGD €	Class 'JI-H M' Distribution SGD €	Class 'A-H M' Distribution US €	Class 'J-H M' Distribution US €	Class 'JI-H M' Distribution US €
First interim	n/a	n/a	0.0263	n/a	n/a
Second interim	n/a	n/a	0.0326	n/a	n/a
Third interim	0.0917	n/a	0.0159	0.0917	0.0917
Fourth interim	0.0244	0.1127	0.0238	0.0247	0.0248
Fifth interim	0.0223	0.0213	0.0223	0.0219	0.0219
Sixth interim	0.0183	0.0177	0.0178	0.0176	0.0176
Seventh interim	0.0177	0.0174	0.0175	0.0176	0.0172
Eighth interim	0.0166	0.0162	0.0170	0.0167	0.0167
Ninth interim	0.0155	0.0151	0.0156	0.0155	0.0153
Tenth interim	0.0154	0.0151	0.0157	0.0156	0.0156
Eleventh interim	0.0138	0.0136	0.0142	0.0140	0.0141
Final	0.0177	0.0172	0.0176	0.0178	0.0179

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Australian dollar	AU\$	AU\$	AU\$
Class 'A-H' Accumulation	9.0818	n/a	n/a
Class 'A-H M' Distribution	8.9109	n/a	n/a
Class 'C-H' Accumulation	9.1258	n/a	n/a
Class 'C-H M' Distribution	8.9527	n/a	n/a
Euro	€	€	€
Class 'A' Accumulation	9.2965	10.1139	n/a
Class 'A' Distribution	8.8931	9.8247	n/a
Class 'B' Accumulation	9.2280	10.0900	n/a
Class 'B' Distribution	8.8258	9.7996	n/a
Class 'C' Accumulation	9.3716	10.1443	n/a
Class 'C' Distribution	8.9624	9.8517	n/a
Class 'CI' Accumulation	9.3799	10.1495	n/a
Class 'CI' Distribution	9.2408	10.1556	n/a
Class 'J' Accumulation	9.3941	10.1530	n/a
Class 'J' Distribution	9.1098	n/a	n/a
Class 'JI' Accumulation	9.3798	10.1341	n/a
Class 'JI' Distribution	9.1148	n/a	n/a
Hong Kong dollar	HK\$	HK\$	HK\$
Class 'A-H' Accumulation	92.7740	n/a	n/a
Class 'A-H M' Distribution	91.1842	n/a	n/a
Class 'C-H' Accumulation	93.3172	n/a	n/a
Class 'C-H M' Distribution	91.5942	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	9.6054	10.2448	n/a
Class 'A-H M' Distribution	9.2410	10.0897	n/a
Class 'C-H' Accumulation	9.6813	10.2726	n/a
Class 'J-H' Accumulation	9.4010	n/a	n/a
Class 'J-H M' Distribution	9.1803	n/a	n/a
Class 'JI-H' Accumulation	9.1764	n/a	n/a
Class 'JI-H M' Distribution	8.9635	n/a	n/a
Sterling	£	£	£
Class 'A-H' Accumulation	9.0384	n/a	n/a
Class 'A-H' Distribution	8.9914	n/a	n/a
Class 'C-H' Accumulation	9.3054	10.0103	n/a
Class 'C-H' Distribution	9.2411	10.0688	n/a
Class 'CI-H' Distribution	9.1794	10.0000	n/a
Class 'J-H' Accumulation	9.3018	n/a	n/a
Class 'J-H' Distribution	9.1684	n/a	n/a
Class 'JI-H' Accumulation	9.3091	n/a	n/a
Class 'JI-H' Distribution	9.1685	n/a	n/a

M&G (Lux) Optimal Income Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

NAV per share	31.03.2020	31.03.2019	31.03.2018
Swiss franc			
	CHF	CHF	CHF
Class 'A-H' Accumulation	9.2491	10.0953	n/a
Class 'A-H' Distribution	8.8436	9.8015	n/a
Class 'C-H' Accumulation	9.3233	10.1237	n/a
Class 'C-H' Distribution	8.9122	9.8331	n/a
Class 'CI-H' Accumulation	9.3306	10.1272	n/a
Class 'J-H' Accumulation	9.3442	10.1309	n/a
Class 'J-H' Distribution	9.0679	n/a	n/a
US dollar			
	US\$	US\$	US\$
Class 'A-H' Accumulation	9.7234	10.2852	n/a
Class 'A-H' Distribution	9.3074	10.0007	n/a
Class 'A-H M' Distribution	9.3819	10.1396	n/a
Class 'C-H' Accumulation	9.8032	10.3242	n/a
Class 'C-H' Distribution	9.3852	10.0339	n/a
Class 'CI-H' Accumulation	9.8096	10.3263	n/a
Class 'CI-H' Distribution	9.4551	10.1059	n/a
Class 'J-H' Accumulation	9.8173	10.3261	n/a
Class 'J-H' Distribution	9.4017	10.0387	n/a
Class 'J-H M' Distribution	9.2458	n/a	n/a
Class 'JI-H' Accumulation	9.8034	10.3010	n/a
Class 'JI-H' Distribution	9.3243	n/a	n/a
Class 'JI-H M' Distribution	9.2445	n/a	n/a
NAV at fund level			
	€'000	€'000	€'000
Net assets	14,983,783	19,261,454	n/a
Swing pricing adjustment (see note 12)	(85,176)	n/a	n/a
Swung net assets	14,898,607	19,261,454	n/a
Total Expense Ratio 31.03.2020			
			TER
Australian dollar			%
Class 'A-H' Accumulation			1.48
Class 'A-H M' Distribution			1.47
Class 'C-H' Accumulation			0.97
Class 'C-H M' Distribution			0.97
Euro			%
Class 'A' Accumulation			1.46
Class 'A' Distribution			1.46
Class 'B' Accumulation			1.96
Class 'B' Distribution			1.96
Class 'C' Accumulation			0.96
Class 'C' Distribution			0.96
Class 'CI' Accumulation			0.92
Class 'CI' Distribution			0.92
Class 'J' Accumulation			0.81
Class 'J' Distribution			0.81
Class 'JI' Accumulation			0.77
Class 'JI' Distribution			0.77
Hong Kong dollar			%
Class 'A-H' Accumulation			1.48
Class 'A-H M' Distribution			1.47
Class 'C-H' Accumulation			0.97
Class 'C-H M' Distribution			0.97
Singapore dollar			%
Class 'A-H' Accumulation			1.48
Class 'A-H M' Distribution			1.48
Class 'C-H' Accumulation			0.98
Class 'J-H' Accumulation			0.83
Class 'J-H M' Distribution			0.83
Class 'JI-H' Accumulation			0.79
Class 'JI-H M' Distribution			0.79

Total Expense Ratio 31.03.2020		TER
Sterling		%
Class 'A-H' Accumulation		1.48
Class 'A-H' Distribution		1.48
Class 'C-H' Accumulation		0.98
Class 'C-H' Distribution		0.98
Class 'CI-H' Distribution		0.94
Class 'J-H' Accumulation		0.83
Class 'J-H' Distribution		0.82
Class 'JI-H' Accumulation		0.79
Class 'JI-H' Distribution		0.79
Swiss franc		%
Class 'A-H' Accumulation		1.48
Class 'A-H' Distribution		1.48
Class 'C-H' Accumulation		0.98
Class 'C-H' Distribution		0.98
Class 'CI-H' Accumulation		0.94
Class 'J-H' Accumulation		0.83
Class 'J-H' Distribution		0.82
US dollar		%
Class 'A-H' Accumulation		1.48
Class 'A-H' Distribution		1.48
Class 'A-H M' Distribution		1.48
Class 'C-H' Accumulation		0.98
Class 'C-H' Distribution		0.98
Class 'CI-H' Accumulation		0.94
Class 'CI-H' Distribution		0.94
Class 'J-H' Accumulation		0.83
Class 'J-H' Distribution		0.83
Class 'J-H M' Distribution		0.83
Class 'JI-H' Accumulation		0.79
Class 'JI-H' Distribution		0.79
Class 'JI-H M' Distribution		0.79

M&G (Lux) Pan European Dividend Fund

Investment objective and policy

Important Information

On 6 December 2019 the M&G (Lux) Pan European Dividend Fund merged into the M&G (Lux) European Strategic Value Fund.

Investment objective up to merger date 6 December 2019

The Fund has two aims:

- to deliver a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period; and
- to deliver an income stream that increases every year in Euro terms.

Investment policy up to merger date 6 December 2019

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in Europe. The Fund usually holds fewer than 50 stocks.

The investment manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach up to merger date 6 December 2019

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies. Dividend yield is not the primary consideration for stock selection.

The Investment Manager aims to create a diversified portfolio with exposure to a broad range of countries and sectors. Stocks with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions.

Performance Comparator up to merger date 6 December 2019

MSCI Europe Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Pan European Dividend Fund

Investment review

For the period to 30 November 2019

European stock markets made solid gains over the review period ending 30 November 2019, but not without the odd setback along the way.

In the early part of the review period around May, escalating trade tension between the US and China and worries about the potential impact on the global economy sparked risk aversion in financial markets. Ongoing uncertainty about the UK's departure from the European Union also dampened investors' sentiment. However, by the summer, expectations that major central banks might take steps to support economic growth lifted the mood.

Nevertheless, stock markets missed a beat again in August when US President Donald Trump announced new tariffs on Chinese goods. Share prices rapidly recovered as once again policymakers around the world cut interest rates to counter slowing economic growth. The rally continued into the final quarter of the year.

In the 'risk-on' environment, investors favoured the shares of cyclical (companies whose earnings are sensitive to the economic cycle) including consumer discretionary, industrials and technology stocks. The principal exception was the energy sector, where performance was dragged down by the weak oil price. Defensive sectors (those companies whose earnings are less sensitive to the economic cycle) saw mixed returns, with healthcare outperforming and consumer staples underperforming the broader market.

Across the region, the standout performers were Ireland, the Netherlands and Switzerland, whereas Belgium, Finland, Norway, Spain and the UK lagged.

In this context, the sub-fund rose over the review period, performing broadly in line with its benchmark, the MSCI Europe Net Return Index. Sub-fund performance was supported by a diverse range of holdings from cyclical sectors, including UPM-Kymmene, Intermediate Capital Group, Easyjet and William Hill.

Shares in Finnish paper and pulp company UPM-Kymmene surged following better-than-expected quarterly results.

Investors are becoming more positive about UPM's prospects as the company is investing in a large pulp project in Uruguay which is expected to significantly increase its capacity.

Intermediate Capital, a British asset management firm, continued to thrive, benefiting from strong inflows into its alternative credit and investment solutions businesses.

UK low-cost airline easyJet added value on encouraging results. Its share price also benefited from news of the collapse of travel firm Thomas Cook. EasyJet's shares received further support as rivals British Airways and Ryanair were affected by pilot strikes.

The sub-fund's holding in UK betting firm William Hill made a positive contribution as the company reported better-than-expected profits during the review period. Although new regulations are forcing the company to scale back its UK business, William Hill is optimistic about new opportunities in the US, where sports betting has recently become legal.

Conversely, UK cigarette firm Imperial Brands was the sub-fund's biggest detractor as the shares drifted lower after the UK company unexpectedly cut its revenue guidance. The chief executive subsequently agreed to step down.

Energy stocks featured heavily in the sub-fund's list of detractors with names including BP and Tullow Oil. Against a background of falling oil prices, BP's quarterly profits fell dramatically, although the refining business performed well.

Shares in the UK-listed oil & gas exploration company fell sharply when Tullow lowered its oil production forecast for 2019 as a result of problems in its Ghana oil fields.

As investors shunned some economically sensitive companies in areas like materials, the sub-fund's holdings in methanol producer Methanex and German specialty chemicals company Covestro were also leading detractors.

On 6 December 2019 the M&G (Lux) Pan-European Fund merged into the M&G (Lux) European Strategic Value Fund.

Richard Halle

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

At the start of the review period Phil Cliff was the sub-fund manager.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Pan European Dividend Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class up to merger date 6 December 2019 (except for the US dollar class 'C' Accumulation and Distribution which closed on 13 November 2019)

	Six months 29.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	+5.3	-0.7	+0.2	+5.0	07/12/2018
Class 'A' Distribution	+5.3	-0.7	+0.2	+4.9	07/12/2018
Class 'B' Accumulation	+5.2	-1.2	n/a	+1.9	07/12/2018
Class 'B' Distribution	+5.2	-1.2	n/a	+1.9	07/12/2018
Class 'C' Accumulation	+5.4	+0.1	+0.9	+5.8	07/12/2018
Class 'C' Distribution	+5.4	0.0	+0.9	+5.4	07/12/2018
Class 'CI' Accumulation	+5.4	+0.1	+0.9	+5.8	17/12/2018
Class 'CI' Distribution	+5.4	+0.4	+1.2	+5.6	17/12/2018
US dollar					
Class 'A' Accumulation	+6.9	+0.7	+0.9	+1.0	07/12/2018
Class 'A' Distribution	+6.9	+0.7	+0.9	+1.0	07/12/2018
Class 'C' Accumulation	+5.9	+1.1	+1.4	+1.6	07/12/2018
Class 'C' Distribution	+5.8	+1.1	+1.4	+1.6	07/12/2018

[a] Fund performance before the launch of the fund on 7 December 2018 is that of the relevant Merged Share Class of the M&G Pan European Dividend Fund, which includes UK taxes but excludes entry and exit charges. The M&G Pan European Dividend Fund is a UK authorised fund which launched on 18 July 2008 and its non-Sterling share classes merged into M&G (Lux) Pan European Dividend Fund on 7 December 2018.

M&G (Lux) Pan European Dividend Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays semi-annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Semi-annual distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.09.19	18.10.19	21.10.19	24.10.19
	Class 'A' Distribution Euro €	Class 'B' Distribution Euro €	Class 'C' Distribution Euro €	Class 'CI' Distribution Euro €	Class 'A' Distribution US €
to 31 March 2020					
First interim	0.2109	0.1489	0.2426	0.2660	0.1335
					Class 'C' Distribution US €
to 31 March 2020					
First interim					0.1385

Total Expense Ratio 06.12.2019	TER
US dollar	%
Class 'A' Accumulation	1.77
Class 'A' Distribution	1.78
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.02

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	n/a	16.4752	n/a
Class 'A' Distribution	n/a	12.9216	n/a
Class 'B' Accumulation	n/a	10.2432	n/a
Class 'B' Distribution	n/a	9.1292	n/a
Class 'C' Accumulation	n/a	17.8765	n/a
Class 'C' Distribution	n/a	14.8461	n/a
Class 'CI' Accumulation	n/a	10.8255	n/a
Class 'CI' Distribution	n/a	10.8253	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	n/a	10.1359	n/a
Class 'A' Distribution	n/a	8.4088	n/a
Class 'C' Accumulation	n/a	10.5048	n/a
Class 'C' Distribution	n/a	8.7186	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	n/a	107,762	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	n/a	107,762	n/a
Total Expense Ratio 06.12.2019			TER
Euro			%
Class 'A' Accumulation			1.77
Class 'A' Distribution			1.77
Class 'B' Accumulation			2.27
Class 'B' Distribution			2.27
Class 'C' Accumulation			1.02
Class 'C' Distribution			1.02
Class 'CI' Accumulation			0.98
Class 'CI' Distribution			0.99

M&G (Lux) Pan European Select Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in, or conducting the major part of their economic activity in, Europe. The Fund usually holds fewer than 35 stocks.

The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.

Sustainability considerations play an important role in determining the investment universe and assessing business models. Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption are excluded from the investment universe. Industries such as tobacco and controversial weapons are also excluded.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

Investment approach

The Fund is a focused European equity fund, making long-term investments in companies with sustainable business models and competitively advantageous characteristics to protect their profitability. Importantly, the Investment Manager invests in businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The Investment Manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Performance Comparator

MSCI Europe Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Pan European Select Fund

Investment review

For the year ended 31 March 2020

Performance review

European stock markets delivered negative returns for the 12 months under review, with the end of the period witnessing levels of volatility not seen since the financial crisis in 2008. For much of the period, market sentiment had been dominated by a number of repeat themes, including the ongoing 'trade war' between the US and China, political difficulties in Europe, exacerbated by the looming presence of Brexit, geopolitical tensions in the Middle East and weakness in the oil price.

Despite these difficulties, markets maintained a generally upward trajectory, and as we entered the new year investors appeared upbeat. This positive sentiment, however, was to prove short-lived. Markets were hit hard near the end of February and into March as concerns about the Covid-19 pandemic led to the worst quarter for global markets since the 2008 financial crisis. Elsewhere, the combination of weakening global economic demand and a price war between Saudi Arabia and Russia sent oil prices down to their lowest level since 2002. Subsequently, energy was far and away the worst-performing sector for the period, followed by financials and real estate. The most resilient sector for the period was, unsurprisingly given the circumstances, healthcare, while utilities, information technology and consumer staples all fared much better than the wider market.

Against this backdrop, the sub-fund delivered a negative total return (the combination of capital growth and income) across all its share classes, finishing behind its benchmark, the MSCI Europe Net Return Index. Underperformance was driven by stock picking within the financial, information technology and consumer discretionary sectors, while the zero weight to utilities also dragged on relative returns. On the up side, stock selection within industrials and communication services was supportive, as were the below-index positions in financials and energy and above-index position in healthcare.

At an individual stock level, the sub-fund's largest detractor was Irish bank AIB. While European banks generally suffered, given the prospects of an immediate recession, there had been rising concerns over AIB's mortgage book. This combined with the suspension of dividends and buy backs, imposed upon banks by regulators, saw the bank's share price fall steeply. Other detractors included UK retailer WH Smith, whose exposure to both retail and travel made the stock particularly vulnerable to the economic shutdown, and Danish global services provider ISS.

On the upside, the largest contributor for the period was UK retailer Pets at Home. The company has been very successful at carrying out its strategy as both a leading retailer and service provider within the pet care sector, while making the business more efficient through restructuring efforts, including the overhaul of dozens of its veterinary practices. Sentiment in the company was also supported near the end of the period under review, as it was one of the few retailers allowed to continue

operating during the UK lock-down. Other supportive holdings included multinational pharma business Novo Nordisk and Danish immunotherapy specialist ALK-Abelló.

Engagement activity

Responsible investors can effect change by engaging with investee companies on a number of issues, not least supporting responsible corporate behaviour and long-term thinking, but also pushing companies to improve disclosure or set more testing sustainability objectives. We maintain ongoing dialogue with our investee companies, as well as companies on our watchlist of stocks that we would like to own when the timing and price are right. In light of the Covid-19 pandemic, the back end of the period under review saw our involvement in a large number of discussions with investee companies concerning the outbreak, including how their businesses were being affected by the virus, what contingency plans they had in place and how they were interacting with stakeholders, including their employees and the communities in which they operate, among others.

As a few examples of other discussions throughout the period under review, we spoke with consumer giants Nestlé and Unilever, and Dutch paints and coatings business Akzo Nobel.

For Unilever we discussed a broad range of topics, from changing consumer trends to workplace culture to supply chains. The company highlighted that, as part of its sustainability drive, it had trained almost 80,000 female microentrepreneurs in villages across India to distribute Unilever products direct to consumer. For Unilever it provides distribution in hard-to-access regions, while underserved women learn various aspects about running a retail business and earn a regular income stream for them and their families.

With Nestlé we discussed the complexity of the business' supply chain – thoughts that many consumer companies have echoed. Nestlé highlighted the need for accountability of the brand owners, from auditing the supply chain to transparency to the consumer. Consumer companies have the scale to make a difference, and we, as investors, are pushing them to make that difference.

For Akzo Nobel we covered off a number of ESG (Environmental, Social and Governance) related areas. The company is working with Veolia on recycling paint, as customers hold a lot of leftover/non-applied product. It is also continuing to reduce cobalt content in paint; we will continue to watch how this evolves. Akzo is working on new product innovations, including external reflective coatings to keep buildings cool and increase paint durability. It is targeting zero waste and zero landfill by the end of 2020, with the whole operation being carbon neutral by 2050, and a 50% reduction from the 2019 level by 2030. Finally, every employee has a sustainability measure as part of their remuneration.

M&G (Lux) Pan European Select Fund

Investment review

Investment activity

During the review period we added two new holdings to the sub-fund, starting with Swiss freight-forwarding specialist Kuehne + Nagel (KN). KN is one of the largest freight-forwarding companies in the world, ranked the number one and number two operator in sea and air freight, respectively. The company also operates contract logistics services and overland transport, providing end-to-end transport solutions for clients. We also invested in Austria-based machine manufacturer Andritz, a high-quality capital goods business operating in cyclical end-markets. We completed our deep analysis on the company in January 2018, and took advantage of a sharp sell-off in light of its exposure to the automotive sector to buy this solid compounder at an attractive margin of safety.

To sub-fund the purchase of Andritz we sold our shares in forklift truck and logistics systems business Jungheinrich. We also completed the sale of addiction cessation drug maker Indivior, a stock in whose investment case we had lost faith.

Outlook

Events like the extreme market reaction to the Covid-19 pandemic are difficult to predict, and while, from an investment viewpoint, such events can be painful in the short term, they can also create opportunities, in our opinion, for long-term investors. We believe that investing in quality companies when they are being undervalued can help to deliver long-term benefits for our customers, as markets return to more normal levels.

It is unlikely that the market will go up in a straight line from where we find ourselves at the end of the review period, but we see great long-term value at these levels. Companies with less robust business models have seen a very substantial setback, limiting the future downside risk, while stable growth companies have seen a smaller setback, but still look very cheap, in our opinion.

We focus on company fundamentals more so than macroeconomics, but it seems likely that the coronavirus outbreak will slow down economies worldwide for a while and potentially push Europe into a recession. However, we do not believe that all recessions are the same. In the current situation we do not see extreme excess in the corporate system or exuberance in the banking sector, and government efforts to fight the downturn will potentially make it a shallow recession, as it presently appears to us. This could still lead to bankruptcies and rising unemployment, but we do not now think it poses a systemic threat, and there is not currently a stock market bubble to deflate.

In terms of the current portfolio, we remain confident in the quality of the stocks within the sub-fund. As long-term investors, our focus is on the ability of our holdings to generate long-term value for the sub-fund and for our customers, and we continue to be optimistic about their prospects.

John William Olsen Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

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M&G (Lux) Pan European Select Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					102,255	98.18
Oil, gas & consumable fuels						
Equinor	385,721	NOK			4,368	4.19
Chemicals					8,905	8.55
Akzo Nobel	73,275	€			4,437	4.26
Linde	28,149	€			4,468	4.29
Construction materials						
LafargeHolcim	40,785	CHF			1,354	1.30
Electrical equipment						
Schneider Electric	74,590	€			5,871	5.64
Machinery						
ANDRITZ	86,238	€			2,337	2.24
Commercial services & supplies					4,228	4.06
ISS	195,948	DKK			2,475	2.38
Société BIC	34,474	€			1,753	1.68
Air freight & logistics						
DSV	57,483	DKK			4,740	4.55
Marine						
Kuehne + Nagel International	39,585	CHF			4,969	4.77
Textiles, apparel & luxury goods					1,969	1.89
Hugo Boss	41,315	€			943	0.91
Pandora	34,567	DKK			1,026	0.98
Specialty retail					8,388	8.05
Pets at Home Group	1,367,361	£			3,987	3.83
WH Smith	352,612	£			4,401	4.22
Food products						
Nestle	61,808	CHF			5,795	5.57
Household products						
Reckitt Benckiser Group	66,361	£			4,590	4.41
Personal products						
Unilever	109,574	€			4,829	4.64
Health care providers & services						
Fresenius Medical Care	93,280	€			5,539	5.32
Pharmaceuticals					14,230	13.66
ALK-Abello	18,768	DKK			3,905	3.75
GlaxoSmithKline	150,868	£			2,537	2.43
Novo Nordisk 'B'	141,171	DKK			7,788	7.48
Banks					4,145	3.98
AIB Group	1,246,503	€			1,198	1.15
Bank of Georgia Group	78,860	£			851	0.82
ING Groep	437,300	€			2,096	2.01
Capital markets						
Georgia Capital	159,881	£			769	0.74
Insurance						
Hiscox	174,715	£			1,783	1.71
IT services						
Amadeus IT Group	88,045	€			3,835	3.68
Software						
SAP	43,480	€			4,438	4.26
Entertainment						
CTS Eventim	126,460	€			5,173	4.97
Portfolio of investments					102,255	98.18
CASH EQUIVALENTS					1,164	1.12
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	1,193,341	€			1,164	1.12
Total portfolio					103,419	99.30
Net other assets/(liabilities)					726	0.70
NET ASSETS					104,145	100.00

M&G (Lux) Pan European Select Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					102,255	98.18
Total Investment assets					102,255	98.18
Total portfolio					102,255	98.18
Cash equivalents					1,164	1.12
Net other assets/(liabilities)					726	0.70
NET ASSETS					104,145	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Pan European Select Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-16.9	-3.1	-1.5	+3.0	28/11/2001	09/11/2018
Class 'B' Accumulation	-17.4	-3.5	n/a	+0.1	21/03/2016	09/11/2018
Class 'C' Accumulation	-16.3	-2.3	-0.7	+6.5	29/09/1989	09/11/2018
Class 'CI' Accumulation	-16.3	-2.3	-0.7	+6.5	29/09/1989	19/11/2018
US dollar						
Class 'A' Accumulation	-19.0	-2.2	-1.1	-0.6	08/08/2014	09/11/2018
Class 'C' Accumulation	-18.4	-1.5	-0.3	+0.2	08/08/2014	09/11/2018

[a] Fund performance before the launch of the fund on 09 November 2018 is that of the relevant Merged Share Class of the M&G Pan European Select Fund, which includes UK taxes but excludes entry and exit charges. The M&G Pan European Select Fund is a UK authorised fund which launched on 29 September 1989 and its non-Sterling share classes merged into M&G (Lux) Pan European Select Fund on 9 November 2018.

M&G (Lux) Pan European Select Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	17.1375	20.6346	n/a
Class 'B' Accumulation	10.0024	12.1043	n/a
Class 'C' Accumulation	19.7244	23.5701	n/a
Class 'CI' Accumulation	8.8812	10.6091	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.6864	11.9631	n/a
Class 'C' Accumulation	10.1255	12.4115	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	104,145	125,461	n/a
Swing pricing adjustment (see note 12)	249	n/a	n/a
Swung net assets	104,394	125,461	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	1.73		
Class 'B' Accumulation	2.23		
Class 'C' Accumulation	0.98		
Class 'CI' Accumulation	0.94		
US dollar	%		
Class 'A' Accumulation	1.73		
Class 'C' Accumulation	0.98		

M&G (Lux) Positive Impact Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to provide a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period; and
- to invest in companies that have a positive societal impact through addressing the world's major social and/or environmental challenges.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.

Assessment and measurement of the ability to deliver positive social and/or environmental impact and generate financial returns will be conducted at a company level using M&G's impact assessment methodology. This focuses on three criteria:

- Investment credentials: the quality and durability of the company's business model and its ability to produce sustainable economic returns;
- Intention: the company's purpose as evidenced by the alignment of its mission statement with its corporate actions and strategy; and
- Impact: the scale of the net positive societal impact and the company's progress towards addressing specified social and/or environmental challenges.

Certain investments which are considered to conflict with the Fund's aim to invest in companies with a positive societal impact are excluded from the investment universe. The following are excluded:

- Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and
- Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, oil sands, nuclear power or coal-fired power, or the provision of gambling services.

The Investment Manager has discretion to invest in companies with limited exposure to fossil fuels but which are driving or significantly participating in the transition to a more sustainable economy.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The Fund is a concentrated portfolio of global stocks, investing over the long term in companies that make a positive social and/or environmental impact alongside a financial return, using a disciplined stock selection process. Sustainability and impact considerations are fundamental in determining the Fund's investment universe and assessing business models.

The Fund embraces the United Nations Sustainable Development Goals framework and invests in companies focused on areas including climate action, pollution reduction, circular economy, health and wellbeing, education and innovation, and working conditions.

The Fund invests in three categories of positive impact companies:

- "Pioneers", whose products or services have a transformational effect on society or the environment;
- "Enablers", which provide the tools for others to deliver positive social or environmental impact; and
- "Leaders", which spearhead the development of sustainability in their industries.

Investing in these categories provides diversification across industries and maturity of business models.

Dialogue with the companies in which the Fund invests is fundamental to the investment approach. The objective is to support and influence their contribution to the world's major social and environmental challenges.

Further information about the Investment Manager's ESG criteria applied to the Fund can be found on the M&G website under the Fund Literature section.

Performance Comparator

MSCI ACWI Net Return Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Positive Impact Fund

Investment review

For the year ended 31 March 2020

Performance review

Global stock markets delivered negative returns for the 12 months under review, with the end of the period witnessing levels of volatility not seen since the financial crisis in 2008. For much of the period, market sentiment had been dominated by a number of repeat themes, including the ongoing 'trade war' between the US and China, political difficulties in Europe, exacerbated by the looming presence of Brexit, geopolitical tensions in the Middle East and weakness in the oil price.

Despite these difficulties, markets maintained a generally upward trajectory, and as we entered the new year investors appeared upbeat. This positive sentiment, however, was to prove short-lived. Markets were hit hard near the end of February and into March as concerns about the Covid-19 pandemic led to the worst quarter for global markets since the 2008 financial crisis. Elsewhere, the combination of weakening global economic demand and a price war between Saudi Arabia and Russia sent oil prices down to their lowest level since 2002. Subsequently, energy was far and away the worst-performing sector for the month, followed by materials, financials and real estate. The most resilient sectors for the period were, unsurprisingly given the circumstances, information technology and healthcare, while utilities and consumer staples also proved more robust than the wider market.

Against this backdrop, the sub-fund declined for the period, but proved considerably more resilient than its benchmark, the MSCI ACWI Net Return Index. Stock selection within the utilities, industrial and information technology sectors was supportive of relative returns, as was the large above-index position in healthcare and zero weighting in the energy sector. On the downside, stock picking within the consumer discretionary and financial sectors weighed on performance for the period.

At an individual stock level, the sub-fund's largest contributor was solar energy specialist SolarEdge. The company delivered strong performance in 2019, growing revenues by over 50%, mostly through its solar business, with profits increasing by a similar degree. Other key contributors included renewable energy leader Ørsted, allergy immunotherapy specialist ALK-Abelló and engineering simulation software developer Ansys.

On the downside, two of the sub-fund's largest detractors were both in the banking sector, India's HDFC Bank and Georgia's Bank of Georgia. Banks were the hardest hit sector after energy during the period under review, and this was reflected in the share prices of both holdings.

Engagement activity

Impact investors can effect change by engaging with investee companies on a number of issues, not least supporting responsible corporate behaviour and long-term thinking, but also pushing companies to improve disclosure or set more testing sustainability objectives. We maintain ongoing dialogue with our

investee companies, as well as companies on our watchlist of stocks that we would like to own when the timing and price are right. The following are two examples of engagements during the period under review:

We met with the chief executive of US waste services company Republic Services to discuss the group's recycling activities, in light of recent headwinds in the recycling industry as a result of China rejecting recycling imports given their poor quality. The company said that China considered its waste to be of a good quality and appreciated its consistent flow. The group is now focusing investments on improving recycling processes, while also recently disclosing market-leading and ambitious 2030 sustainability goals. We encouraged the company to make sustainability one of its pillars (current pillars are: Market Position, Operating Model, People and Talent Agenda, Customer Zeal, Digital Platform). We also suggested that the group add sustainability targets into its compensation Key Performance Indicators to further reinforce its commitment to sustainable and safe waste management. The chief executive appeared receptive to these ideas, and we will continue to monitor for implementation.

As another example, we met with the chief executive and regional management team of Bank of Georgia (mentioned above) to, among other things, highlight the Task Force on Climate-related Financial Disclosures (TCFD). Bank of Georgia has established an Environmental and Societal Policy in order to effectively manage the bank's direct and indirect impact on society and the environment. Part of achieving that includes aiding women empowerment in businesses and promoting renewable energy usage. This is excellent for a bank operating in a frontier market such as Georgia. As a next step we encouraged the bank to show support for, and report in line with, the TCFD principles. This helps companies develop climate-related disclosures and is becoming increasingly important as a future regulatory framework. Management is now considering reporting in line with TCFD.

Investment activity

We added three new holdings during the review period, starting with specialist insulation producer Rockwool. It is estimated that effective use of the company's stone wool insulation can reduce heating needs, and associated carbon emissions, by some 70%, while Rockwool's products helps to tackle other sustainability challenges, including noise pollution, water scarcity and soil degradation.

We invested in US workers compensation insurance company Amerisafe. This is a high-quality business, run in a conservative fashion, insuring workers in hazardous industries while actively trying to help their corporate clients to improve safety standards.

M&G (Lux) Positive Impact Fund

Investment review

Investment activity (continued)

Finally, we established a position in Kenyan telecommunications company Safaricom. Safaricom provides integrated telecommunication services, including mobile and fixed voice, internet and its 'M-PESA' service to the Kenyan population. M-PESA allows people to send and receive money to pay for goods and services through a mobile phone.

Conversely, we closed three positions during the review period. Our holding in pharmaceuticals company Lonza was sold when it surfaced that the company was involved in animal testing for non-medical purposes in its specialty ingredients business. While the sub-fund does not exclude companies involved in animal testing on medical grounds, it does when that testing is for other purposes. We sold our shares in cleaning and catering company ISS after management decided to significantly reduce its workforce in emerging markets, making it considerably less impactful. Finally, we closed the position in China Everbright Greentech, believing there were better opportunities elsewhere.

Outlook

Events like the extreme market reaction to the Covid-19 outbreak are difficult to predict, and while, from an investment viewpoint, such events can be painful in the short term, they can also create opportunities for long-term investors. We believe that investing in quality companies when they are being undervalued can help to deliver long-term benefits for our customers, as markets return to more normal levels.

That being said, the immediate effects of the pandemic are horrifying, from a human, as well as an economic, point-of-view. We continue to look for a silver lining, and hope this will serve as a stark reminder of how important a well-functioning healthcare system is. We also need to bear in mind that climate change, pollution and inequality will still be with us on the other side of Covid-19. We hope that governments and industries will step up the effort to find solutions to our all too obvious societal challenges, and we are convinced that the commitment of impactful companies to combat them will remain firmly in place.

In terms of the sub-fund, we remain confident in the quality of the companies within the portfolio, and their ability to deliver long-term positive impact to society. As long-term investors, our focus is on the ability of our holdings to generate long-term value for the sub-fund and for our customers, and we continue to be optimistic about their prospects.

John William Olsen

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Positive Impact Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					65,746	93.44
Software & Computer Services						
ANSYS	13,681	US\$			3,214	4.57
Technology Hardware & Equipment					3,941	5.60
ON Semiconductor	116,335	US\$			1,508	2.14
Solaredge Technologies	29,798	US\$			2,433	3.46
Telecommunications Service Providers						
Safaricom	4,348,304	KES			1,111	1.58
Health Care Providers					6,849	9.73
Fresenius Medical Care	37,899	€			2,464	3.50
Quest Diagnostics	21,721	US\$			1,805	2.56
UnitedHealth Group	10,271	US\$			2,580	3.67
Medical Equipment & Services						
Becton Dickinson	11,000	US\$			2,451	3.48
Pharmaceuticals & Biotechnology					15,357	21.83
Agilent Technologies	32,707	US\$			2,377	3.38
ALK-Abello	12,430	DKK			2,832	4.03
Grifols 'B'	95,546	€			1,882	2.67
Illumina	8,107	US\$			2,245	3.19
Novo Nordisk 'B'	58,269	DKK			3,519	5.00
Thermo Fisher Scientific	8,782	US\$			2,502	3.56
Banks					3,517	5.00
Bank of Georgia Group	99,837	£			1,179	1.68
HDFC Bank ADR	60,338	US\$			2,338	3.32
Life Insurance					3,870	5.50
AIA Group	314,200	HK\$			2,844	4.04
Sanlam	363,687	ZAR			1,026	1.46
Non-life Insurance						
AMERISAFE	26,876	US\$			1,690	2.40
Consumer Services					2,119	3.01
Bright Horizons Family Solutions	16,624	US\$			1,653	2.35
Cogna Educação	167,051	BRL			163	0.23
Cogna Educação ADR	303,194	US\$			303	0.43
Electronic & Electrical Equipment					6,502	9.24
Horiba	45,600	¥			2,260	3.21
IPG Photonics	16,602	US\$			1,812	2.58
Schneider Electric	28,197	€			2,430	3.45
General Industrials					5,748	8.17
DS Smith	544,810	£			1,833	2.61
Johnson Controls International	72,073	US\$			1,909	2.71
ROCKWOOL International 'B'	10,700	DKK			2,006	2.85
Industrial Support Services					3,978	5.65
Brambles	299,981	AU\$			1,927	2.74
Republic Services	26,762	US\$			2,051	2.91
Industrial Transportation						
East Japan Railway	21,200	¥			1,595	2.27
Gas, Water & Multi-utilities						
Ørsted	38,500	DKK			3,804	5.41
Portfolio of investments					65,746	93.44
Total portfolio					65,746	93.44
Net other assets/(liabilities)					4,615	6.56
NET ASSETS					70,361	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					65,746	93.44
Total Investment assets					65,746	93.44
Total portfolio					65,746	93.44
Net other assets/(liabilities)					4,615	6.56
NET ASSETS					70,361	100.00

All securities are on an official stock exchange listing except where referenced.

M&G (Lux) Positive Impact Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-4.7	n/a	n/a	+0.6	29/11/2018
Class 'A' Distribution	-4.7	n/a	n/a	+0.6	29/11/2018
Class 'C' Accumulation	-3.7	n/a	n/a	+1.6	29/11/2018
Class 'C' Distribution	-3.7	n/a	n/a	+1.6	29/11/2018
Class 'CI' Accumulation	-3.7	n/a	n/a	+1.7	29/11/2018
Class 'L' Accumulation	-3.5	n/a	n/a	+1.9	29/11/2018
Class 'LI' Accumulation	-3.5	n/a	n/a	+1.9	29/11/2018
Sterling					
Class 'C' Accumulation	-0.5	n/a	n/a	+1.2	29/11/2018
Class 'C' Distribution	-0.5	n/a	n/a	+1.2	29/11/2018
Class 'CI' Accumulation	-0.5	n/a	n/a	+1.3	29/11/2018
Class 'L' Accumulation	-0.2	n/a	n/a	+1.5	29/11/2018
Class 'LI' Accumulation	-0.2	n/a	n/a	+1.5	29/11/2018
Swiss franc					
Class 'A' Accumulation	-9.9	n/a	n/a	-4.4	29/11/2018
Class 'A' Distribution	-9.9	n/a	n/a	-4.4	29/11/2018
Class 'C' Accumulation	-9.0	n/a	n/a	-3.4	29/11/2018
Class 'C' Distribution	-9.0	n/a	n/a	-3.4	29/11/2018
Class 'CI' Accumulation	-9.0	n/a	n/a	-3.4	29/11/2018
Class 'L' Accumulation	-8.8	n/a	n/a	-3.2	29/11/2018
Class 'LI' Accumulation	-8.7	n/a	n/a	-3.1	29/11/2018
US dollar					
Class 'A' Accumulation	-7.1	n/a	n/a	-2.2	29/11/2018
Class 'A' Distribution	-7.1	n/a	n/a	-2.2	29/11/2018
Class 'C' Accumulation	-6.1	n/a	n/a	-1.2	29/11/2018
Class 'C' Distribution	-6.1	n/a	n/a	-1.2	29/11/2018
Class 'CI' Accumulation	-6.1	n/a	n/a	-1.1	29/11/2018
Class 'L' Accumulation	-5.9	n/a	n/a	-0.9	29/11/2018
Class 'LI' Accumulation	-5.9	n/a	n/a	-0.9	29/11/2018

M&G (Lux) Positive Impact Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Annual distribution periods and values

	Start	End	Record date	Xd	Payment
Final	01.04.19	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'C' Distribution Euro €	Class 'C' Distribution UK p	Class 'A' Distribution Swiss €	Class 'C' Distribution Swiss €
to 31 March 2020					
Final	0.1622	0.1633	0.1627	0.1514	0.1526

	Class 'A' Distribution US €	Class 'C' Distribution US €
to 31 March 2020		
Final	0.1563	0.1573

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	10.0769	10.5772	n/a
Class 'A' Distribution	10.0445	10.5796	n/a
Class 'C' Accumulation	10.2166	10.6143	n/a
Class 'C' Distribution	10.1808	10.6143	n/a
Class 'CI' Accumulation	10.2238	10.6161	n/a
Class 'L' Accumulation	10.2509	10.6229	n/a
Class 'LI' Accumulation	10.2583	10.6250	n/a
Sterling	£	£	£
Class 'C' Accumulation	10.1664	10.2166	n/a
Class 'C' Distribution	10.1305	10.2166	n/a
Class 'CI' Accumulation	10.1720	10.2183	n/a
Class 'L' Accumulation	10.2002	10.2250	n/a
Class 'LI' Accumulation	10.2059	10.2267	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	9.4188	10.4551	n/a
Class 'A' Distribution	9.3859	10.4551	n/a
Class 'C' Accumulation	9.5460	10.4895	n/a
Class 'C' Distribution	9.5123	10.4895	n/a
Class 'CI' Accumulation	9.5512	10.4913	n/a
Class 'L' Accumulation	9.5784	10.4982	n/a
Class 'LI' Accumulation	9.5832	10.4999	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.7114	10.4530	n/a
Class 'A' Distribution	9.6775	10.4530	n/a
Class 'C' Accumulation	9.8431	10.4875	n/a
Class 'C' Distribution	9.8077	10.4875	n/a
Class 'CI' Accumulation	9.8480	10.4892	n/a
Class 'L' Accumulation	9.8750	10.4962	n/a
Class 'LI' Accumulation	9.8808	10.4978	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	70,361	14,252	n/a
Swing pricing adjustment (see note 12)	132	23	n/a
Swung net assets	70,493	14,275	n/a

Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.98
Class 'A' Distribution	1.98
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'L' Accumulation ^[a]	0.53
Class 'LI' Accumulation ^[a]	0.49
Sterling	%
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'L' Accumulation ^[a]	0.53
Class 'LI' Accumulation ^[a]	0.49
Swiss franc	%
Class 'A' Accumulation	1.98
Class 'A' Distribution	1.98
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'L' Accumulation ^[a]	0.53
Class 'LI' Accumulation ^[a]	0.49
US dollar	%
Class 'A' Accumulation	1.98
Class 'A' Distribution	1.98
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94
Class 'L' Accumulation ^[a]	0.53
Class 'LI' Accumulation ^[a]	0.49

^[a] The share class has an estimated TER shown, following the change in charging structure, you may see variances between the comparative and current year figures.

M&G (Lux) Short Dated Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the short dated investment grade corporate bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in fixed and floating rate debt securities issued by investment grade companies and in Asset-Backed Securities.

The Fund may also invest in high yield corporate bonds, debt securities issued by government and their agencies, public authorities, quasi-sovereigns and supranational bodies. The Fund may also invest in unrated bonds. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

These securities may be issued anywhere in the world, including emerging markets and denominated in any currency. The Fund does not take currency views and aims to hedge any non-EUR assets to EUR.

The Fund uses an investment process that is based on both a top-down macroeconomic view and fundamental analysis of individual securities.

The Fund invests in short dated corporate bond and/or securities which on aggregate produce a low portfolio duration, in order to limit the effect of interest rate movements on the Fund's capital value.

The Fund may invest up to a combined maximum of 20% of the Fund's Net Asset Value in high yield and unrated securities.

The Fund may hold up to 100% of its Net Asset Value in Asset-Backed Securities and a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities.

The Fund may invest in Asset-Backed Securities, including mortgage-backed securities (commercial, agency residential, prime residential, non-prime residential), cash collateralised debt obligation, cash collateralised loan obligation, auto prime, auto subprime, consumer loan, credit card, student loan, aircraft loan/lease, equipment lease, small business loan/lease, whole business securitisation, single family rentals and other securitised assets.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions to meet the Fund's investment objective and for efficient portfolio management. Such derivative instruments may also be used for the purpose of hedging. These derivative instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps and Interest Rate Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, equities, warrants and other debt securities.

Investment approach

The Investment Manager considers macroeconomic, asset class, sector, geographic and individual credit-level factors.

The dynamic investment approach combines top-down and bottom-up stock selection, allowing the Investment Manager to change the blend of duration and credit exposure based on the outlook for bond markets, while maintaining its inherently low duration profile through its bias towards short-dated corporate bonds.

An in-house team of credit analysts assists the Investment Manager in individual credit selection along with the monitoring of names held by the Fund.

Performance Comparator

Markit iBoxxEUR Corporates 1-3 year Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

M&G (Lux) Short Dated Corporate Bond Fund

Investment review

For the year ended 31 March 2020

Performance review

The period under review began in a positive vein, as the global risk-on sentiment that pervaded for much of the preceding three months continued. However, by May, the optimistic mood was somewhat dampened, as renewed fears about the prospects for global trade caused investors to prefer safer assets once again.

During the summer, there was a series of interest rate decisions from central banks in response to mounting uncertainties on the path of global economic growth.

In the final few months of 2019, the Federal Reserve cut interest rates, there were signs of a resolution to trade wars, and Brexit was on the cusp of clearing the final hurdle following victory for the pro-Brexit Conservative Party in December's UK general election. The European Central Bank resuming its bond-buying programme (in November) was an additional source of support for European credit. Investor sentiment improved as a result.

A promising start to 2020 had fallen away by the middle of January as investors retreated on the news of the coronavirus outbreak in China. Thereafter, as the number of coronavirus cases increased across Europe, 'risk-off' sentiment returned to markets with a vengeance.

By March this year, employment, consumer demand and broader economic activity took a major blow. Investors reacted by exiting risk strategies, which resulted in significant price falls across most asset classes.

In this context, the sub-fund delivered a negative total return and lagged behind its benchmark over the 12 months under review. Detractors to relative performance included holdings in financial bonds, issues from automobile companies, and some exposure to covered bonds. Losses in these bonds were particularly pronounced during the latter stages of the first quarter of 2020 as the coronavirus pandemic really took hold.

The sub-fund's holding of high-quality 'asset-backed securities' (ABS) was a source of outperformance during most of 2019. ABS are bonds backed by assets including credit card receivables, car loans or mortgages, whose creditworthiness is based on the underlying assets, rather than on the company that issued the bonds. Furthermore, most ABS holdings are floating rate in nature and stand to benefit from rising interest rates through their variable rate coupons.

The sub-fund is, by its very nature, less sensitive to changes in interest rates than those sub-funds which invest in longer dated corporate bonds (debt issues which are due to be repaid over relatively long periods). It therefore can perform well relative to sub-funds which invest in longer dated corporate bonds, while tending to benefit less from falling rates than such sub-funds.

The sub-fund's lack of sensitivity to interest rate changes was partially supportive of performance during most of the first quarter of 2020, when it was protected from some of the worst of the volatility. It benefited less during a more risk-friendly 2019, however.

Investment activity

After corporate bonds experienced considerable weakness in the latter stages of February and March 2020, we started to see better value in these assets once again, and looked to add credit risk back into the portfolio on an issuer-by-issuer basis. We have kept a sizeable exposure to ABS over the period, between 15-20% of the sub-fund's net asset value.

Outlook

The coronavirus pandemic has completely changed the narrative for the global economy and financial markets in 2020. We believe a V-shaped recession/recovery is more likely, although it does not matter what shape the recovery will be, just the shifting market expectations and therefore how assets are priced. We need to be positioned appropriately when they change, and have room to act in anticipation of where they go next.

So in this regard, this means having more credit risk in the portfolio than we had going in to this crisis (we're getting paid more for it now) but being cautious on which names we own given the new narrative affecting credit markets in 2020.

Matthew Russell

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Short Dated Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					48,230	89.52
Debt securities					48,338	89.72
'AAA' credit rated bonds					12,518	23.23
Alba FRN	0	£	25.11.2042		0	0.00
Brass NO 7 FRN	248,738	£	16.10.2059		276	0.51
Finsbury Square FRN	178,357	£	12.09.2065		201	0.37
Finsbury Square FRN	376,818	£	16.12.2069		419	0.78
Friary No. 6 FRN	317,786	£	21.11.2067		349	0.65
Germany (Federal Republic of) 0%	3,000,000	€	08.10.2021		3,033	5.63
Gosforth Funding FRN	551,000	£	19.12.2059		606	1.13
London Wall Mortgage Capital FRN	0	£	15.11.2049		0	0.00
Oat Hill No 1 FRN	605,938	£	25.02.2046		684	1.27
Paragon Mortgages No 14 FRN	0	US\$	15.09.2039		0	0.00
PCL Funding II FRN	341,000	£	15.06.2022		385	0.71
Permanent Master Issuer FRN	596,000	£	15.07.2058		658	1.22
Polaris Holdings FRN	368,027	£	27.04.2057		392	0.73
Precise Mortgage Funding FRN	4,112	£	12.03.2048		5	0.01
Precise Mortgage Funding FRN	148,058	£	16.10.2056		163	0.30
Residential Mortgage Securities FRN	103,003	£	20.03.2050		111	0.21
RIN II FRN ^[a]	700,000	US\$	10.09.2030		601	1.12
Ripon Mortgages FRN	0	£	20.08.2056		0	0.00
Santander UK FRN	500,000	£	12.02.2027		540	1.00
Shamrock Residential FRN	220,167	€	24.11.2057		218	0.40
SILVERSTONE MASTER ISSUER FRN	743,000	£	21.01.2070		815	1.51
Thrones FRN	193,646	£	18.03.2050		217	0.40
Together Asset Backed Securitisation FRN	338,572	£	12.03.2049		366	0.68
Together Asset Backed Securitisation FRN	590,189	£	15.07.2061		629	1.17
Towd Point Mortgage Funding FRN	291,814	£	20.02.2054		323	0.60
Tower Bridge Funding No 3 FRN	265,580	£	20.12.2061		285	0.53
Trinity Square FRN	191,485	£	15.07.2051		211	0.39
Voya Euro CLO III FRN ^[a]	395,000	€	15.04.2033		361	0.67
Warwick Finance Residential Mortgages No Two FRN	596,447	£	21.09.2049		670	1.24
'AA' credit rated bonds					2,801	5.20
Exxon Mobil 2.992%	700,000	US\$	19.03.2025		661	1.23
First Abu Dhabi Bank 1.375%	313,000	£	19.02.2023		345	0.64
Metropolitan Life Global Funding I 1.125%	743,000	£	15.12.2021		824	1.53
New York Life Global Funding 1.25%	425,000	£	17.12.2026		441	0.82
New York Life Global Funding 1.625%	179,000	£	15.12.2023		199	0.37
Paragon Mortgages No 13 FRN	408,501	€	15.01.2039		331	0.61
'A' credit rated bonds					15,549	28.86
AASET Trust 3.967% ^[a]	105,218	US\$	16.05.2042		76	0.14
ABN AMRO Bank 1.375%	700,000	£	16.01.2025		747	1.39
Amazon.com 2.4%	600,000	US\$	22.02.2023		568	1.05
Bank of America 6.125%	450,000	£	15.09.2021		537	1.00
Banque Fédérative du Cr�dit Mutuel 2.7%	891,000	US\$	20.07.2022		805	1.49
BMW Finance 0.125%	349,000	€	13.07.2022		339	0.63
BMW International Investment 1.25%	600,000	£	11.07.2022		649	1.20
BNP Paribas 3.5%	700,000	US\$	01.03.2023		644	1.20
Boubyan Sukuk 2.593%	381,000	US\$	18.02.2025		333	0.62
BPCE FRN	600,000	€	23.03.2023		568	1.05
Bristol-Myers Squibb 2.55%	667,000	US\$	14.05.2021		615	1.14
Citibank FRN	700,000	US\$	20.05.2022		640	1.19
Comcast FRN	891,000	US\$	01.10.2021		793	1.47
Cr�dit Agricole FRN	297,000	US\$	24.04.2023		260	0.48
Dassault Systemes 0%	300,000	€	16.09.2022		295	0.55
Deutsche Pfandbriefbank 1.75%	1,000,000	£	21.11.2022		1,092	2.03
EssilorLuxottica 0.125%	300,000	€	27.05.2025		289	0.54
Great Hall Mortgages No 1 FRN	0	US\$	18.06.2039		0	0.00
ING Groep FRN	743,000	US\$	29.03.2022		656	1.22
ING Groep FRN	300,000	€	20.09.2023		283	0.52
International Business Machines 0.375%	1,000,000	€	31.01.2023		989	1.84
John Deere Capital 2.6%	800,000	US\$	07.03.2024		757	1.40
JPMorgan Chase FRN	743,000	US\$	24.10.2023		649	1.20
Medtronic Global Holdings 0.25%	269,000	€	02.07.2025		256	0.47
Medtronic Global Holdings 0.375%	700,000	€	07.03.2023		689	1.28
State Street FRN	150,000	US\$	30.03.2023		138	0.26
UBS Group FRN	561,000	€	20.09.2022		542	1.01

M&G (Lux) Short Dated Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
US Bancorp 2.4%	400,000	US\$	30.07.2024		367	0.68
US Bancorp 3.375%	1,000,000	US\$	05.02.2024		973	1.81
'BBB' credit rated bonds					16,518	30.66
AA Bond 5.5%	575,000	£	31.07.2050		558	1.04
Altria Group 1%	390,000	€	15.02.2023		383	0.71
American International Group FRN	200,000	€	15.03.2037		164	0.30
Anheuser-Busch InBev Finance FRN	278,000	€	15.04.2024		266	0.49
Banco Bilbao Vizcaya Argentaria FRN	1,000,000	€	16.01.2030		850	1.58
Banco de Sabadell 0.875%	800,000	€	05.03.2023		775	1.44
Bayer Capital 0.625%	600,000	€	15.12.2022		592	1.10
Channel Link Enterprises Finance FRN	371,000	€	30.06.2050		368	0.68
Citigroup 2.75%	227,000	£	24.01.2024		256	0.48
CK Hutchison Group Telecom Finance 0.375%	535,000	€	17.10.2023		521	0.97
Daimler Finance North America 2.7%	743,000	US\$	03.08.2020		684	1.27
Deutsche Telekom International Finance 0.375%	700,000	€	30.10.2021		697	1.29
easyJet 0.875%	279,000	€	11.06.2025		198	0.37
Fiserv 2.25%	163,000	£	01.07.2025		181	0.34
General Electric 2.7%	1,000,000	US\$	09.10.2022		897	1.66
General Motors Financial 2.2%	322,000	€	01.04.2024		275	0.51
General Motors Financial FRN	297,000	US\$	14.01.2022		222	0.41
Goldman Sachs Group FRN	491,000	€	21.04.2023		458	0.85
Hiscox 2%	478,000	£	14.12.2022		530	0.98
Imperial Brands Finance 2.95%	891,000	US\$	21.07.2020		816	1.51
Lloyds Banking Group FRN	214,000	€	12.11.2025		194	0.36
Lloyds Banking Group FRN	467,000	£	15.01.2026		496	0.92
Morgan Stanley FRN	1,000,000	US\$	20.01.2023		854	1.58
Nationwide Building Society FRN	600,000	US\$	08.03.2024		547	1.02
NatWest Markets 3.625%	1,000,000	US\$	29.09.2022		919	1.71
Quadient 2.25%	400,000	€	03.02.2025		374	0.69
Skipton Building Society 1.75%	743,000	£	30.06.2022		822	1.53
Société Générale 4.25%	743,000	US\$	14.09.2023		693	1.29
Tesco 6.125%	250,000	£	24.02.2022		300	0.56
Tesco Corporate Treasury Services 2.5%	100,000	£	02.05.2025		111	0.21
Verizon Communications FRN	800,000	US\$	15.05.2025		667	1.24
Volkswagen Financial Services 1.625%	400,000	£	30.11.2022		433	0.80
Volkswagen Financial Services 1.875%	400,000	£	03.12.2024		417	0.77
'BB' credit rated bonds					952	1.77
Autostrade per l'Italia 6.25%	300,000	£	09.06.2022		332	0.62
Ford Motor Credit 4.535%	700,000	£	06.03.2025		620	1.15
Debt derivatives					(108)	(0.20)
Credit default swaps					(49)	(0.09)
Markit CDX North American High Yield Series 33 5 Year Dec 2024	588,000	US\$			(26)	(0.05)
Markit CDX North American Investment Grade Series 32 3 Year Jun 2024	1,700,000	US\$			2	0.00
Markit CDX North American Investment Grade Series 33 5 Year Dec 2024	700,000	US\$			0	0.00
Markit iTraxx Europe Series 32 5 Year Dec 2024	700,000	€			1	0.00
Markit iTraxx Europe Xover Series 32 5 Year Dec 2024	1,100,000	€			(26)	(0.04)
Interest rate futures						
US Treasury Notes 2 year Futures	(30)	US\$	30.06.2020	57	(59)	(0.11)
CURRENCY					(442)	(0.82)
Forward currency contracts					(442)	(0.82)
Bought for £ 1,379,954.19, Sold for € 1,530,803.82			08.04.2020		27	0.05
Bought for € 22,877,817.22, Sold for £ 20,006,994.33			08.04.2020		292	0.54
Bought for € 17,260,200.74, Sold for US\$ 19,736,615.46			08.04.2020		(764)	(1.42)
Bought for US\$ 1,228,296.25, Sold for € 1,119,656.60			08.04.2020		3	0.01
Portfolio of investments					47,788	88.70
CASH EQUIVALENTS					2,241	4.16
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	2,298,431	€			2,241	4.16
SHARE CLASS HEDGING					(17)	(0.03)
Bought for € 1,880.92, Sold for CHF 1,988.32			08.04.2020		0	0.00
Bought for € 2,507,897.27, Sold for US\$ 2,842,344.23			08.04.2020		(86)	(0.16)

M&G (Lux) Short Dated Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for CHF 48,503.84, Sold for € 45,558.89			08.04.2020		0	0.00
Bought for US\$ 4,784,092.93, Sold for € 4,298,375.67			08.04.2020		69	0.13
Total portfolio					50,012	92.83
Net other assets/(liabilities)					3,863	7.17
NET ASSETS					53,875	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					48,338	89.72
Unrealised gains on forward currency contracts					391	0.73
Unrealised gains on swap contracts					3	0.00
Total Investment assets					48,732	90.45
Investment liabilities						
Unrealised losses on futures contracts					(59)	(0.11)
Unrealised losses on forward currency contracts					(850)	(1.58)
Unrealised losses on swap contracts					(52)	(0.09)
Total Investment liabilities					(961)	(1.78)
Total portfolio					47,771	88.67
Cash equivalents					2,241	4.16
Net other assets/(liabilities)					3,863	7.17
NET ASSETS					53,875	100.00

[a] Unlisted/unquoted.

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures			
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as security €'000
Bank of America Merrill Lynch	0	0	6,039	0
BNP Paribas	13	97	0	0
Citigroup Global Markets Limited	0	110	0	0
Deutsche Bank AG	0	132	0	0
Goldman Sachs International	8	558	0	0
HSBC Bank Plc	0	960	0	0
JP Morgan Chase	33	1,097	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	22,878	0	0
Standard Chartered Bank	0	148	0	0
State Street Bank and Trust Company	0	6,854	0	637
State Street Bank London	0	16,808	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Short Dated Corporate Bond Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

In order to ensure that European investors outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the mergers of non-Sterling share classes in a selection of its UK funds ('the Merging Funds') into equivalent sub-funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds'). Following successful extraordinary resolutions at shareholder meetings on 5 October 2018, the mergers of the non-Sterling share classes of the UK OEIC's took place on various dates prior to 29 March 2019. The past performance of the merged share class has been carried over to the equivalent SICAV share classes.

The performance table below shows the original launch dates of the share classes in the UK 'Merging Funds' in the column headed 'Launch date of the merged share class'. The launch dates of the share classes in the equivalent sub-funds within M&G (Lux) Investment Funds 1 are provided in the column headed 'Launch date of the SICAV share class'. The figure shown in the column headed 'Since performance start date' is calculated from the launch date of the merged share class, where available. 'n/a' in the launch date column for the merged share class indicates that no merged share class existed prior to the launch of the SICAV share class. In this case, the 'since performance start date' is the launch date of the SICAV share class.

The following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. For periods under a year the rate of return is calculated on an absolute basis.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch [a] % p.a.	Launch date of the OEIC merged share class	Launch date of the SICAV share class
Euro						
Class 'A' Accumulation	-3.3	-1.2	-0.4	+0.3	26/07/2013	26/10/2018
Class 'A' Distribution	-3.3	-1.3	-0.4	+0.2	26/07/2013	26/10/2018
Class 'C' Accumulation	-2.9	-0.8	n/a	+0.7	26/07/2013	26/10/2018
Class 'C' Distribution	-2.9	-0.8	n/a	+0.7	26/07/2013	26/10/2018
Class 'CI' Accumulation	-2.8	-0.8	n/a	+0.7	26/07/2013	06/11/2018
Swiss franc						
Class 'A-H' Accumulation	-3.7	-1.7	-1.0	-0.2	26/07/2013	26/10/2018
Class 'C-H' Accumulation	-3.3	-1.2	-0.5	+0.3	26/07/2013	26/10/2018
US dollar						
Class 'A-H' Accumulation	-0.6	+1.4	+1.6	+1.8	26/07/2013	26/10/2018
Class 'A-H' Distribution	-0.4	+1.4	+1.6	+1.7	08/08/2014	26/10/2018
Class 'C-H' Accumulation	-0.1	+1.9	+2.1	+2.4	26/07/2013	26/10/2018
Class 'C-H' Distribution	n/a	+1.8	+2.1	+2.2	08/08/2014	26/10/2018

[a] Fund performance before the launch of the fund on 26 October 2018 is that of the relevant Merged Share Class of the M&G Short Dated Corporate Bond Fund, which includes UK taxes but excludes entry and exit charges. The M&G Short Dated Corporate Bond Fund is a UK authorised fund which launched on 29 January 1993 and its non-Sterling share classes merged into M&G (Lux) Short Dated Corporate Bond Fund on 26 October 2018.

M&G (Lux) Short Dated Corporate Bond Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution Euro €	Class 'C' Distribution Euro €	Class 'A-H' Distribution US \$	Class 'C-H' Distribution US \$
to 31 March 2020				
First interim	0.0525	0.0531	0.0570	0.0583
Second interim	0.0481	0.0488	0.0540	0.0547
Third interim	0.0439	0.0445	0.0482	0.0489
Final	0.0407	0.0413	0.0463	0.0471

Total Expense Ratio 31.03.2020	TER
US dollar	%
Class 'A-H' Accumulation	0.93
Class 'A-H' Distribution	0.93
Class 'C-H' Accumulation	0.53
Class 'C-H' Distribution	0.53

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	10.1784	10.5206	n/a
Class 'A' Distribution	9.1290	9.6372	n/a
Class 'C' Accumulation	10.4997	10.8102	n/a
Class 'C' Distribution	9.2723	9.7493	n/a
Class 'CI' Accumulation	9.7758	10.0601	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.8839	10.2584	n/a
Class 'C-H' Accumulation	10.2139	10.5586	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	11.2877	11.3548	n/a
Class 'A-H' Distribution	10.2949	10.5567	n/a
Class 'C-H' Accumulation	11.6935	11.7004	n/a
Class 'C-H' Distribution	10.4821	10.7086	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	53,875	56,809	n/a
Swing pricing adjustment (see note 12)	(230)	n/a	n/a
Swung net assets	53,645	56,809	n/a
Total Expense Ratio 31.03.2020	TER		
Euro	%		
Class 'A' Accumulation	0.91		
Class 'A' Distribution	0.91		
Class 'C' Accumulation	0.51		
Class 'C' Distribution	0.51		
Class 'CI' Accumulation	0.47		
Swiss franc	%		
Class 'A-H' Accumulation	0.93		
Class 'C-H' Accumulation	0.53		

M&G (Lux) Sustainable Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to provide a total return (the combination of capital growth and income) of 4 to 8% per annum over any five-year period. The Fund aims to provide this return while considering environmental, social and governance (ESG) factors.

Investment policy

The Fund invests in a diversified range of asset classes, such as fixed income, equities, cash, and near cash. These investments may be from anywhere in the world, including emerging markets, and denominated in any currency. The Fund has a flexible asset allocation and normally invests within the following net allocation ranges: 20-80% in fixed income securities, 20-60% in equities and 0-20% in other assets.

The Fund invests in assets that meet the Investment Manager's ESG criteria or that have a positive societal impact, through addressing the world's major social and environmental challenges. Between 10% and 30% of the portfolio is invested in positive impact assets. All selected securities meet the Investment Manager's assessment of ESG or impact criteria through the use of third party ESG information and/or proprietary analysis.

In addition, the Fund aims to exclude securities issued by, but not limited to:

- companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and
- companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, thermal coal, or the provision of gambling services.

The Fund may invest directly via securities or indirectly via other collective investment schemes (including funds managed by M&G) and derivatives, which are not subject to the same ESG restrictions as securities held directly. The Investment Manager will assess the suitability of such instruments relative to the Fund's investment objective. If a derivative does not satisfy the ESG requirements, the Fund may only invest via the instrument to take advantage of short-term market movements.

The Fund normally seeks to hold more than 70% of its Net Asset Value in Euro denominated assets or in other currencies hedged back to Euro.

The Fund may invest up to 40% of its Net Asset Value in sub-investment grade and unrated debt securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may invest up to 10% of its Net Asset Value in Asset-Backed Securities and up to 5% of its Net Asset Value in Contingent Convertible Debt Securities.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

The Fund may use derivatives to meet its investment objective, for hedging and efficient portfolio management. The Fund may take synthetic short positions in markets, currencies, securities, indices and other groups of securities. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

Investment approach

The Fund's approach to sustainable investment is through flexible asset allocation, whilst investing in securities issued by companies or governments that uphold high standards of environmental, social and governance behaviour. In addition, the Fund maintains a core holding of assets that have a positive societal impact through addressing the world's major social and environmental challenges.

The Fund allocates capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events, to identify investment opportunities. In particular, the Investment Manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.

The Fund seeks to manage risk by investing globally in multiple asset classes, and across different sectors, currencies and countries. The Fund's annualised volatility is expected to be between 4% and 7%, over any five-year period.

Further information about the Investment Manager's ESG criteria applied to the Fund can be found on the M&G website under the Fund Literature section.

Performance Comparator

Not applicable

M&G (Lux) Sustainable Allocation Fund

Investment review

For the year ended 31 March 2020

The sub-fund primarily holds a combination of equities and bonds. Bonds may be government bonds, those issued by governments, or corporate bonds, those issued by companies and any bond held may have a credit rating that is either investment grade or high yield. The government bonds held by the sub-fund may include some that are issued by emerging market governments. The sub-fund may also hold bonds issued by supranational or quasi-government institutions, an example of which would be the International Bank for Reconstruction and Development.

The sub-fund may also hold green bonds, (bonds where the proceeds of their sale are dedicated to sustainable activities), and green infrastructure assets. It may hold convertible bonds, which are bonds that may be converted into a prescribed number of company shares at the holder's discretion, and may also hold collective investment vehicles, such as other sub-funds, as well as cash and derivatives.

The main drivers of returns and of their volatility are the allocation to and selection of the different asset classes, such as equities and bonds. The portfolio's asset class-level exposures are determined through a top-down asset allocation approach – meaning we look at the economic and other factors forming the big picture before selecting the securities to invest in. Most potential individual holdings are then identified via an evaluation process that assesses the environmental, social and governance (ESG) factors of individual candidate securities that we believe carry appropriate risk/return characteristics.

In addition to ESG-screened securities, the sub-fund also has a dedicated core allocation to assets (stocks, bonds or funds) that are expected to deliver a positive impact towards achieving against one or more of the United Nations Sustainable Development Goals (SDGs).

Performance review

The period under review was dominated by extreme market turmoil in the final two months, arising from the Covid-19 coronavirus outbreak as it spread worldwide. Consequently sub-fund returns were negative for the 12-month period.

However, the first three quarters of the review period to the end of 2019, saw share prices generally perform positively, helping the sub-fund to generate positive returns. Government bonds also saw prices rise as yields fell, particularly in major markets such as the US, UK and Europe and contrary to the expectations of many market participants. Corporate bonds benefited from both the strength of government bonds and an improved perception of the risks associated with credit.

Extensive volatility in major stock and bond markets, were commonplace for much of February and March 2020, as Covid-19 spread to Europe and North America. Share prices and bond prices fell and rose sharply during that period. Overall, share prices fell so much that the sub-fund's previous gains were more than overcome. For the 12-month review period, the sub-fund's equity holdings made a negative contribution to overall

performance as stocks worldwide suffered some of the largest price declines in recent memory. However, our preference for technology stocks was beneficial, with the basket of holdings contributing positively overall. Our preference for the banking sector, and European banks particularly, weighed on returns however. The sub-fund's allocation to bonds contributed positively. Yields on US Treasuries moved lower (and prices higher) over the period. Additionally, the holdings of various peripheral European governments' bonds, such as Italy and Spain, had a positive effect on performance. However, these gains were partially offset by the short positions held in German government bonds, as German prices also increased. The holdings of emerging market government bonds weighed on performance - they were negatively affected as their respective currencies generally weakened against the euro.

Investment activity

We maintained a preference for equities over bonds throughout the review period, and continue to do so. During the review period, we used opportunities of stock market volatility and new market issues to add and increase holdings in areas such as technology, renewable energy and wind power generation infrastructure. Within the sub-fund's bond holding, we maintained a preference for US Treasuries. During volatile periods, we took the opportunity to increase or decrease holdings in the US bond market to take advantage of attractive value, as we saw it, or to take profits on positions when prices had risen. We maintained holdings in selected emerging market governments, such as Mexico and South Africa, as we believe they represent attractive value, part of which is their currencies which we believe are generally undervalued and add to the opportunity those markets present. We also took advantage of the relative strength experienced across the broad corporate credit market to reduce the holdings of corporate debt late in 2019.

Outlook

At the beginning of April, the sub-fund continued to maintain a preference for equities over bonds. We believe that the price declines experienced by equities globally, during the latter part of the review period in early 2020, do not change the fundamental attractive value that they represent, when compared to bonds.

Banking sector stocks remain attractive within that, and we hold baskets of ESG-screened banking sector stocks in the sub-fund to reflect that preference. We feel that among government bonds, the US Treasury market, where yields are highest among the main developed markets carries most attractive value, and that the European peripheral market of Italy, offers good relative value when compared to core Europe, Germany particularly where yields are negative.

M&G (Lux) Sustainable Allocation Fund

Investment review

Outlook (continued)

Outside developed markets, we believe that the emerging market government bonds continue to carry attractive value and that they, and their currencies, will recover as the Covid-19 turbulence dissipates allowing that value to be reflected in the future returns of the sub-fund. Within the positive impact portion of the sub-fund, which represents approximately 20% of the sub-fund, we hold investments that aim to address each of the six key impact areas of the UN SDGs.

Maria Municchi

Sub-fund manager

Investment review information as at 31 March 2020.

Employee of M&G FA Limited (formerly M&G Limited) which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the sub-fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					18,762	56.90
United Kingdom					1,388	4.21
UK equities					1,388	4.21
DS Smith	59,029	GBP			181	0.55
Greencoat UK Wind	229,345	GBP			344	1.04
J Sainsbury	73,875	GBP			181	0.55
Legal & General Group	57,261	GBP			124	0.38
Marks & Spencer Group	51,126	GBP			58	0.18
Octopus Renewables Infrastructure Trust	217,399	GBP			255	0.77
Travis Perkins	14,202	GBP			141	0.43
WPP	16,885	GBP			104	0.31
Belgium					134	0.41
Belgian equities						
KBC Group	3,135	EUR			134	0.41
Denmark					616	1.87
Danish equities					616	1.87
ALK-Abello	934	DKK			194	0.59
Novo Nordisk 'B'	3,918	DKK			216	0.66
Ørsted	2,277	DKK			206	0.62
France					1,196	3.63
French equities					1,196	3.63
BNP Paribas	9,464	EUR			260	0.79
Capgemini	1,837	EUR			143	0.43
Danone	3,668	EUR			213	0.65
Kering	371	EUR			179	0.54
Natixis	66,323	EUR			207	0.63
Schneider Electric	2,469	EUR			194	0.59
Germany					451	1.37
German equities					451	1.37
Daimler	4,890	EUR			134	0.41
Fresenius Medical Care	3,159	EUR			188	0.57
Münchener Rückversicherungs-Gesellschaft	704	EUR			129	0.39
Guernsey					354	1.07
Guernsey equities						
Renewables Infrastructure Group	248,143	GBP			354	1.07
Ireland					515	1.56
Irish equities					515	1.56
Greencoat Renewables	313,323	EUR			368	1.12
Johnson Controls International	6,082	USD			147	0.44
Italy					675	2.05
Italian equities					675	2.05
Assicurazioni Generali	11,382	EUR			140	0.42
Autogrill	25,406	EUR			105	0.32
Enel	22,858	EUR			147	0.45
Intesa Sanpaolo	195,639	EUR			283	0.86
Netherlands (The)					329	1.00
Netherlands (The) equities					329	1.00
ABN AMRO Bank	20,342	EUR			150	0.46
ING Groep	37,297	EUR			179	0.54
Spain					1,462	4.43
Spanish equities					1,462	4.43
Banco Bilbao Vizcaya Argentaria	97,912	EUR			282	0.85
Banco de Sabadell	380,627	EUR			176	0.53
Banco Santander	112,613	EUR			250	0.76
Bankinter	49,204	EUR			161	0.49
CIE Automotive	11,003	EUR			153	0.46
Grifols	7,371	EUR			224	0.68
Industria de Diseño Textil	6,251	EUR			144	0.44
Telefónica	17,446	EUR			72	0.22

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
United States					4,680	14.19
US equities					4,680	14.19
Agilent Technologies	3,002	USD			199	0.60
Alphabet 'A'	303	USD			317	0.96
American Express	3,745	USD			309	0.94
Apple	1,551	USD			361	1.10
Bank of New York Mellon	10,532	USD			327	0.99
BlackRock	556	USD			231	0.70
Bright Horizons Family Solutions	1,530	USD			139	0.42
Comerica	4,658	USD			132	0.40
Hannon Armstrong Sustainable Infrastructure Capital	14,693	USD			277	0.84
Home Depot	1,055	USD			189	0.57
KeyCorp	30,271	USD			298	0.90
M&T Bank	2,542	USD			248	0.75
Microsoft	2,935	USD			430	1.30
PNC Financial Services Group	3,727	USD			344	1.04
Quest Diagnostics	2,455	USD			186	0.57
Republic Services	2,430	USD			170	0.52
UnitedHealth Group	1,248	USD			286	0.87
Xylem	3,911	USD			237	0.72
Brazil					96	0.29
Brazilian equities						
Cogna Educação	108,452	BRL			96	0.29
Japan					4,191	12.71
Japanese equities					4,191	12.71
Chiba Bank	78,742	JPY			315	0.96
Daiwa House Industry	12,700	JPY			286	0.87
Honda Motor	10,900	JPY			222	0.67
Horiba	4,800	JPY			217	0.66
Mitsubishi UFJ Financial Group	63,935	JPY			217	0.66
Murata Manufacturing	8,100	JPY			372	1.13
Obayashi	49,192	JPY			383	1.16
ORIX	27,300	JPY			298	0.90
Panasonic	32,242	JPY			223	0.68
Resona Holdings	85,100	JPY			232	0.70
Sekisui Chemical	30,330	JPY			366	1.11
Shizuoka Bank	50,200	JPY			278	0.84
Sumitomo Mitsui Financial Group	11,877	JPY			262	0.79
Sumitomo Mitsui Trust Holdings	12,188	JPY			319	0.97
West Japan Railway	3,225	JPY			201	0.61
Australia					194	0.59
Australian equities						
Brambles	33,030	AUD			194	0.59
China					180	0.54
Chinese equities						
Lenovo Group	368,000	HKD			180	0.54
Hong Kong					537	1.63
Hong Kong equities					537	1.63
AIA Group	23,000	HKD			190	0.58
China Everbright International	336,367	HKD			176	0.53
Kerry Properties	71,000	HKD			171	0.52
India					175	0.53
Indian equities						
HDFC Bank ADR	4,958	USD			175	0.53
South Korea					309	0.94
Korean equities						
LG	6,967	KRW			309	0.94
Taiwan					854	2.59
Taiwanese equities					854	2.59
ASE Technology Holding	109,000	TWD			193	0.58
Cathay Financial Holding	148,748	TWD			159	0.48
E.Sun Financial Holding	291,770	TWD			213	0.65
Taiwan Semiconductor Manufacturing	35,000	TWD			289	0.88

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Georgia					134	0.41
Georgian equities						
Bank of Georgia Group	12,411	GBP			134	0.41
Israel					156	0.47
Israeli equities						
Solaredge Technologies	2,093	USD			156	0.47
South Africa					136	0.41
South African equities						
Sanlam	52,913	ZAR			136	0.41
FIXED INCOME					12,489	37.87
United Kingdom					(10)	(0.03)
Interest rate futures						
UK Treasury Notes Futures	(4)	GBP	26.06.2020	7	(10)	(0.03)
France					176	0.53
Investment grade corporate bonds						
Électricité de France 3.625%	185,000	USD	13.10.2025		176	0.53
Germany					272	0.82
Investment grade corporate bonds						
Kreditanstalt für Wiederaufbau 2%	200,000	USD	30.11.2021		187	0.56
Interest rate futures						
Deutscher Bund 10 year Futures	(9)	EUR	08.06.2020	15	85	0.26
Italy					2,144	6.50
Government Bonds						
Italy (Republic of) 2.7%	2,002,000	EUR	01.03.2047		2,144	6.50
United States					6,037	18.31
Government Bonds					4,526	13.73
US Treasury Note 2.75%	2,472,300	USD	15.08.2042		2,923	8.87
US Treasury Note 3%	1,263,900	USD	15.02.2048		1,603	4.86
Investment grade corporate bonds					1,511	4.58
Apple 2.85%	197,000	USD	23.02.2023		188	0.57
Bank of America FRN	197,000	USD	17.05.2022		180	0.54
Inter-American Development Bank 7.875%	12,760,000,000	IDR	14.03.2023		741	2.25
International Bank for Reconstruction & Development 2.5%	393,000	USD	22.11.2027		402	1.22
Brazil					391	1.19
Government Bonds						
Brazil (Federal Republic of) 10%	2,000,000	BRL	01.01.2023		391	1.19
Chile					358	1.09
Government Bonds						
Chile (Republic of) 4%	315,000,000	CLP	01.03.2023		358	1.09
Colombia					605	1.83
Government Bonds						
Colombia (Republic of) 10%	2,331,800,000	COP	24.07.2024		605	1.83
Mexico					812	2.46
Government Bonds						
Mexico (United Mexican States) 8.5%	19,890,000	MXN	18.11.2038		812	2.46
Peru					724	2.20
Government Bonds						
Peru (Republic of) 6.95%	2,341,000	PEN	12.08.2031		724	2.20
South Africa					820	2.49
Government Bonds						
South Africa (Republic of) 6.25%	26,204,039	ZAR	31.03.2036		820	2.49
Cayman Islands					160	0.48
Investment grade corporate bonds						
Fibria Overseas Finance 5.5%	182,000	USD	17.01.2027		160	0.48
CURRENCY					161	0.49
Bought for € 535,268.02, Sold for DKK 3,996,187.40			15.05.2020		0	0.00
Bought for € 2,269,641.14, Sold for £ 1,911,034.60			15.05.2020		114	0.35
Bought for € 4,479,786.69, Sold for ¥ 534,824,641.00			15.05.2020		(19)	(0.06)
Bought for € 14,017,889.99, Sold for US\$ 15,324,012.85			15.05.2020		46	0.14
Bought for £ 264,756.20, Sold for € 291,970.67			15.05.2020		7	0.02
Bought for ¥ 211,942,176.00, Sold for € 1,799,790.72			15.05.2020		(17)	(0.05)
Bought for TW\$ 4,199,991.00, Sold for US\$ 140,707.93			15.05.2020		(1)	0.00

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
CURRENCY (continued)						
Bought for US\$ 3,846,659.97, Sold for € 3,483,933.46			15.05.2020		23	0.07
Bought for US\$ 1,054,131.95, Sold for TW\$ 31,435,269.00			15.05.2020		8	0.02
Portfolio of investments					31,412	95.26
SHARE CLASS HEDGING						
Bought for € 89,202.07, Sold for US\$ 100,080.10			08.04.2020		4	0.01
Bought for US\$ 592,989.43, Sold for € 533,248.34			08.04.2020		(1)	0.00
Bought for € 15,351.12, Sold for SG\$ 24,296.62			08.04.2020		7	0.02
Bought for SG\$ 142,271.50, Sold for € 92,215.93			08.04.2020		0	0.00
Bought for CHF 108,502.51, Sold for € 101,934.42			08.04.2020		0	0.00
Bought for € 16,161.90, Sold for CHF 17,112.64			08.04.2020		0	0.00
Bought for € 11,961.61, Sold for £ 10,728.01			08.04.2020		0	0.00
Bought for £ 58,107.23, Sold for € 66,663.41			08.04.2020		0	0.00
Total portfolio					31,416	95.27
Net other assets/(liabilities)					1,559	4.73
NET ASSETS					32,975	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					18,762	56.90
Debt securities					12,414	37.64
Unrealised gains on futures contracts					85	0.26
Unrealised gains on forward currency contracts					205	0.62
Total Investment assets					31,466	95.42
Investment liabilities						
Unrealised losses on futures contracts					(10)	(0.03)
Unrealised losses on forward currency contracts					(40)	(0.12)
Total Investment liabilities					(50)	(0.15)
Total portfolio					31,416	95.27
Net other assets/(liabilities)					1,559	4.73
NET ASSETS					32,975	100.00

All securities are on an official stock exchange listing except where referenced.

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2020.

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	0	2,526
Goldman Sachs International	2,111	0
HSBC Bank Plc	1,656	0
JP Morgan Chase	16,937	0
Standard Chartered Bank	6,058	0
State Street Bank and Trust Company	927	0
State Street Bank London	2,314	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Sustainable Allocation Fund

Financial highlights

Sub-fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the sub-fund price to fall as well as rise and you may not get back the original amount you invested.

To give an indication of the performance of the sub-fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class as at 31 March 2020

	One year 31.03.19 %	Three years 31.03.17 p.a.	Five years 31.03.15 p.a.	Since launch % p.a.	Launch date of the SICAV share class
Euro					
Class 'A' Accumulation	-6.6	n/a	n/a	-3.2	04/12/2018
Class 'A' Distribution	-6.6	n/a	n/a	-3.2	04/12/2018
Class 'B' Accumulation	-7.1	n/a	n/a	-3.7	04/12/2018
Class 'B' Distribution	-7.1	n/a	n/a	-3.7	04/12/2018
Class 'C' Accumulation	-5.8	n/a	n/a	-2.3	04/12/2018
Class 'C' Distribution	-5.7	n/a	n/a	-2.3	04/12/2018
Class 'CI' Accumulation	-5.7	n/a	n/a	-2.3	04/12/2018
Class 'CI' Distribution	-5.7	n/a	n/a	-2.3	04/12/2018
Class 'L' Accumulation	-5.5	n/a	n/a	-2.1	04/12/2018
Class 'LI' Accumulation	-5.5	n/a	n/a	-2.0	04/12/2018
Class 'Z' Accumulation	-5.2	n/a	n/a	-1.7	04/12/2018
Class 'ZI' Accumulation	-5.2	n/a	n/a	-1.7	04/12/2018
Singapore dollar					
Class 'A-H' Accumulation	-5.0	n/a	n/a	-1.3	04/12/2018
Class 'A-H' Distribution	-5.0	n/a	n/a	-1.4	04/12/2018
Class 'C-H' Accumulation	-4.1	n/a	n/a	-0.5	04/12/2018
Class 'C-H' Distribution	-4.1	n/a	n/a	-0.5	04/12/2018
Class 'L-H' Accumulation	-3.9	n/a	n/a	-0.2	04/12/2018
Sterling					
Class 'C-H' Accumulation	-5.3	n/a	n/a	-1.7	04/12/2018
Class 'L-H' Accumulation	-5.1	n/a	n/a	-1.5	04/12/2018
Swiss franc					
Class 'A-H' Accumulation	-6.9	n/a	n/a	-3.4	04/12/2018
Class 'A-H' Distribution	-6.9	n/a	n/a	-3.5	04/12/2018
Class 'C-H' Accumulation	-6.0	n/a	n/a	-2.6	04/12/2018
Class 'C-H' Distribution	-6.1	n/a	n/a	-2.6	04/12/2018
US dollar					
Class 'A-H' Accumulation	-4.3	n/a	n/a	-0.5	04/12/2018
Class 'A-H' Distribution	-4.3	n/a	n/a	-0.6	04/12/2018
Class 'C-H' Accumulation	-3.4	n/a	n/a	+0.4	04/12/2018
Class 'C-H' Distribution	-3.4	n/a	n/a	+0.4	04/12/2018
Class 'CI-H' Accumulation	-3.3	n/a	n/a	+0.4	04/12/2018
Class 'L-H' Accumulation	-3.1	n/a	n/a	+0.6	04/12/2018

M&G (Lux) Sustainable Allocation Fund

Financial highlights

Distribution details for holders of distribution shares

This sub-fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2020.

Quarterly distribution periods and values

	Start	End	Record date	Xd	Payment
First interim	01.04.19	30.06.19	19.07.19	22.07.19	25.07.19
Second interim	01.07.19	30.09.19	18.10.19	21.10.19	24.10.19
Third interim	01.10.19	31.12.19	17.01.20	20.01.20	23.01.20
Final	01.01.20	31.03.20	17.04.20	20.04.20	23.04.20

	Class 'A' Distribution	Class 'B' Distribution	Class 'C' Distribution	Class 'CI' Distribution	Class 'A-H' Distribution
to 31 March 2020	Euro €	Euro €	Euro €	Euro €	SGD €
First interim	0.1167	0.1164	0.1171	0.1173	0.1504
Second interim	0.0849	0.0859	0.0864	0.0855	0.0881
Third interim	0.0627	0.0626	0.0639	0.0631	0.0636
Final	0.0638	0.0634	0.0646	0.0644	0.0669

	Class 'C-H' Distribution	Class 'A-H' Distribution	Class 'C-H' Distribution	Class 'A-H' Distribution	Class 'C-H' Distribution
to 31 March 2020	SGD €	Swiss €	Swiss €	US €	US €
First interim	0.1510	0.0985	0.0990	0.1507	0.1513
Second interim	0.0887	0.0853	0.0857	0.0888	0.0893
Third interim	0.0642	0.0613	0.0619	0.0628	0.0632
Final	0.0677	0.0637	0.0644	0.0664	0.0671

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2020 and Total Expense Ratio (TER) for the year ended to 31 March 2020.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2020	31.03.2019	31.03.2018
Euro	€	€	€
Class 'A' Accumulation	9.5807	10.2622	n/a
Class 'A' Distribution	9.2519	10.2611	n/a
Class 'B' Accumulation	9.5165	10.2451	n/a
Class 'B' Distribution	9.1929	10.2451	n/a
Class 'C' Accumulation	9.6942	10.2903	n/a
Class 'C' Distribution	9.3667	10.2903	n/a
Class 'CI' Accumulation	9.7023	10.2917	n/a
Class 'CI' Distribution	9.3712	10.2922	n/a
Class 'L' Accumulation	9.7261	10.2976	n/a
Class 'LI' Accumulation	9.7303	10.2956	n/a
Class 'Z' Accumulation	9.7769	10.3100	n/a
Class 'ZI' Accumulation	9.7795	10.3116	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	9.8224	10.3361	n/a
Class 'A-H' Distribution	9.4481	10.3361	n/a
Class 'C-H' Accumulation	9.9379	10.3653	n/a
Class 'C-H' Distribution	9.5616	10.3653	n/a
Class 'L-H' Accumulation	9.9705	10.3734	n/a
Sterling	£	£	£
Class 'C-H' Accumulation	9.7717	10.3168	n/a
Class 'L-H' Accumulation	9.8024	10.3247	n/a

NAV per share	31.03.2020	31.03.2019	31.03.2018
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.5481	10.2509	n/a
Class 'A-H' Distribution	9.2270	10.2509	n/a
Class 'C-H' Accumulation	9.6612	10.2799	n/a
Class 'C-H' Distribution	9.3370	10.2799	n/a

US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	9.9283	10.3704	n/a
Class 'A-H' Distribution	9.5486	10.3704	n/a
Class 'C-H' Accumulation	10.0497	10.3994	n/a
Class 'C-H' Distribution	9.6712	10.3994	n/a
Class 'CI-H' Accumulation	10.0547	10.4011	n/a
Class 'L-H' Accumulation	10.0815	10.4078	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	32,975	21,243	n/a
Swing pricing adjustment (see note 12)	96	31	n/a

Swung net assets	33,071	21,274	n/a
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Total Expense Ratio 31.03.2020	TER
Euro	%
Class 'A' Accumulation	1.76
Class 'A' Distribution	1.76
Class 'B' Accumulation	2.26
Class 'B' Distribution	2.26
Class 'C' Accumulation	0.86
Class 'C' Distribution	0.86
Class 'CI' Accumulation	0.82
Class 'CI' Distribution	0.82
Class 'L' Accumulation	0.61
Class 'LI' Accumulation	0.57
Class 'Z' Accumulation	0.26
Class 'ZI' Accumulation	0.22

Singapore dollar	%
Class 'A-H' Accumulation	1.78
Class 'A-H' Distribution	1.78
Class 'C-H' Accumulation	0.88
Class 'C-H' Distribution	0.88
Class 'L-H' Accumulation	0.63

Sterling	%
Class 'C-H' Accumulation	0.88
Class 'L-H' Accumulation	0.63

Swiss franc	%
Class 'A-H' Accumulation	1.78
Class 'A-H' Distribution	1.78
Class 'C-H' Accumulation	0.88
Class 'C-H' Distribution	0.88

US dollar	%
Class 'A-H' Accumulation	1.78
Class 'A-H' Distribution	1.78
Class 'C-H' Accumulation	0.88
Class 'C-H' Distribution	0.88
Class 'CI-H' Accumulation	0.84
Class 'L-H' Accumulation	0.63

M&G (Lux) Investment Funds 1

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Financial statements

Statement of net assets

as at 31 March 2020	Notes	M&G (Lux) Absolute Return Bond Fund €'000	M&G (Lux) Asian Fund US\$'000	M&G (Lux) Conservative Allocation Fund €'000	M&G (Lux) Dynamic Allocation Fund €'000
ASSETS					
Investment assets	2c	63,312	52,889	1,523,574	3,216,780
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		1,095	0	72,505	336,795
Cash equivalents		0	0	0	0
Cash held as bank balances		2,256	148	103,104	418,010
Cash held on deposit		507	0	175,356	599,167
Total cash and bank balances		3,858	148	350,965	1,353,972
Other assets					
Amounts receivable on issues of shares		199	438	4,539	14,463
Debt security interest receivable	2c	539	1	8,623	24,066
Derivative income receivable	2d	6	0	120	353
Dividends receivable	2d	0	252	1,237	4,181
Other receivable	2d	0	0	125	433
Sales awaiting settlement	2c	898	293	1,093	1,772
Total other assets		1,642	984	15,737	45,268
Total assets		68,812	54,021	1,890,276	4,616,020
LIABILITIES					
Investment liabilities	2c	(1,755)	0	(34,804)	(106,722)
Cash and bank balances	2c				
Bank overdrafts	2c	0	(384)	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	(497)	0	(37,043)	(195,756)
Total overdraft		(497)	(384)	(37,043)	(195,756)
Other liabilities					
Administration charge payable	2d, 6	(2)	(2)	(56)	(126)
Amounts payable on cancellation of shares	2d, 6	(135)	(373)	(5,383)	(29,023)
Annual management charge payable	2d, 6	(7)	(29)	(366)	(1,158)
Audit fee payable	2d, 8	(13)	(12)	(13)	(13)
Custody transaction charges payable	2d, 7	(17)	(25)	(43)	(49)
Depository's charge payable	2d, 7	(3)	(4)	(113)	(232)
Other payable	2d	0	0	(78)	(190)
Purchases awaiting settlement	2d, 6	(365)	(136)	(87,782)	(373,653)
Safe custody charges payable	2d, 7	(3)	(58)	(248)	(696)
Taxe d'abonnement payable	2d, 11	(5)	(6)	(178)	(428)
Total other liabilities		(550)	(645)	(94,260)	(405,568)
Total liabilities		(2,802)	(1,029)	(166,107)	(708,046)
NET ASSETS		66,010	52,992	1,724,169	3,907,974

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Emerging Markets Bond Fund US\$'000	M&G (Lux) Emerging Markets Corporate ESG Bond Fund US\$'000	M&G (Lux) Emerging Markets Hard Currency Bond Fund US\$'000	M&G (Lux) Emerging Markets Income Opportunities Fund US\$'000
ASSETS					
Investment assets	2c	865,269	26,776	218,510	19,820
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	0	0
Cash equivalents		98,073	0	0	0
Cash held as bank balances		62,491	1,428	13,740	787
Cash held on deposit		7,485	0	575	0
Total cash and bank balances		168,049	1,428	14,315	787
Other assets					
Amounts receivable on issues of shares		3,518	121	1,349	3
Debt security interest receivable	2c	16,316	481	4,162	174
Derivative income receivable	2d	18	0	2	0
Dividends receivable	2d	13	0	0	78
Other receivable	2d	0	0	0	0
Sales awaiting settlement	2c	0	671	0	92
Total other assets		19,865	1,273	5,513	347
Total assets		1,053,183	29,477	238,338	20,954
LIABILITIES					
Investment liabilities	2c	(21,672)	(255)	(1,944)	(38)
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	0
Total overdraft		0	0	0	0
Other liabilities					
Administration charge payable	2d, 6	(42)	(1)	(8)	(1)
Amounts payable on cancellation of shares	2d, 6	(3,088)	(120)	(1,268)	(2)
Annual management charge payable	2d, 6	(199)	(3)	(28)	(3)
Audit fee payable	2d, 8	(15)	0	(15)	(15)
Custody transaction charges payable	2d, 7	(53)	(4)	(11)	(4)
Depository's charge payable	2d, 7	(57)	(1)	(15)	(1)
Other payable	2d	0	0	0	0
Purchases awaiting settlement	2d, 6	0	(350)	0	(41)
Safe custody charges payable	2d, 7	(171)	(1)	(7)	(8)
Taxe d'abonnement payable	2d, 11	(100)	(1)	(14)	(1)
Total other liabilities		(3,725)	(481)	(1,366)	(76)
Total liabilities		(25,397)	(736)	(3,310)	(114)
NET ASSETS		1,027,786	28,741	235,028	20,840

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Episode Macro Fund US\$'000	M&G (Lux) Euro Corporate Bond Fund €'000	M&G (Lux) European Inflation Linked Corporate Bond Fund €'000	M&G (Lux) European Strategic Value Fund €'000
ASSETS					
Investment assets	2c	199,114	706,974	58,968	1,480,425
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		15,100	1,938	180	0
Cash equivalents		0	17,372	2,169	11,857
Cash held as bank balances		13,634	1,078	5,251	13,099
Cash held on deposit		3,030	1,168	0	0
Total cash and bank balances		31,764	21,556	7,600	24,956
Other assets					
Amounts receivable on issues of shares		72	2,391	594	1,524
Debt security interest receivable	2c	408	5,998	180	0
Derivative income receivable	2d	0	0	14	0
Dividends receivable	2d	4	0	0	7,470
Other receivable	2d	0	0	0	257
Sales awaiting settlement	2c	0	0	1,355	488
Total other assets		484	8,389	2,143	9,739
Total assets		231,362	736,919	68,711	1,515,120
LIABILITIES					
Investment liabilities	2c	(7,075)	(1,768)	(601)	0
Cash and bank balances	2c				
Bank overdrafts	2c	(1,108)	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	(6,505)	(611)	0	0
Total overdraft		(7,613)	(611)	0	0
Other liabilities					
Administration charge payable	2d, 6	(7)	(24)	(2)	(47)
Amounts payable on cancellation of shares	2d, 6	(1,456)	(1,969)	(531)	(1,290)
Annual management charge payable	2d, 6	(77)	(52)	(9)	(230)
Audit fee payable	2d, 8	(16)	(13)	(13)	(19)
Custody transaction charges payable	2d, 7	(16)	(20)	(10)	(22)
Depository's charge payable	2d, 7	(13)	(46)	(5)	(73)
Other payable	2d	0	0	0	0
Purchases awaiting settlement	2d, 6	0	(2,039)	(1,152)	0
Safe custody charges payable	2d, 7	(14)	(40)	(2)	(114)
Taxe d'abonnement payable	2d, 11	(26)	(82)	(8)	(51)
Total other liabilities		(1,625)	(4,285)	(1,732)	(1,846)
Total liabilities		(16,313)	(6,664)	(2,333)	(1,846)
NET ASSETS		215,049	730,255	66,378	1,513,274

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Floating Rate High Yield Solution US\$'000	M&G (Lux) Global Convertibles Fund US\$'000	M&G (Lux) Global Corporate Bond Fund US\$'000	M&G (Lux) Global Dividend Fund US\$'000
ASSETS					
Investment assets	2c	5,924	488,555	21,953	1,731,635
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	76	0
Cash equivalents		232	14,333	1,011	36,275
Cash held as bank balances		194	4,880	63	18,141
Cash held on deposit		0	678	0	0
Total cash and bank balances		426	19,891	1,150	54,416
Other assets					
Amounts receivable on issues of shares		1	1,461	22	3,218
Debt security interest receivable	2c	12	1,486	118	26
Derivative income receivable	2d	10	0	0	0
Dividends receivable	2d	0	184	0	11,543
Other receivable	2d	0	0	2	0
Sales awaiting settlement	2c	22	1,973	1	5,714
Total other assets		45	5,104	143	20,501
Total assets		6,395	513,550	23,246	1,806,552
LIABILITIES					
Investment liabilities	2c	(376)	(3,408)	(460)	0
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	(427)	(681)
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	(7)	0
Total overdraft		0	0	(434)	(681)
Other liabilities					
Administration charge payable	2d, 6	0	(16)	(1)	(56)
Amounts payable on cancellation of shares	2d, 6	(15)	(2,522)	(39)	(3,085)
Annual management charge payable	2d, 6	(1)	(109)	(3)	(502)
Audit fee payable	2d, 8	(15)	(14)	(14)	(13)
Custody transaction charges payable	2d, 7	(8)	(29)	(7)	(32)
Depository's charge payable	2d, 7	(4)	(35)	(1)	(88)
Other payable	2d	0	0	0	0
Purchases awaiting settlement	2d, 6	(5)	0	(350)	(7,881)
Safe custody charges payable	2d, 7	(1)	(23)	0	(159)
Taxe d'abonnement payable	2d, 11	(1)	(64)	(3)	(177)
Total other liabilities		(50)	(2,812)	(418)	(11,993)
Total liabilities		(426)	(6,220)	(1,312)	(12,674)
NET ASSETS		5,969	507,330	21,934	1,793,878

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Global Emerging Markets Fund US\$'000	M&G (Lux) Global Enhanced Equity Premia Fund US\$'000	M&G (Lux) Global Floating Rate High Yield Fund US\$'000	M&G (Lux) Global High Yield Bond Fund US\$'000
ASSETS					
Investment assets	2c	416,885	2,462	1,517,801	78,074
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	16,931	11
Cash equivalents		8,111	3	166,956	7,594
Cash held as bank balances		3,399	3	52,902	959
Cash held on deposit		0	0	13,536	1,069
Total cash and bank balances		11,510	6	250,325	9,633
Other assets					
Amounts receivable on issues of shares		1,881	5	5,026	377
Debt security interest receivable	2c	5	0	11,128	1,358
Derivative income receivable	2d	0	0	1,316	7
Dividends receivable	2d	2,562	6	0	0
Other receivable	2d	0	0	1	0
Sales awaiting settlement	2c	6,531	0	161	160
Total other assets		10,979	11	17,632	1,902
Total assets		439,374	2,479	1,785,758	89,609
LIABILITIES					
Investment liabilities	2c	(60)	0	(54,225)	(1,898)
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	(9,621)	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	(5)
Total overdraft		0	0	(9,621)	(5)
Other liabilities					
Administration charge payable	2d, 6	(14)	0	(56)	(3)
Amounts payable on cancellation of shares	2d, 6	(2,090)	(5)	(8,381)	(356)
Annual management charge payable	2d, 6	(77)	0	(398)	(20)
Audit fee payable	2d, 8	(14)	0	(15)	(13)
Custody transaction charges payable	2d, 7	(63)	(2)	(53)	(16)
Depository's charge payable	2d, 7	(31)	0	(120)	(4)
Other payable	2d	0	0	(1,226)	0
Purchases awaiting settlement	2d, 6	(4,730)	0	(4,941)	0
Safe custody charges payable	2d, 7	(308)	0	(66)	(2)
Taxe d'abonnement payable	2d, 11	(41)	(1)	(203)	(11)
Total other liabilities		(7,368)	(8)	(15,459)	(425)
Total liabilities		(7,428)	(8)	(79,305)	(2,328)
NET ASSETS		431,946	2,471	1,706,453	87,281

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Global High Yield ESG Bond Fund US\$'000	M&G (Lux) Global Listed Infrastructure Fund US\$'000	M&G (Lux) Global Macro Bond Fund US\$'000	M&G (Lux) Global Maxima Fund US\$'000
ASSETS					
Investment assets	2c	53,489	192,646	741,243	42,073
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	5,412	0
Cash equivalents		0	809	7,217	0
Cash held as bank balances		2,335	2,347	8,559	80
Cash held on deposit		0	0	0	0
Total cash and bank balances		2,335	3,156	21,188	80
Other assets					
Amounts receivable on issues of shares		270	1,373	2,115	86
Debt security interest receivable	2c	950	2	4,163	0
Derivative income receivable	2d	0	0	161	0
Dividends receivable	2d	0	381	0	42
Other receivable	2d	0	0	0	0
Sales awaiting settlement	2c	0	888	147	0
Total other assets		1,220	2,644	6,586	128
Total assets		57,044	198,446	769,017	42,281
LIABILITIES					
Investment liabilities	2c	(162)	0	(28,194)	0
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	(3,560)	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	(278)	0
Total overdraft		0	0	(3,838)	0
Other liabilities					
Administration charge payable	2d, 6	(2)	(6)	(33)	(1)
Amounts payable on cancellation of shares	2d, 6	(268)	(1,631)	(1,688)	(86)
Annual management charge payable	2d, 6	(8)	(49)	(169)	0
Audit fee payable	2d, 8	(15)	(13)	(15)	0
Custody transaction charges payable	2d, 7	(6)	(26)	(36)	(2)
Depository's charge payable	2d, 7	(3)	(6)	(43)	(1)
Other payable	2d	0	(65)	0	0
Purchases awaiting settlement	2d, 6	0	(1,218)	(2,725)	0
Safe custody charges payable	2d, 7	(1)	(3)	(59)	(1)
Taxe d'abonnement payable	2d, 11	(2)	(20)	(78)	(1)
Total other liabilities		(305)	(3,037)	(4,846)	(92)
Total liabilities		(467)	(3,037)	(36,878)	(92)
NET ASSETS		56,577	195,409	732,139	42,189

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Global Select Fund US\$'000	M&G (Lux) Global Strategic Value Fund US\$'000	M&G (Lux) Global Target Return Fund €'000	M&G (Lux) Global Themes Fund US\$'000
ASSETS					
Investment assets	2c	77,516	1,921	56,958	332,141
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	2,563	0
Cash equivalents		2,624	32	0	0
Cash held as bank balances		546	10	25,360	3,939
Cash held on deposit		0	0	24,857	0
Total cash and bank balances		3,170	42	52,780	3,939
Other assets					
Amounts receivable on issues of shares		276	76	134	1,317
Debt security interest receivable	2c	2	0	154	0
Derivative income receivable	2d	0	0	7	0
Dividends receivable	2d	284	7	70	536
Other receivable	2d	0	0	0	0
Sales awaiting settlement	2c	0	2	0	0
Total other assets		562	85	365	1,853
Total assets		81,248	2,048	110,103	337,933
LIABILITIES					
Investment liabilities	2c	0	0	(1,767)	0
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	(717)	0
Total overdraft		0	0	(717)	0
Other liabilities					
Administration charge payable	2d, 6	(3)	0	(3)	(10)
Amounts payable on cancellation of shares	2d, 6	(365)	(8)	(1,664)	(598)
Annual management charge payable	2d, 6	(25)	0	(6)	(99)
Audit fee payable	2d, 8	(12)	(9)	(13)	0
Custody transaction charges payable	2d, 7	(11)	(6)	(9)	(17)
Depository's charge payable	2d, 7	(4)	0	(6)	(16)
Other payable	2d	0	0	0	0
Purchases awaiting settlement	2d, 6	0	(24)	(24,595)	(1,263)
Safe custody charges payable	2d, 7	(3)	(1)	(4)	(18)
Taxe d'abonnement payable	2d, 11	(9)	0	(4)	(31)
Total other liabilities		(432)	(48)	(26,304)	(2,052)
Total liabilities		(432)	(48)	(28,788)	(2,052)
NET ASSETS		80,816	2,000	81,315	335,881

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Income Allocation Fund €'000	M&G (Lux) Japan Fund ¥'000	M&G (Lux) Japan Smaller Companies Fund ¥'000	M&G (Lux) Multi Asset 2023 Fund €'000
ASSETS					
Investment assets	2c	1,080,209	9,365,964	2,626,313	125,016
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	7,364	2,626	0
Cash equivalents		0	0	0	0
Cash held as bank balances		30,483	(79)	(11)	1,749
Cash held on deposit		36,615	0	0	0
Total cash and bank balances		67,098	7,285	2,615	1,749
Other assets					
Amounts receivable on issues of shares		6,524	37,423	18,242	0
Debt security interest receivable	2c	6,900	0	0	0
Derivative income receivable	2d	0	0	0	0
Dividends receivable	2d	3,935	142,176	45,710	0
Other receivable	2d	8,724	0	0	0
Sales awaiting settlement	2c	0	0	0	0
Total other assets		26,083	179,599	63,952	0
Total assets		1,173,390	9,552,848	2,692,880	126,765
LIABILITIES					
Investment liabilities	2c	(17,872)	(205)	(104)	0
Cash and bank balances	2c				
Bank overdrafts	2c	0	(54,390)	(55,951)	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	0
Total overdraft		0	(54,390)	(55,951)	0
Other liabilities					
Administration charge payable	2d, 6	(36)	(308)	(85)	0
Amounts payable on cancellation of shares	2d, 6	(7,393)	(18,008)	(15,391)	0
Annual management charge payable	2d, 6	(297)	(1,889)	(801)	(13)
Audit fee payable	2d, 8	(14)	(1,388)	(1,388)	0
Custody transaction charges payable	2d, 7	(31)	(1,390)	(1,295)	0
Depository's charge payable	2d, 7	(78)	(670)	(307)	0
Other payable	2d	(8,848)	0	0	0
Purchases awaiting settlement	2d, 6	(26,758)	0	0	0
Safe custody charges payable	2d, 7	(133)	(954)	(747)	0
Taxe d'abonnement payable	2d, 11	(140)	(1,174)	(336)	0
Total other liabilities		(43,728)	(25,781)	(20,350)	(13)
Total liabilities		(61,600)	(80,376)	(76,405)	(13)
NET ASSETS		1,111,790	9,472,472	2,616,475	126,752

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) North American Dividend Fund US\$'000	M&G (Lux) North American Value Fund US\$'000	M&G (Lux) Optimal Income Fund €'000	M&G (Lux) Pan European Select Fund €'000
ASSETS					
Investment assets	2c	133,436	211,688	14,146,968	102,255
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	641,600	0
Cash equivalents		1,995	5,105	459,887	1,164
Cash held as bank balances		870	689	465	171
Cash held on deposit		0	0	310,000	0
Total cash and bank balances		2,865	5,794	1,411,952	1,335
Other assets					
Amounts receivable on issues of shares		202	935	36,849	44
Debt security interest receivable	2c	2	12	142,286	0
Derivative income receivable	2d	0	0	1,652	0
Dividends receivable	2d	131	162	5,913	725
Other receivable	2d	0	0	1	0
Sales awaiting settlement	2c	1,218	0	32,913	0
Total other assets		1,553	1,109	219,614	769
Total assets		137,854	218,591	15,778,534	104,359
LIABILITIES					
Investment liabilities	2c	(320)	(132)	(371,690)	0
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	(26,204)	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	(324,414)	0
Total overdraft		0	0	(350,618)	0
Other liabilities					
Administration charge payable	2d, 6	(4)	(7)	(483)	(2)
Amounts payable on cancellation of shares	2d, 6	(322)	(1,050)	(37,825)	(137)
Annual management charge payable	2d, 6	(32)	(41)	(3,630)	(30)
Audit fee payable	2d, 8	(13)	(13)	(15)	(11)
Custody transaction charges payable	2d, 7	(23)	(26)	(79)	(7)
Depository's charge payable	2d, 7	(8)	(16)	(442)	(6)
Other payable	2d	0	0	0	0
Purchases awaiting settlement	2d, 6	(1,396)	0	(27,701)	0
Safe custody charges payable	2d, 7	(2)	(5)	(519)	(9)
Taxe d'abonnement payable	2d, 11	(15)	(20)	(1,749)	(12)
Total other liabilities		(1,815)	(1,178)	(72,443)	(214)
Total liabilities		(2,135)	(1,310)	(794,751)	(214)
NET ASSETS		135,719	217,281	14,983,783	104,145

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2020	Notes	M&G (Lux) Positive Impact Fund US\$'000	M&G (Lux) Short Dated Corporate Bond Fund €'000	M&G (Lux) Sustainable Allocation Fund €'000	Combined total €'000
ASSETS					
Investment assets	2c	65,746	48,732	31,466	29,590,493
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	79	60	1,091,178
Cash equivalents		0	2,241	0	814,706
Cash held as bank balances		3,925	4,221	1,341	785,670
Cash held on deposit		0	0	0	1,171,758
Total cash and bank balances		3,925	6,541	1,401	3,863,312
Other assets					
Amounts receivable on issues of shares		772	49	28	90,562
Debt security interest receivable	2c	0	175	199	226,391
Derivative income receivable	2d	0	3	0	3,538
Dividends receivable	2d	86	0	100	40,072
Other receivable	2d	0	0	0	9,543
Sales awaiting settlement	2c	0	0	0	54,844
Total other assets		858	227	327	424,950
Total assets		70,529	55,500	33,194	33,878,755
LIABILITIES					
Investment liabilities	2c	0	(961)	(50)	(647,797)
Cash and bank balances	2c				
Bank overdrafts	2c	0	(463)	(58)	(42,067)
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	(1)	(565,245)
Total overdraft		0	(463)	(59)	(607,312)
Other liabilities					
Administration charge payable	2d, 6	(2)	(2)	(1)	(1,038)
Amounts payable on cancellation of shares	2d, 6	(143)	(161)	(21)	(112,263)
Annual management charge payable	2d, 6	(10)	(7)	(6)	(7,553)
Audit fee payable	2d, 8	(4)	(13)	(5)	(420)
Custody transaction charges payable	2d, 7	(2)	(7)	(8)	(761)
Depository's charge payable	2d, 7	(2)	(3)	(1)	(1,448)
Other payable	2d	0	0	0	(10,295)
Purchases awaiting settlement	2d, 6	0	0	(63)	(566,997)
Safe custody charges payable	2d, 7	(1)	(1)	(3)	(2,619)
Taxe d'abonnement payable	2d, 11	(4)	(7)	(2)	(3,436)
Total other liabilities		(168)	(201)	(110)	(706,831)
Total liabilities		(168)	(1,625)	(219)	(1,961,940)
NET ASSETS		70,361	53,875	32,975	31,916,815

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of operations and changes in net assets

* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	M&G (Lux) Absolute Return Bond Fund €'000	M&G (Lux) Asian Fund US\$'000	M&G (Lux) Conservative Allocation Fund €'000	M&G (Lux) Dynamic Allocation Fund €'000
OPENING NET ASSETS		51,630	106,874	2,782,636	7,305,155
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	(55)	0	(8,818)	(24,969)
Bank interest	2d	(74)	(3)	(154)	505
Deposit interest	2d	0	13	(441)	(1,111)
Derivative Income	2d, 4	82	0	232	705
Dividends	2d	0	3,478	22,045	52,576
Interest on debt securities	2d	1,610	0	37,032	104,948
Withholding tax on dividends and other investment income	2d	2	(278)	(3,409)	(8,682)
Total income		1,565	3,210	46,487	123,972
Expenses					
Administration charge	2d, 6	(91)	(143)	(3,644)	(9,263)
Annual management charge	2d, 6	(259)	(1,036)	(23,828)	(82,404)
Audit fee	2d, 8	(21)	(28)	(12)	(11)
Audit fee reimbursement from Manager	2d, 8	(0)	10	(0)	(0)
Custody transaction charges	2d, 7	(28)	(45)	(68)	(77)
Depositary's charge	2d, 7	(2)	(3)	(72)	(175)
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(4)	(89)	(322)	(891)
Share class hedging charge	2d, 6	(1)	0	(5)	(21)
Taxe d'abonnement charge	2d, 11	(18)	(38)	(941)	(2,236)
Total expenses		(424)	(1,372)	(28,892)	(95,078)
Net income for the period		1,141	1,838	17,595	28,894
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	1,138	3,289	14,301	13,745
Currency and forward currency contracts	2c	458	(204)	1,176	2,085
Futures contracts	2c	(1,338)	0	(95,821)	(352,794)
Swap contracts	2c	449	0	(47,688)	(83,527)
Options contracts	2c	0	0	0	0
Net realised gain/(loss)		707	3,085	(128,032)	(420,491)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(4,973)	(21,126)	(138,116)	(322,408)
Currency and forward currency contracts	2c	(592)	(104)	14,651	29,451
Futures contracts	2c	(243)	0	25,743	88,754
Swap contracts	2c	(247)	0	11,323	11,874
Options contracts	2c	0	0	0	0
Net change in unrealised loss		(6,055)	(21,230)	(86,399)	(192,329)
Change in net asset assets from investment activities		(4,207)	(16,307)	(196,836)	(583,926)
Net share issues and redemptions		18,753	(37,575)	(855,687)	(2,804,181)
Net capital inflow from mergers		0	0	0	0
Distributions	3, 15	(166)	0	(5,944)	(9,074)
Foreign currency translation ^[a]					
NET ASSETS		66,010	52,992	1,724,169	3,907,974

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of operations and changes in net assets (continued)

		M&G (Lux) Emerging Markets Bond Fund	M&G (Lux) Emerging Markets Corporate ESG Bond Fund 25.07.19*	M&G (Lux) Emerging Markets Hard Currency Bond Fund	M&G (Lux) Emerging Markets Income Opportunities Fund
* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	US\$'000	US\$'000	US\$'000	US\$'000
OPENING NET ASSETS		763,997	0	237,557	23,418
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	0	(65)	0	0
Bank interest	2d	26	(10)	5	1
Deposit interest	2d	118	0	0	0
Derivative Income	2d, 4	10	0	2	0
Dividends	2d	92	0	0	711
Interest on debt securities	2d	68,039	1,265	15,735	688
Withholding tax on dividends and other investment income	2d	(258)	0	(7)	(75)
Total income		68,027	1,190	15,735	1,325
Expenses					
Administration charge	2d, 6	(1,620)	(38)	(401)	(41)
Annual management charge	2d, 6	(9,063)	(109)	(1,497)	(166)
Audit fee	2d, 8	(34)	0	(14)	(13)
Audit fee reimbursement from Manager	2d, 8	13	0	(0)	(0)
Custody transaction charges	2d, 7	(90)	(5)	(18)	(7)
Depository's charge	2d, 7	(55)	(1)	(10)	(1)
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(280)	(1)	(10)	(10)
Share class hedging charge	2d, 6	(113)	(2)	(10)	0
Taxe d'abonnement charge	2d, 11	(421)	(2)	(63)	(3)
Total expenses		(11,663)	(158)	(2,023)	(241)
Net income for the period		56,364	1,032	13,712	1,084
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	17,654	24	223	626
Currency and forward currency contracts	2c	(35,868)	(282)	(4,273)	(153)
Futures contracts	2c	0	0	0	0
Swap contracts	2c	0	0	0	0
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(18,214)	(258)	(4,050)	473
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(185,113)	(5,830)	(44,412)	(6,779)
Currency and forward currency contracts	2c	(5,934)	(213)	863	(55)
Futures contracts	2c	0	0	0	0
Swap contracts	2c	110	0	47	0
Options contracts	2c	0	0	0	0
Net change in unrealised loss		(190,937)	(6,043)	(43,502)	(6,834)
Change in net asset assets from investment activities		(152,787)	(5,269)	(33,840)	(5,277)
Net share issues and redemptions		423,170	34,091	34,060	2,731
Net capital inflow from mergers		0	0	0	0
Distributions	3, 15	(6,594)	(81)	(2,749)	(32)
Foreign currency translation ^[a]					
NET ASSETS		1,027,786	28,741	235,028	20,840

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of operations and changes in net assets (continued)

* Sub-fund launch date (if within the period). for the period/year to 31 March 2020		M&G (Lux) Episode Macro Fund	M&G (Lux) Euro Corporate Bond Fund	M&G (Lux) European Inflation Linked Corporate Bond Fund	M&G (Lux) European Strategic Value Fund
Notes		US\$'000	€'000	€'000	€'000
OPENING NET ASSETS		289,982	1,272,720	84,460	1,986,401
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	0	(4,952)	(394)	0
Bank interest	2d	275	(54)	(5)	5
Deposit interest	2d	0	0	0	0
Derivative Income	2d, 4	730	95	397	0
Dividends	2d	2,613	0	0	70,533
Interest on debt securities	2d	5,074	22,318	1,033	0
Withholding tax on dividends and other investment income	2d	(344)	28	1	(5,762)
Total income		8,348	17,435	1,032	64,776
Expenses					
Administration charge	2d, 6	(414)	(1,746)	(102)	(2,979)
Annual management charge	2d, 6	(4,327)	(10,245)	(585)	(14,649)
Audit fee	2d, 8	(37)	(31)	(12)	(25)
Audit fee reimbursement from Manager	2d, 8	13	11	(0)	10
Custody transaction charges	2d, 7	(27)	(31)	(15)	(25)
Depository's charge	2d, 7	(10)	(41)	(2)	(66)
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(20)	(62)	(4)	(199)
Share class hedging charge	2d, 6	(45)	(1)	0	0
Taxe d'abonnement charge	2d, 11	(128)	(488)	(33)	(250)
Total expenses		(4,995)	(12,634)	(753)	(18,183)
Net income for the period		3,353	4,801	279	46,593
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	5,715	27,942	(219)	41,314
Currency and forward currency contracts	2c	(7,197)	273	215	4,255
Futures contracts	2c	(8,282)	(10,548)	(611)	0
Swap contracts	2c	777	(89)	112	0
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(8,987)	17,578	(503)	45,569
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(8,491)	(44,120)	(1,727)	(534,174)
Currency and forward currency contracts	2c	(947)	(286)	(156)	(2,334)
Futures contracts	2c	6,804	1,667	190	0
Swap contracts	2c	0	12	(534)	0
Options contracts	2c	0	0	0	0
Net change in unrealised loss		(2,634)	(42,727)	(2,227)	(536,508)
Change in net asset assets from investment activities		(8,268)	(20,348)	(2,451)	(444,346)
Net share issues and redemptions		(66,665)	(520,404)	(15,631)	(104,228)
Net capital inflow from mergers		0	0	0	75,447
Distributions	3, 15	0	(1,713)	0	0
Foreign currency translation ^[a]					
NET ASSETS		215,049	730,255	66,378	1,513,274

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of operations and changes in net assets (continued)

* Sub-fund launch date (if within the period). for the period/year to 31 March 2020		Notes	M&G (Lux) Floating Rate High Yield Solution US\$'000	M&G (Lux) Global Convertibles Fund US\$'000	M&G (Lux) Global Corporate Bond Fund US\$'000	M&G (Lux) Global Dividend Fund US\$'000
OPENING NET ASSETS			64,703	1,037,500	20,085	2,871,443
Income						
Accretion of market discount/ (Amortisation of market premium)	2d		(3)	(1,439)	0	0
Bank interest	2d		16	37	(10)	(17)
Deposit interest	2d		16	94	4	100
Derivative Income	2d, 4		2,862	0	6	0
Dividends	2d		0	884	9	96,798
Interest on debt securities	2d		1,006	7,159	675	0
Withholding tax on dividends and other investment income	2d		0	(138)	0	(17,031)
Total income			3,897	6,597	684	79,850
Expenses						
Administration charge	2d, 6		(91)	(1,222)	(33)	(3,928)
Annual management charge	2d, 6		(176)	(7,687)	(125)	(35,706)
Audit fee	2d, 8		(14)	(35)	(35)	(29)
Audit fee reimbursement from Manager	2d, 8		(0)	13	12	10
Custody transaction charges	2d, 7		(13)	(47)	(12)	(45)
Depository's charge	2d, 7		(3)	(27)	(1)	(85)
Professional fees			0	0	0	0
Safe custody charge	2d, 7		(1)	(35)	(1)	(281)
Share class hedging charge	2d, 6		(11)	(79)	(4)	0
Taxe d'abonnement charge	2d, 11		(31)	(368)	(11)	(1,073)
Total expenses			(340)	(9,487)	(210)	(41,137)
Net income/(expense) for the period			3,557	(2,890)	474	38,713
REALISED GAINS/(LOSSES) ON INVESTMENTS						
Investments excluding derivatives	2c		19	23,581	1,701	123,997
Currency and forward currency contracts	2c		(1,389)	(19,934)	(1,033)	(1,269)
Futures contracts	2c		0	(1)	(232)	0
Swap contracts	2c		(162)	0	(27)	0
Options contracts	2c		0	(483)	0	0
Net realised (loss)/gain			(1,532)	3,163	409	122,728
CHANGE IN UNREALISED GAINS/(LOSSES)						
Investments excluding derivatives	2c		28	(35,645)	(981)	(691,665)
Currency and forward currency contracts	2c		163	3,551	144	(2,073)
Futures contracts	2c		0	0	23	0
Swap contracts	2c		70	0	8	0
Options contracts	2c		0	246	0	0
Net change in unrealised gain/(loss)			261	(31,848)	(806)	(693,738)
Change in net asset assets from investment activities			2,286	(31,575)	77	(532,297)
Net share issues and redemptions			(60,988)	(498,446)	1,819	(529,943)
Net capital inflow from mergers			0	0	0	0
Distributions	3, 15		(32)	(149)	(47)	(15,325)
Foreign currency translation ^[a]						
NET ASSETS			5,969	507,330	21,934	1,793,878

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of operations and changes in net assets (continued)

		M&G (Lux) Global Emerging Markets Fund	M&G (Lux) Global Enhanced Equity Premia Fund 10.12.19*	M&G (Lux) Global Floating Rate High Yield Fund	M&G (Lux) Global High Yield Bond Fund
* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	US\$'000	US\$'000	US\$'000	US\$'000
OPENING NET ASSETS		566,657	0	3,356,579	95,024
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	0	0
Bank interest	2d	(21)	0	1,103	2
Deposit interest	2d	101	0	2,165	57
Derivative Income	2d, 4	0	0	26,843	202
Dividends	2d	27,911	24	4,268	104
Interest on debt securities	2d	0	0	106,098	4,847
Withholding tax on dividends and other investment income	2d	(3,247)	(6)	5	(1)
Total income		24,744	18	140,482	5,211
Expenses					
Administration charge	2d, 6	(992)	(2)	(4,192)	(141)
Annual management charge	2d, 6	(5,918)	0	(29,659)	(1,044)
Audit fee	2d, 8	(31)	0	(33)	(33)
Audit fee reimbursement from Manager	2d, 8	11	0	12	12
Custody transaction charges	2d, 7	(85)	(2)	(91)	(120)
Depository's charge	2d, 7	(26)	0	(115)	(4)
Professional fees		0	0	(77)	0
Safe custody charge	2d, 7	(373)	0	(116)	(3)
Share class hedging charge	2d, 6	(1)	0	(377)	(14)
Taxe d'abonnement charge	2d, 11	(264)	0	(1,238)	(46)
Total expenses		(7,679)	(4)	(35,886)	(1,393)
Net income for the period		17,065	14	104,596	3,818
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	57,802	(116)	(7,017)	1,006
Currency and forward currency contracts	2c	(866)	(10)	(37,019)	(3,450)
Futures contracts	2c	0	0	0	(40)
Swap contracts	2c	0	0	(67,008)	145
Options contracts	2c	0	0	0	0
Net realised gain/(loss)		56,936	(126)	(111,044)	(2,339)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(236,060)	(569)	(347,714)	(13,869)
Currency and forward currency contracts	2c	(834)	0	6,418	380
Futures contracts	2c	0	0	0	9
Swap contracts	2c	0	0	3,581	(265)
Options contracts	2c	0	0	0	0
Net change in unrealised loss		(236,894)	(569)	(337,715)	(13,745)
Change in net asset assets from investment activities		(162,893)	(681)	(344,163)	(12,266)
Net share issues and redemptions		28,221	3,152	(1,272,325)	5,473
Net capital inflow from mergers		0	0	0	0
Distributions	3, 15	(39)	0	(33,638)	(950)
Foreign currency translation ^[a]					
NET ASSETS		431,946	2,471	1,706,453	87,281

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of operations and changes in net assets (continued)

		M&G (Lux) Global High Yield ESG Bond Fund	M&G (Lux) Global Listed Infrastructure Fund	M&G (Lux) Global Macro Bond Fund	M&G (Lux) Global Maxima Fund 11.12.19*
* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	US\$'000	US\$'000	US\$'000	US\$'000
OPENING NET ASSETS		22,402	15,418	726,274	0
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	(55)	0	(3,387)	0
Bank interest	2d	2	(3)	(55)	(1)
Deposit interest	2d	0	4	68	0
Derivative Income	2d, 4	0	0	394	0
Dividends	2d	0	3,387	36	208
Interest on debt securities	2d	2,202	0	22,883	0
Withholding tax on dividends and other investment income	2d	(1)	(597)	(143)	(33)
Total income		2,148	2,791	19,796	174
Expenses					
Administration charge	2d, 6	(69)	(151)	(1,139)	(23)
Annual management charge	2d, 6	(297)	(1,093)	(8,113)	(2)
Audit fee	2d, 8	(14)	(12)	(36)	0
Audit fee reimbursement from Manager	2d, 8	(0)	(0)	13	0
Custody transaction charges	2d, 7	(9)	(40)	(59)	(2)
Depository's charge	2d, 7	(2)	(5)	(41)	(1)
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(2)	(4)	(93)	(1)
Share class hedging charge	2d, 6	(1)	0	(32)	0
Taxe d'abonnement charge	2d, 11	(9)	(45)	(331)	(2)
Total expenses		(403)	(1,350)	(9,831)	(31)
Net income for the period		1,745	1,441	9,965	143
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	154	(5,022)	26,145	(3,529)
Currency and forward currency contracts	2c	(474)	(790)	(8,592)	(287)
Futures contracts	2c	0	0	(780)	0
Swap contracts	2c	0	0	1,843	0
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(320)	(5,812)	18,616	(3,816)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(6,583)	(49,813)	(12,783)	(5,557)
Currency and forward currency contracts	2c	730	(98)	(368)	6
Futures contracts	2c	0	0	279	0
Swap contracts	2c	0	0	3,155	0
Options contracts	2c	0	0	0	0
Net change in unrealised loss		(5,853)	(49,911)	(9,717)	(5,551)
Change in net asset assets from investment activities		(4,428)	(54,282)	18,864	(9,224)
Net share issues and redemptions		38,666	234,421	(10,021)	51,413
Net capital inflow from mergers		0	0	0	0
Distributions	3, 15	(63)	(148)	(2,978)	0
Foreign currency translation ^[a]					
NET ASSETS		56,577	195,409	732,139	42,189

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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Statement of operations and changes in net assets (continued)

* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	M&G (Lux) Global Select Fund US\$'000	M&G (Lux) Global Strategic Value Fund US\$'000	M&G (Lux) Global Target Return Fund €'000	M&G (Lux) Global Themes Fund US\$'000
OPENING NET ASSETS		76,960	1,138	103,002	172,459
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	(74)	0
Bank interest	2d	0	1	(28)	(11)
Deposit interest	2d	17	1	(331)	0
Derivative Income	2d, 4	0	0	11	0
Dividends	2d	1,563	51	489	7,923
Interest on debt securities	2d	0	0	725	0
Withholding tax on dividends and other investment income	2d	(278)	(9)	(59)	(1,427)
Total income		1,302	44	733	6,485
Expenses					
Administration charge	2d, 6	(140)	(3)	(151)	(490)
Annual management charge	2d, 6	(1,431)	(14)	(545)	(5,211)
Audit fee	2d, 8	(29)	(12)	(20)	0
Audit fee reimbursement from Manager	2d, 8	10	3	(0)	0
Custody transaction charges	2d, 7	(16)	(9)	(15)	(23)
Depositary's charge	2d, 7	(4)	0	(4)	(17)
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(4)	(1)	(4)	(26)
Share class hedging charge	2d, 6	0	0	0	0
Taxe d'abonnement charge	2d, 11	(44)	(1)	(18)	(149)
Total expenses		(1,658)	(37)	(757)	(5,916)
Net (expense)/income for the period		(356)	7	(24)	569
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	2,345	(102)	1,205	6,944
Currency and forward currency contracts	2c	(40)	(20)	(137)	(357)
Futures contracts	2c	0	0	(2,424)	0
Swap contracts	2c	0	0	(1,602)	0
Options contracts	2c	0	0	116	0
Net realised gain/(loss)		2,305	(122)	(2,842)	6,587
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(6,600)	(456)	(4,362)	(58,695)
Currency and forward currency contracts	2c	(21)	(2)	1,094	(117)
Futures contracts	2c	0	0	783	0
Swap contracts	2c	0	0	927	0
Options contracts	2c	0	0	60	0
Net change in unrealised loss		(6,621)	(458)	(1,498)	(58,812)
Change in net asset assets from investment activities		(4,672)	(573)	(4,364)	(51,656)
Net share issues and redemptions		8,530	1,435	(17,323)	215,078
Net capital inflow from mergers		0	0	0	0
Distributions	3, 15	(2)	0	0	0
Foreign currency translation ^[a]					
NET ASSETS		80,816	2,000	81,315	335,881

^[a] Exchange differences resulting from translation to presentational currency.

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Statement of operations and changes in net assets (continued)

* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	M&G (Lux) Income Allocation Fund €'000	M&G (Lux) Japan Fund ¥'000	M&G (Lux) Japan Smaller Companies Fund ¥'000	M&G (Lux) Multi Asset 2023 Fund €'000
OPENING NET ASSETS		1,243,100	16,100,445	15,287,272	152,458
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	(1,549)	0	0	0
Bank interest	2d	(41)	(945)	(632)	(8)
Deposit interest	2d	(417)	0	0	0
Derivative Income	2d, 4	0	0	0	0
Dividends	2d	26,645	428,645	124,255	3,009
Interest on debt securities	2d	25,399	1	2	0
Withholding tax on dividends and other investment income	2d	(4,282)	(65,647)	(19,030)	0
Total income		45,755	362,054	104,595	3,001
Expenses					
Administration charge	2d, 6	(1,949)	(21,760)	(11,562)	0
Annual management charge	2d, 6	(15,746)	(135,196)	(105,808)	(924)
Audit fee	2d, 8	(13)	(3,198)	(3,199)	(9)
Audit fee reimbursement from Manager	2d, 8	(0)	1,145	1,145	9
Custody transaction charges	2d, 7	(51)	(2,306)	(2,124)	0
Depositary's charge	2d, 7	(62)	(507)	(128)	0
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(202)	(1,534)	(1,189)	0
Share class hedging charge	2d, 6	(1)	(4)	(3)	0
Taxe d'abonnement charge	2d, 11	(604)	(6,499)	(3,166)	0
Total expenses		(18,628)	(169,859)	(126,034)	(924)
Net income/(expense) for the period		27,127	192,195	(21,439)	2,077
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	50,126	(1,965,279)	(2,115,106)	(809)
Currency and forward currency contracts	2c	(3,437)	8,314	(14,030)	0
Futures contracts	2c	0	(56,239)	(16,596)	0
Swap contracts	2c	(39)	0	0	0
Options contracts	2c	0	0	0	0
Net realised gain/(loss)		46,650	(2,013,204)	(2,145,732)	(809)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(171,166)	(157,637)	403,576	(13,806)
Currency and forward currency contracts	2c	(2,922)	(70)	85	0
Futures contracts	2c	0	1,300	473	0
Swap contracts	2c	(1,137)	0	0	0
Options contracts	2c	0	0	0	0
Net change in unrealised gain/(loss)		(175,225)	(156,407)	404,134	(13,806)
Change in net asset assets from investment activities		(101,448)	(1,977,416)	(1,763,037)	(12,538)
Net share issues and redemptions		(5,646)	(4,650,557)	(10,907,760)	(10,169)
Net capital inflow from mergers		0	0	0	0
Distributions	3, 15	(24,216)	0	0	(2,999)
Foreign currency translation ^[a]					
NET ASSETS		1,111,790	9,472,472	2,616,475	126,752

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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Statement of operations and changes in net assets (continued)

* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	M&G (Lux) North American Dividend Fund US\$'000	M&G (Lux) North American Value Fund US\$'000	M&G (Lux) Optimal Income Fund €'000	M&G (Lux) Pan European Dividend Fund ^[b] €'000
OPENING NET ASSETS		140,190	416,592	19,261,454	107,762
Income					
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	(123,951)	0
Bank interest	2d	(1)	1	(7,242)	(2)
Deposit interest	2d	29	159	12	0
Derivative Income	2d, 4	0	0	7,898	0
Dividends	2d	3,637	9,023	60,206	2,972
Interest on debt securities	2d	0	0	538,767	0
Withholding tax on dividends and other investment income	2d	(991)	(2,536)	(3,847)	(390)
Total income		2,674	6,647	471,843	2,580
Expenses					
Administration charge	2d, 6	(240)	(513)	(29,316)	(91)
Annual management charge	2d, 6	(1,849)	(3,546)	(218,616)	(568)
Audit fee	2d, 8	(31)	(32)	(34)	(31)
Audit fee reimbursement from Manager	2d, 8	11	11	13	9
Custody transaction charges	2d, 7	(36)	(43)	(131)	(17)
Depositary's charge	2d, 7	(7)	(13)	(509)	(3)
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(3)	(8)	(850)	(7)
Share class hedging charge	2d, 6	(4)	(1)	(555)	0
Taxe d'abonnement charge	2d, 11	(75)	(144)	(8,754)	(29)
Total expenses		(2,234)	(4,289)	(258,752)	(737)
Net income for the period		440	2,358	213,091	1,843
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives	2c	900	(8,594)	544,055	9,562
Currency and forward currency contracts	2c	(1,034)	(575)	(190,169)	364
Futures contracts	2c	0	0	(1,311,526)	0
Swap contracts	2c	0	0	(64,497)	0
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(134)	(9,169)	(1,022,137)	9,926
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives	2c	(19,136)	(49,741)	(541,287)	(6,545)
Currency and forward currency contracts	2c	(86)	(122)	126,771	(24)
Futures contracts	2c	0	0	65,317	0
Swap contracts	2c	0	0	9,246	0
Options contracts	2c	0	0	0	0
Net change in unrealised loss		(19,222)	(49,863)	(339,953)	(6,569)
Change in net asset assets from investment activities		(18,916)	(56,674)	(1,148,999)	5,200
Net share issues and redemptions		14,570	(142,637)	(3,096,447)	(37,029)
Net capital inflow from mergers		0	0	0	(75,447)
Distributions	3, 15	(125)	0	(32,225)	(486)
Foreign currency translation ^[a]					
NET ASSETS		135,719	217,281	14,983,783	0

^[a] Exchange differences resulting from translation to presentational currency.

^[b] For the period from 1 April 2019 until 6 December 2019 (merger date of the sub-fund into M&G (Lux) European Strategic Value Fund).

The accompanying notes to the financial statements are an integral part of these financial statements.

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Statement of operations and changes in net assets (continued)

* Sub-fund launch date (if within the period). for the period/year to 31 March 2020	Notes	M&G (Lux) Pan European Select Fund €'000	M&G (Lux) Positive Impact Fund US\$'000	M&G (Lux) Short Dated Corporate Bond Fund €'000	M&G (Lux) Sustainable Allocation Fund €'000	Combined total €'000
OPENING NET ASSETS		125,461	14,252	56,809	21,243	44,618,779
Income						
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	(37)	0	(169,319)
Bank interest	2d	(2)	5	0	(8)	(5,896)
Deposit interest	2d	0	0	0	0	403
Derivative Income	2d, 4	0	0	37	0	37,816
Dividends	2d	3,299	539	0	508	396,046
Interest on debt securities	2d	0	0	1,176	456	948,718
Withholding tax on dividends and other investment income	2d	(273)	(62)	0	(70)	(52,533)
Total income		3,024	482	1,176	886	1,155,235
Expenses						
Administration charge	2d, 6	(189)	(61)	(92)	(46)	(64,632)
Annual management charge	2d, 6	(1,783)	(222)	(362)	(159)	(480,742)
Audit fee	2d, 8	(26)	(11)	(31)	(13)	(811)
Audit fee reimbursement from Manager	2d, 8	9	7	11	8	246
Custody transaction charges	2d, 7	(10)	(3)	(12)	(7)	(1,298)
Depositary's charge	2d, 7	(5)	(2)	(2)	(1)	(1,345)
Professional fees		0	0	0	0	(70)
Safe custody charge	2d, 7	(14)	(1)	(2)	(5)	(3,834)
Share class hedging charge	2d, 6	0	0	(1)	0	(1,219)
Taxe d'abonnement charge	2d, 11	(60)	(9)	(30)	(6)	(17,654)
Total expenses		(2,078)	(302)	(521)	(229)	(571,359)
Net income for the period		946	180	655	657	583,876
REALISED GAINS/(LOSSES) ON INVESTMENTS						
Investments excluding derivatives	2c	2,693	(1,150)	348	852	897,178
Currency and forward currency contracts	2c	271	(42)	219	(786)	(299,576)
Futures contracts	2c	0	0	0	(329)	(1,784,530)
Swap contracts	2c	0	0	34	0	(255,697)
Options contracts	2c	0	0	0	0	(325)
Net realised gain/(loss)		2,964	(1,192)	601	(263)	(1,442,950)
CHANGE IN UNREALISED GAINS/(LOSSES)						
Investments excluding derivatives	2c	(22,835)	(11,778)	(2,231)	(4,289)	(3,471,722)
Currency and forward currency contracts	2c	(97)	(18)	(323)	258	166,645
Futures contracts	2c	0	0	(60)	127	188,792
Swap contracts	2c	0	0	(115)	0	37,474
Options contracts	2c	0	0	0	0	285
Net change in unrealised loss		(22,932)	(11,796)	(2,729)	(3,904)	(3,078,526)
Change in net asset assets from investment activities		(19,022)	(12,808)	(1,473)	(3,510)	(3,937,600)
Net share issues and redemptions		(2,294)	68,917	(1,343)	15,267	(8,894,159)
Net capital inflow from mergers		0	0	0	0	0
Distributions	3, 15	0	0	(118)	(25)	(134,464)
Foreign currency translation ^[a]						264,261
NET ASSETS		104,145	70,361	53,875	32,975	31,916,815

^[a] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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The various classes of shares in issue have equivalent rights in the Company, but carry different features and charging structures detailed in note 6 which are more fully described in the Company's Prospectus.

Shares in issue

For the period/year to 31 March 2020	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Absolute Return Bond Fund						
	Euro					
	Class 'A' Accumulation	137,569.137	337,852.443	(130,554.241)	344,867.339	21.12.16
	Class 'A' Distribution	18,294.223	95,418.785	(4,469.448)	109,243.560	21.12.16
	Class 'B' Accumulation	1,000.000	304,165.998	(3,659.619)	301,506.379	08.05.18
	Class 'B' Distribution	1,000.000	2,712.935	(50.869)	3,662.066	08.05.18
	Class 'C' Accumulation	1,141,847.704	577,570.907	(156,787.178)	1,562,631.433	21.12.16
	Class 'C' Distribution	593,110.211	0.000	(9,276.000)	583,834.211	21.12.16
	Class 'CI' Accumulation	2,463,350.826	2,758,678.909	(2,052,897.105)	3,169,132.630	21.12.16
	Sterling					
	Class 'C-H' Accumulation	451,017.529	184,709.394	(306,291.429)	329,435.494	21.12.16
	Class 'C-H' Distribution	2,507.500	0.000	0.000	2,507.500	21.12.16
	Swiss franc					
	Class 'A-H' Accumulation	2,505.000	0.000	0.000	2,505.000	21.12.16
	Class 'A-H' Distribution	2,510.000	0.000	0.000	2,510.000	21.12.16
	Class 'C-H' Accumulation	2,517.000	0.000	0.000	2,517.000	21.12.16
	Class 'C-H' Distribution	2,520.000	0.000	0.000	2,520.000	21.12.16
	US dollar					
	Class 'A-H' Accumulation	2,513.500	6,964.245	(989.654)	8,488.091	21.12.16
	Class 'A-H' Distribution	2,517.500	0.000	0.000	2,517.500	21.12.16
	Class 'C-H' Accumulation	144,146.864	169,997.658	(15,770.893)	298,373.629	21.12.16
	Class 'C-H' Distribution	2,527.500	0.000	0.000	2,527.500	21.12.16
M&G (Lux) Asian Fund						
	Euro					
	Class 'A' Accumulation	883,077.171	50,650.990	(185,732.751)	747,995.410	26.10.18
	Class 'C' Accumulation	801,833.826	38,915.691	(427,726.200)	413,023.317	26.10.18
	Class 'CI' Accumulation	1,190,363.498	796,409.769	(1,577,965.130)	408,808.137	06.11.18
	US dollar					
	Class 'A' Accumulation	308,708.895	6,324.115	(47,463.119)	267,569.891	26.10.18
	Class 'C' Accumulation	16,796.149	9,352.781	(8,929.585)	17,219.345	26.10.18
M&G (Lux) Conservative Allocation Fund						
	Euro					
	Class 'A' Accumulation	124,866,232.287	10,605,103.405	(54,528,818.328)	80,942,517.364	16.01.18
	Class 'A' Distribution	13,134,899.529	975,884.915	(4,369,276.170)	9,741,508.274	16.01.18
	Class 'B' Accumulation	22,229,227.628	944,926.582	(8,106,294.088)	15,067,860.122	16.01.18
	Class 'B' Distribution	6,658,470.670	345,861.323	(2,322,881.984)	4,681,450.009	16.01.18
	Class 'C' Accumulation	78,996,270.015	8,394,265.598	(49,163,657.459)	38,226,878.154	16.01.18
	Class 'C' Distribution	15,098,687.703	2,493,427.000	(8,917,357.174)	8,674,757.529	16.01.18
	Class 'CI' Accumulation	16,261,472.510	2,963,305.325	(16,448,620.592)	2,776,157.243	16.01.18
	Class 'JI' Accumulation	15,661,255.115	50,562,868.695	(26,727,248.191)	39,496,875.619	26.02.19
	Swiss franc					
	Class 'A-H' Accumulation	27,926.998	491.897	(1,622.493)	26,796.402	16.01.18
	Class 'C-H' Accumulation	251,109.891	110,971.775	(75,400.687)	286,680.979	16.01.18
	US dollar					
	Class 'A-H' Accumulation	1,378,449.168	379,452.630	(607,322.461)	1,150,579.337	16.01.18
	Class 'A-H' Distribution	230,616.428	38,885.869	(89,288.129)	180,214.168	16.01.18
	Class 'C-H' Accumulation	1,289,150.707	177,031.000	(1,055,793.708)	410,387.999	16.01.18
	Class 'C-H' Distribution	206,941.002	0.000	0.000	206,941.002	16.01.18

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Shares in issue (continued)

For the period/year to 31 March 2020	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Dynamic Allocation Fund						
Australian dollar						
	Class 'A-H' Accumulation ^[a]	0.000	4,464.000	0.000	4,464.000	08.04.19
	Class 'A-H M' Distribution ^[a]	0.000	4,465.000	0.000	4,465.000	08.04.19
	Class 'C-H' Accumulation ^[a]	0.000	4,466.000	0.000	4,466.000	08.04.19
	Class 'C-H M' Distribution ^[a]	0.000	4,467.000	0.000	4,467.000	08.04.19
Euro						
	Class 'A' Accumulation	410,677,321.882	32,132,649.226	(178,241,567.625)	264,568,403.483	16.01.18
	Class 'A' Distribution	52,031,077.423	1,772,076.240	(21,496,699.850)	32,306,453.813	16.01.18
	Class 'B' Accumulation	44,375,781.315	3,562,888.747	(17,965,980.267)	29,972,689.795	16.01.18
	Class 'C' Accumulation	122,444,097.136	18,879,212.126	(67,279,885.560)	74,043,423.702	16.01.18
	Class 'C' Distribution	6,359,743.452	5,402,650.317	(9,481,571.272)	2,280,822.497	16.01.18
	Class 'CI' Accumulation	108,796,355.551	15,844,289.526	(82,874,699.377)	41,765,945.700	16.01.18
	Class 'JI' Accumulation	36,598,697.353	47,289,325.677	(51,768,870.751)	32,119,152.279	26.02.19
Hong Kong dollar						
	Class 'A-H' Accumulation ^[a]	0.000	2,479.200	0.000	2,479.200	08.04.19
	Class 'A-H M' Distribution ^[a]	0.000	2,479.300	0.000	2,479.300	08.04.19
	Class 'C-H' Accumulation ^[a]	0.000	2,479.400	0.000	2,479.400	08.04.19
	Class 'C-H M' Distribution ^[a]	0.000	2,479.500	0.000	2,479.500	08.04.19
Sterling						
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'A-H' Distribution ^[a]	0.000	2,405.000	0.000	2,405.000	05.07.19
	Class 'C-H' Accumulation	460,615.001	312,840.191	(165,160.510)	608,294.682	16.01.18
	Class 'C-H' Distribution	84,197.518	0.000	0.000	84,197.518	16.01.18
Swiss franc						
	Class 'A-H' Accumulation	814,948.196	75,579.285	(445,791.746)	444,735.735	16.01.18
	Class 'C-H' Accumulation	236,700.674	19,537.894	(64,003.906)	192,234.662	16.01.18
US dollar						
	Class 'A-H' Accumulation	6,059,681.954	831,492.629	(2,761,901.965)	4,129,272.618	16.01.18
	Class 'A-H' Distribution	1,490,328.798	132,676.232	(1,056,737.386)	566,267.644	16.01.18
	Class 'A-H M F4' Distribution	926,723.205	0.000	(225,169.832)	701,553.373	01.02.18
	Class 'C-H' Accumulation	4,642,623.972	95,367.672	(597,083.199)	4,140,908.445	16.01.18
	Class 'C-H' Distribution	91,337.097	0.000	(32,668.285)	58,668.812	16.01.18
M&G (Lux) Emerging Markets Bond Fund						
Euro						
	Class 'A' Accumulation	6,861,113.427	5,222,363.637	(678,207.651)	11,405,269.413	21.09.18
	Class 'A' Distribution	2,570,754.816	1,560,224.519	(170,028.767)	3,960,950.568	21.09.18
	Class 'A-H' Accumulation	7,640,248.474	3,501,454.554	(1,648,379.666)	9,493,323.362	21.09.18
	Class 'A-H' Distribution	1,257,523.305	708,739.809	(96,971.730)	1,869,291.384	21.09.18
	Class 'B' Accumulation	1,634,035.588	1,820,568.690	(114,076.504)	3,340,527.774	21.09.18
	Class 'B' Distribution	393,478.366	575,848.596	(113,938.678)	855,388.284	21.09.18
	Class 'B-H' Accumulation	905,986.301	396,718.248	(154,338.693)	1,148,365.856	21.09.18
	Class 'B-H' Distribution	620,490.105	231,334.537	(98,620.149)	753,204.493	21.09.18
	Class 'C' Accumulation	4,395,350.000	3,464,007.465	(1,950,309.793)	5,909,047.672	21.09.18
	Class 'C' Distribution	681,947.662	955,437.999	(66,171.076)	1,571,214.585	21.09.18
	Class 'C-H' Accumulation	18,446,305.776	3,852,525.738	(9,503,444.116)	12,795,387.398	21.09.18
	Class 'C-H' Distribution	1,914,248.767	1,111,818.940	(390,643.260)	2,635,424.447	21.09.18
	Class 'CI' Accumulation	1,175,203.596	2,401,970.918	(421,868.236)	3,155,306.278	21.09.18
	Class 'CI-H' Accumulation	5,701,477.352	23,022,896.151	(4,686,020.268)	24,038,353.235	21.09.18
Sterling						
	Class 'C' Accumulation ^[a]	0.000	52,791.891	0.000	52,791.891	27.08.19
	Class 'C' Distribution	575,772.899	311,830.765	(270,557.173)	617,046.491	22.02.19
	Class 'CI' Accumulation ^[a]	0.000	54,932.775	(8,797.477)	46,135.298	27.08.19
	Class 'CI' Distribution	4,600.000	11,964.898	(2,723.214)	13,841.684	14.03.19

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M&G (Lux) Emerging Markets Bond Fund (continued)						
	Swiss franc					
	Class 'A' Accumulation	42,531.839	4,865.000	(9,608.052)	37,788.787	21.09.18
	Class 'A-H' Accumulation	11,404.996	0.004	(5,195.670)	6,209.330	21.09.18
	Class 'C' Accumulation	15,744.468	4,800.004	(2,125.909)	18,418.563	21.09.18
	Class 'C-H' Accumulation	2,710,360.801	113,269.000	(43,102.282)	2,780,527.519	21.09.18
	US dollar					
	Class 'A' Accumulation	2,269,822.907	668,962.406	(376,547.907)	2,562,237.406	21.09.18
	Class 'A' Distribution	164,491.341	321,586.667	(26,422.528)	459,655.480	21.09.18
	Class 'A M' Distribution	1,000.000	0.000	0.000	1,000.000	30.11.18
	Class 'C' Accumulation	4,509,557.678	1,932,018.853	(1,736,511.181)	4,705,065.350	21.09.18
	Class 'C' Distribution	323,016.310	313,122.447	(177,252.827)	458,885.930	21.09.18
	Class 'C M' Distribution	1,000.000	17,582.941	0.000	18,582.941	30.11.18
	Class 'CI' Accumulation	12,819.626	1,665,817.336	(63,342.185)	1,615,294.777	21.09.18
	Class 'ZI' Accumulation	4,600.000	2,886,613.810	0.000	2,891,213.810	30.01.19
M&G (Lux) Emerging Markets Corporate ESG Bond Fund						
	Euro					
	Class 'A-H' Accumulation ^[a]	0.000	4,270.000	0.000	4,270.000	25.07.19
	Class 'A-H' Distribution ^[a]	0.000	2,425.000	0.000	2,425.000	25.07.19
	Class 'C-H' Accumulation ^[a]	0.000	4,814.168	0.000	4,814.168	25.07.19
	Class 'C-H' Distribution ^[a]	0.000	2,445.000	0.000	2,445.000	25.07.19
	Class 'CI-H' Accumulation ^[a]	0.000	1,004,610.000	0.000	1,004,610.000	25.07.19
	Class 'CI-H' Distribution ^[a]	0.000	304,615.000	0.000	304,615.000	25.07.19
	Class 'LI-H' Accumulation ^[a]	0.000	4,625.000	0.000	4,625.000	25.07.19
	Class 'LI-H' Distribution ^[a]	0.000	4,630.000	0.000	4,630.000	25.07.19
	Sterling					
	Class 'C' Accumulation ^[a]	0.000	1,044.602	0.000	1,044.602	27.09.19
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	27.09.19
	Class 'C-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	27.09.19
	Class 'C-H' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	27.09.19
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	24,828.716	0.000	24,828.716	25.07.19
	Class 'A' Distribution ^[a]	0.000	2,415.000	0.000	2,415.000	25.07.19
	Class 'C' Accumulation ^[a]	0.000	2,430.000	0.000	2,430.000	25.07.19
	Class 'C' Distribution ^[a]	0.000	2,435.000	0.000	2,435.000	25.07.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	25.07.19
	Class 'CI' Distribution ^[a]	0.000	4,605.000	0.000	4,605.000	25.07.19
	Class 'LI' Accumulation ^[a]	0.000	1,870,000.000	0.000	1,870,000.000	25.07.19
	Class 'LI' Distribution ^[a]	0.000	4,620.000	0.000	4,620.000	25.07.19
M&G (Lux) Emerging Markets Hard Currency Bond Fund						
	Euro					
	Class 'A' Accumulation	34,193.536	144,612.632	(29,683.069)	149,123.099	22.05.17
	Class 'A' Distribution	8,974.180	38,444.255	(16,828.302)	30,590.133	22.05.17
	Class 'A-H' Accumulation	4,796.227	23,268.717	(688.702)	27,376.242	22.05.17
	Class 'A-H' Distribution	14,605.450	21,818.909	(158.590)	36,265.769	22.05.17
	Class 'C' Accumulation	107,384.483	441,290.224	(318,317.313)	230,357.394	22.05.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C-H' Accumulation	4,463,693.980	929,914.149	(1,955,896.430)	3,437,711.699	22.05.17
	Class 'C-H' Distribution	1,004,858.053	0.000	(47,352.000)	957,506.053	22.05.17
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	15.07.19
	Class 'CI-H' Accumulation	49,965.717	0.000	(45,365.717)	4,600.000	22.02.19
	Class 'LI' Accumulation	2,198,983.532	4,361,633.596	(557,262.149)	6,003,354.979	27.09.18
	Sterling					
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17

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M&G (Lux) Emerging Markets Hard Currency Bond Fund (continued)						
	Swiss franc					
	Class 'A-H' Accumulation	2,520.000	0.000	0.000	2,520.000	22.05.17
	Class 'A-H' Distribution	2,525.000	0.000	0.000	2,525.000	22.05.17
	Class 'C-H' Accumulation	2,530.000	0.000	0.000	2,530.000	22.05.17
	Class 'C-H' Distribution	2,535.000	0.000	0.000	2,535.000	22.05.17
	US dollar					
	Class 'A' Accumulation	20,411.655	124,278.831	(8,065.565)	136,624.921	22.05.17
	Class 'A' Distribution	30,820.537	80,180.362	(41,282.345)	69,718.554	22.05.17
	Class 'C' Accumulation	156,296.221	396,027.000	0.000	552,323.221	22.05.17
	Class 'C' Distribution	3,462,722.000	0.000	0.000	3,462,722.000	22.05.17
	Class 'CI' Accumulation	10,159,886.000	2,105,467.296	(3,608,944.534)	8,656,408.762	22.05.17
M&G (Lux) Emerging Markets Income Opportunities Fund						
	Euro					
	Class 'A-H' Accumulation	52,859.430	117,674.256	(10,405.280)	160,128.406	22.05.17
	Class 'A-H' Distribution	17,102.200	18,687.569	(50.000)	35,739.769	22.05.17
	Class 'C-H' Accumulation	2,410.000	0.000	0.000	2,410.000	22.05.17
	Class 'C-H' Distribution	2,415.000	0.000	0.000	2,415.000	22.05.17
	Sterling					
	Class 'C-H' Accumulation	2,420.000	0.000	0.000	2,420.000	22.05.17
	Class 'C-H' Distribution	2,425.000	0.000	0.000	2,425.000	22.05.17
	Swiss franc					
	Class 'A-H' Accumulation	2,430.000	0.000	0.000	2,430.000	22.05.17
	Class 'A-H' Distribution	2,435.000	2,200.000	0.000	4,635.000	22.05.17
	Class 'C-H' Accumulation	2,440.000	0.000	0.000	2,440.000	22.05.17
	Class 'C-H' Distribution	2,445.000	0.000	0.000	2,445.000	22.05.17
	US dollar					
	Class 'A' Accumulation	3,307.182	50,983.835	(3,134.999)	51,156.018	22.05.17
	Class 'A' Distribution	1,000.000	60,029.377	0.000	61,029.377	22.05.17
	Class 'A M' Distribution	1,000.000	9,562.422	(3,796.371)	6,766.051	22.05.17
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C M' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'CI' Accumulation	2,004,600.000	2,000,310.650	(2,000,000.000)	2,004,910.650	22.05.17
M&G (Lux) Episode Macro Fund						
	Euro					
	Class 'B-H' Accumulation	745,805.404	60,225.055	(345,560.468)	460,469.991	26.10.18
	Class 'S-H' Accumulation	15,115,269.383	560,026.816	(4,224,997.520)	11,450,298.679	26.10.18
	Class 'T-H' Accumulation	2,069,867.215	1,348,697.557	(2,575,747.029)	842,817.743	26.10.18
	Class 'TI-H' Accumulation	33,824.000	27,714.000	(4,943.000)	56,595.000	06.11.18
	Sterling					
	Class 'T-H' Accumulation	29,514.303	0.000	0.000	29,514.303	22.02.19
	Class 'TI-H' Accumulation	317,659.902	328,176.329	(37,039.000)	608,797.231	17.12.18
	Swiss Franc					
	Class 'S-H' Accumulation	260,602.335	75,694.000	(60,310.000)	275,986.335	26.10.18
	Class 'T-H' Accumulation	70,986.487	133,788.000	(1,261.000)	203,513.487	26.10.18
	US dollar					
	Class 'S' Accumulation	786,996.443	64,497.232	(153,309.596)	698,184.079	26.10.18
	Class 'T' Accumulation	665,418.680	251,001.142	(207,453.820)	708,966.002	26.10.18
	Class 'TI' Accumulation	366,334.690	297,863.729	(207,246.683)	456,951.736	06.11.18

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M&G (Lux) Euro Corporate Bond Fund						
	Euro					
	Class 'A' Accumulation	47,395,931.299	5,865,115.487	(28,017,448.015)	25,243,598.771	09.11.18
	Class 'A' Distribution	4,059,951.924	2,405,433.732	(403,209.644)	6,062,176.012	09.11.18
	Class 'C' Accumulation	11,114,092.731	1,124,754.527	(8,867,943.355)	3,370,903.903	09.11.18
	Class 'C' Distribution	889,534.201	809,079.502	(243,113.039)	1,455,500.664	09.11.18
	Class 'CI' Accumulation	9,251,314.153	16,784,326.150	(16,200,797.506)	9,834,842.797	19.11.18
	Class 'CI' Distribution	4,600.000	212,131.257	(95,130.000)	121,601.257	22.02.19
	Swiss franc					
	Class 'A-H' Accumulation	201,219.803	3,335.000	(36,913.000)	167,641.803	09.11.18
	Class 'C-H' Accumulation	172,563.540	0.000	(145,117.000)	27,446.540	09.11.18
	US dollar					
	Class 'A-H' Accumulation	375,298.813	25,542.678	(24,480.626)	376,360.865	09.11.18
	Class 'A-H' Distribution	37,374.828	0.000	(32,767.311)	4,607.517	09.11.18
	Class 'C-H' Accumulation	9,676.361	2,400.000	0.000	12,076.361	09.11.18
	Class 'C-H' Distribution	12,405.177	0.000	(10,139.315)	2,265.862	09.11.18
M&G (Lux) European Inflation Linked Corporate Bond Fund						
	Euro					
	Class 'A' Accumulation	5,066,829.846	657,128.080	(1,168,332.350)	4,555,625.576	16.03.18
	Class 'C' Accumulation	2,462,366.916	1,089,467.029	(1,952,791.485)	1,599,042.460	16.03.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	16.03.18
	Swiss franc					
	Class 'A-H' Accumulation	11,381.515	0.000	(8,884.985)	2,496.530	16.03.18
	Class 'C-H' Accumulation	18,349.434	0.000	0.000	18,349.434	16.03.18
M&G (Lux) European Strategic Value Fund						
	Euro					
	Class 'A' Accumulation	3,445,941.229	1,652,630.089	(1,635,332.350)	3,463,238.968	20.09.18
	Class 'A' Distribution ^[a]	0.000	987,671.795	(136,961.223)	850,710.572	06.12.19
	Class 'B' Accumulation ^[a]	0.000	87,633.638	(17,405.427)	70,228.211	06.12.19
	Class 'C' Accumulation	5,706,704.033	6,408,914.048	(2,393,519.655)	9,722,098.426	20.09.18
	Class 'C' Distribution ^[a]	0.000	464,082.587	0.000	464,082.587	06.12.19
	Class 'CI' Accumulation	180,720,995.502	36,757,136.541	(56,364,787.725)	161,113,344.318	20.09.18
	Class 'CI' Distribution ^[a]	0.000	5,079.504	0.000	5,079.504	06.12.19
	Class 'J' Accumulation	1,000.000	0.000	0.000	1,000.000	20.09.18
	Class 'JI' Accumulation	14,604,041.809	16,296,517.125	(3,630,518.928)	27,270,040.006	20.09.18
	US dollar					
	Class 'A' Accumulation	202,580.134	21,638.220	(131,720.112)	92,498.242	20.09.18
	Class 'C' Accumulation	8,867,651.321	137,042.000	(2,262,419.756)	6,742,273.565	20.09.18
M&G (Lux) Floating Rate High Yield Solution						
	Euro					
	Class 'A-H' Accumulation	272,014.844	195,213.401	(64,665.042)	402,563.203	24.08.17
	Class 'A-H' Distribution	6,672.912	5,632.211	(1,730.614)	10,574.509	24.08.17
	Class 'B-H' Accumulation	13,486.511	30,063.575	(3,644.774)	39,905.312	24.08.17
	Class 'B-H' Distribution	2,445.000	10,039.971	(532.506)	11,952.465	24.08.17
	Class 'C-H' Accumulation	105,204.795	62.167	(94,137.458)	11,129.504	24.08.17
	Class 'C-H' Distribution	2,435.000	0.000	0.000	2,435.000	24.08.17
	Singapore dollar					
	Class 'A-H' Distribution	2,460.000	0.000	0.000	2,460.000	24.08.17
	Class 'A-H M' Distribution	2,465.000	0.000	0.000	2,465.000	24.08.17
	Class 'C-H M' Distribution	2,470.000	0.000	0.000	2,470.000	24.08.17
	Sterling					
	Class 'C-H' Accumulation	4,393,144.326	1,476,277.538	(5,803,189.335)	66,232.529	24.08.17
	Class 'C-H' Distribution	2,455.000	0.000	0.000	2,455.000	24.08.17

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M&G (Lux) Floating Rate High Yield Solution (continued)						
	Swiss franc					
	Class 'A-H' Accumulation	2,400.000	0.000	0.000	2,400.000	24.08.17
	Class 'A-H' Distribution	2,405.000	0.000	0.000	2,405.000	24.08.17
	Class 'C-H' Accumulation	2,410.000	0.000	0.000	2,410.000	24.08.17
	Class 'C-H' Distribution	2,415.000	0.000	0.000	2,415.000	24.08.17
	US dollar					
	Class 'A' Accumulation	5,906.300	25,495.748	(20.000)	31,382.048	24.08.17
	Class 'A' Distribution	1,000.000	7,653.878	0.000	8,653.878	24.08.17
	Class 'A M' Distribution	1,000.000	5,138.981	0.000	6,138.981	24.08.17
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'C M' Distribution	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'CI' Accumulation	54,600.000	0.000	(50,000.000)	4,600.000	24.08.17
M&G (Lux) Global Convertibles Fund						
	Euro					
	Class 'A' Accumulation	7,249,628.008	450,213.418	(2,161,529.693)	5,538,311.733	09.11.18
	Class 'A' Distribution	806,972.406	98,266.926	(300,900.649)	604,338.683	09.11.18
	Class 'A-H' Accumulation	1,875,668.143	46,922.501	(786,886.910)	1,135,703.734	09.11.18
	Class 'A-H' Distribution	1,236,706.779	118,484.979	(820,931.526)	534,260.232	09.11.18
	Class 'B' Accumulation	442,305.485	202,214.958	(118,179.402)	526,341.041	09.11.18
	Class 'B' Distribution	27,530.373	8,563.236	(5,775.490)	30,318.119	09.11.18
	Class 'B-H' Accumulation	498,885.431	10,027.803	(252,698.421)	256,214.813	09.11.18
	Class 'B-H' Distribution	18,196.148	3,104.267	(4,159.428)	17,140.987	09.11.18
	Class 'C' Accumulation	12,818,952.706	380,754.408	(5,183,045.710)	8,016,661.404	09.11.18
	Class 'C' Distribution	612.941	0.000	0.000	612.941	09.11.18
	Class 'C-H' Accumulation	27,615,548.247	261,555.116	(15,596,978.090)	12,280,125.273	09.11.18
	Class 'C-H' Distribution	1,382,449.147	19.028	(557,479.551)	824,988.624	09.11.18
	Class 'CI' Accumulation	4,600.000	473,456.333	(106,461.340)	371,594.993	19.11.18
	Class 'CI-H' Accumulation	6,308,070.723	209,915.112	(6,484,496.157)	33,489.678	19.11.18
	Swiss franc					
	Class 'A-H' Accumulation	40,375.808	0.000	(880.000)	39,495.808	09.11.18
	Class 'C-H' Accumulation	722,790.952	0.000	(611,136.129)	111,654.823	09.11.18
	US dollar					
	Class 'A-H' Accumulation	1,936,197.766	54,293.173	(752,698.016)	1,237,792.923	09.11.18
	Class 'A-H' Distribution	26,701.754	857.042	(4,616.435)	22,942.361	09.11.18
	Class 'C-H' Accumulation	994,290.243	25,989.409	(306,602.343)	713,677.309	09.11.18
	Class 'C-H' Distribution	1,857.600	0.000	0.000	1,857.600	09.11.18
	Class 'CI-H' Accumulation	4,605.000	0.000	0.000	4,605.000	19.11.18
M&G (Lux) Global Corporate Bond Fund						
	Euro					
	Class 'A-H' Accumulation	51,900.013	83,990.629	(17,786.491)	118,104.151	07.12.18
	Class 'A-H' Distribution	68,682.793	63,309.340	(17,285.650)	114,706.483	07.12.18
	Class 'C-H' Accumulation	1,340,183.706	90,702.483	(184,539.003)	1,246,347.186	07.12.18
	Class 'C-H' Distribution	3,134.713	0.000	(803.552)	2,331.161	07.12.18
	Class 'CI-H' Accumulation	4,600.000	0.000	0.000	4,600.000	17.12.18
	Swiss franc					
	Class 'A-H' Accumulation	2,163.449	0.000	0.000	2,163.449	07.12.18
	Class 'C-H' Accumulation	2,106.631	0.000	0.000	2,106.631	07.12.18
	US dollar					
	Class 'A' Accumulation	39,227.569	16,064.032	(32,153.220)	23,138.381	07.12.18
	Class 'A' Distribution	1,093.807	9,958.831	(1,628.249)	9,424.389	07.12.18
	Class 'C' Accumulation	807.292	0.000	0.000	807.292	07.12.18
	Class 'C' Distribution	900.780	0.000	0.000	900.780	07.12.18
	Class 'CI' Accumulation	4,600.000	175,599.000	0.000	180,199.000	17.12.18

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M&G (Lux) Global Dividend Fund						
	Euro					
	Class 'A' Accumulation	113,667,188.655	10,884,427.373	(28,256,497.494)	96,295,118.534	20.09.18
	Class 'A' Distribution	17,739,540.041	4,261,196.182	(5,482,368.177)	16,518,368.046	20.09.18
	Class 'C' Accumulation	23,508,866.211	8,417,394.034	(11,757,482.543)	20,168,777.702	20.09.18
	Class 'C' Distribution	2,677,946.353	1,948,258.163	(814,810.634)	3,811,393.882	20.09.18
	Class 'CI' Accumulation	6,394,494.016	47,947,791.635	(11,885,333.730)	42,456,951.921	20.09.18
	Class 'CI' Distribution	31,546,811.607	2,732,298.115	(27,061,994.313)	7,217,115.409	20.09.18
	Class 'G' Accumulation	36,295,095.360	7,772,425.401	(44,065,523.460)	1,997.301	20.09.18
	Singapore dollar					
	Class 'A' Accumulation	14,879.378	0.000	0.000	14,879.378	20.09.18
	Class 'A' Distribution	2,008.546	0.000	0.000	2,008.546	20.09.18
	Class 'C' Accumulation	9,160.334	0.000	(7,149.942)	2,010.392	20.09.18
	Class 'C' Distribution	2,009.750	0.000	0.000	2,009.750	20.09.18
	Sterling					
	Class 'C' Accumulation	106,711.952	18,540.148	(48,881.203)	76,370.897	22.02.19
	Class 'C' Distribution	1,413,922.520	34,597.823	(406,502.621)	1,042,017.722	22.02.19
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	14.03.19
	Class 'CI' Distribution	4,600.000	2,672.407	0.000	7,272.407	14.03.19
	US dollar					
	Class 'A' Accumulation	15,817,180.699	1,558,846.311	(6,109,199.326)	11,266,827.684	20.09.18
	Class 'A' Distribution	720,320.092	90,597.314	(370,032.772)	440,884.634	20.09.18
	Class 'C' Accumulation	4,886,796.084	1,607,245.301	(897,174.011)	5,596,867.374	20.09.18
	Class 'C' Distribution	591,741.342	10,176.226	(104,996.000)	496,921.568	20.09.18
	Class 'CI' Accumulation	16,770.361	123,263.093	(15,620.361)	124,413.093	20.09.18
M&G (Lux) Global Emerging Markets Fund						
	Euro					
	Class 'A' Accumulation	3,303,357.572	1,659,857.803	(3,286,340.930)	1,676,874.445	26.10.18
	Class 'A' Distribution	57,311.937	6,112.449	(19,372.369)	44,052.017	26.10.18
	Class 'A-H' Accumulation	195,373.531	5,949.491	(150,462.451)	50,860.571	26.10.18
	Class 'C' Accumulation	3,837,740.410	418,840.683	(1,504,889.644)	2,751,691.449	26.10.18
	Class 'C' Distribution	75,813.247	0.000	(26,529.265)	49,283.982	26.10.18
	Class 'C-H' Accumulation	236,108.295	32,000.000	(100,879.450)	167,228.845	26.10.18
	Class 'CI' Accumulation	7,387,202.003	11,378,593.965	(5,554,104.758)	13,211,691.210	06.11.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	12.04.19
	Class 'J' Accumulation	1,025.684	0.000	0.000	1,025.684	26.10.18
	Singapore dollar					
	Class 'A' Accumulation	70,330.697	0.000	(16,746.189)	53,584.508	26.10.18
	Class 'A' Distribution	884.252	0.000	0.000	884.252	26.10.18
	Class 'C' Accumulation	817.762	0.000	0.000	817.762	26.10.18
	Class 'C' Distribution	867.536	0.000	0.000	867.536	26.10.18
	Swiss franc					
	Class 'A-H' Accumulation	140,446.879	0.000	(57,926.081)	82,520.798	26.10.18
	Class 'C-H' Accumulation	140,381.099	1,128.960	(23,557.791)	117,952.268	26.10.18
	Class 'CI-H' Accumulation	4,600.000	0.000	0.000	4,600.000	06.11.18
	US dollar					
	Class 'A' Accumulation	1,033,107.091	21,001.948	(359,514.216)	694,594.823	26.10.18
	Class 'A' Distribution	39,158.680	178.718	(18,938.821)	20,398.577	26.10.18
	Class 'C' Accumulation	6,682,199.736	3,640,012.112	(9,429,589.614)	892,622.234	26.10.18
	Class 'C' Distribution	50,793.451	1,400.000	(33,438.952)	18,754.499	26.10.18
	Class 'CI' Accumulation	4,600.000	562,855.985	(73,485.987)	493,969.998	06.11.18
	Class 'J' Accumulation	440,311.665	23,872,912.356	(957,710.505)	23,355,513.516	26.10.18

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M&G (Lux) Global Enhanced Equity Premia Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	10.12.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	10.12.19
	Class 'ZI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	10.12.19
	Singapore dollar					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Swiss franc					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	10.12.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	10.12.19
	Class 'ZI' Accumulation ^[a]	0.000	258,257.266	0.000	258,257.266	10.12.19
M&G (Lux) Global Floating Rate High Yield Fund						
	Australian dollar					
	Class 'A-H' Accumulation ^[a]	0.000	38,292.311	(21.650)	38,270.661	08.04.19
	Class 'A-H M' Distribution ^[a]	0.000	4,465.000	0.000	4,465.000	08.04.19
	Class 'C-H' Accumulation ^[a]	0.000	4,466.000	0.000	4,466.000	08.04.19
	Class 'C-H M' Distribution ^[a]	0.000	4,467.000	0.000	4,467.000	08.04.19
	Euro					
	Class 'A-H' Accumulation	107,124,884.720	4,770,000.078	(48,730,671.758)	63,164,213.040	21.09.18
	Class 'A-H' Distribution	24,192,401.411	309,367.640	(6,823,318.345)	17,678,450.706	21.09.18
	Class 'B-H' Accumulation	8,791,177.319	682,860.293	(2,415,231.115)	7,058,806.497	21.09.18
	Class 'B-H' Distribution	3,935,940.372	76,889.257	(933,149.772)	3,079,679.857	21.09.18
	Class 'C-H' Accumulation	43,510,106.252	5,215,534.928	(22,876,684.978)	25,848,956.202	21.09.18
	Class 'C-H' Distribution	7,135,762.350	319,559.612	(3,319,957.541)	4,135,364.421	21.09.18
	Class 'CI-H' Accumulation	11,843,596.273	4,587,948.581	(7,805,259.458)	8,626,285.396	21.09.18
	Hong Kong dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,479.200	0.000	2,479.200	08.04.19
	Class 'A-H M' Distribution ^[a]	0.000	2,479.300	0.000	2,479.300	08.04.19
	Class 'C-H' Accumulation ^[a]	0.000	2,479.400	0.000	2,479.400	08.04.19
	Class 'C-H M' Distribution ^[a]	0.000	2,479.500	0.000	2,479.500	08.04.19
	Singapore dollar					
	Class 'A-H' Distribution	889,220.956	0.004	(764,007.003)	125,213.957	21.09.18
	Class 'A-H M' Distribution	4,586,328.529	0.000	(3,826,128.410)	760,200.119	21.09.18
	Class 'C-H M' Distribution	233,304.270	237,515.504	(261,770.850)	209,048.924	21.09.18
	Sterling					
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'A-H' Distribution ^[a]	0.000	2,405.000	0.000	2,405.000	05.07.19
	Class 'C-H' Distribution	411,633.033	16,276.759	(184,504.380)	243,405.412	22.02.19
	Class 'CI-H' Distribution	4,605.000	0.000	0.000	4,605.000	14.03.19

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M&G (Lux) Global Floating Rate High Yield Fund (continued)						
	Swiss franc					
	Class 'A-H' Accumulation	1,570,271.391	71,211.999	(779,943.385)	861,540.005	21.09.18
	Class 'A-H' Distribution	848,041.999	4,591.873	(409,289.678)	443,344.194	21.09.18
	Class 'C-H' Accumulation	5,208,411.112	44,827.799	(2,154,516.008)	3,098,722.903	21.09.18
	Class 'C-H' Distribution	2,114,216.481	81,170.130	(929,403.916)	1,265,982.695	21.09.18
	Class 'CI-H' Accumulation	4,600.000	189,000.000	0.000	193,600.000	21.09.18
	US dollar					
	Class 'A' Accumulation	24,781,400.525	2,437,261.034	(10,333,667.159)	16,884,994.400	21.09.18
	Class 'A' Distribution	12,329,824.875	894,860.975	(6,839,464.553)	6,385,221.297	21.09.18
	Class 'A M' Distribution	13,044,437.036	108,027.590	(7,810,362.198)	5,342,102.428	21.09.18
	Class 'C' Accumulation	31,932,726.300	2,226,471.915	(15,304,158.798)	18,855,039.417	21.09.18
	Class 'C' Distribution	7,097,895.334	1,670,310.956	(2,902,555.585)	5,865,650.705	21.09.18
	Class 'C M' Distribution	1,368,958.503	115,304.065	(1,027,711.804)	456,550.764	21.09.18
	Class 'CI' Accumulation	299,070.594	194,979.976	(130,683.645)	363,366.925	21.09.18
M&G (Lux) Global High Yield Bond Fund						
	Euro					
	Class 'A-H' Accumulation	3,082,016.226	156,030.318	(678,153.293)	2,559,893.251	09.11.18
	Class 'A-H' Distribution	775,463.115	392,721.848	(338,141.483)	830,043.480	09.11.18
	Class 'B-H' Accumulation	267,933.147	50,587.902	(106,767.797)	211,753.252	09.11.18
	Class 'B-H' Distribution	170,831.742	44,601.977	(32,252.555)	183,181.164	09.11.18
	Class 'C-H' Accumulation	690,595.705	409,780.703	(182,342.903)	918,033.505	09.11.18
	Class 'C-H' Distribution	259,753.061	521,398.450	(2,917.000)	778,234.511	09.11.18
	Class 'CI-H' Accumulation	4,600.000	92,285.020	0.000	96,885.020	19.11.18
	Swiss franc					
	Class 'A-H' Accumulation	2,161.481	0.000	0.000	2,161.481	09.11.18
	Class 'C-H' Accumulation	2,123.594	0.000	0.000	2,123.594	09.11.18
	US dollar					
	Class 'A' Accumulation	170,702.721	148,078.900	(27,563.349)	291,218.272	09.11.18
	Class 'A' Distribution	66,893.208	29,828.780	(24,958.749)	71,763.239	09.11.18
	Class 'C' Accumulation	625,827.586	0.000	(3,422.761)	622,404.825	09.11.18
	Class 'C' Distribution	12,255.108	0.000	0.000	12,255.108	09.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	19.11.18
M&G (Lux) Global High Yield ESG Bond Fund						
	Euro					
	Class 'A-H' Accumulation	15,500.241	324,050.826	(36,773.121)	302,777.946	05.10.17
	Class 'A-H' Distribution	4,154.000	22,083.055	(1,065.000)	25,172.055	05.10.17
	Class 'C-H' Accumulation	2,415.000	99,262.744	(2,251.364)	99,426.380	05.10.17
	Class 'C-H' Distribution	4,410.000	0.000	0.000	4,410.000	05.10.17
	Class 'CI-H' Accumulation	4,650.000	8.610	(8.610)	4,650.000	05.10.17
	Class 'L-H' Accumulation	2,450.000	8,411.988	0.000	10,861.988	05.10.17
	Norwegian krone					
	Class 'A-H' Accumulation ^[a]	0.000	2,695.200	0.000	2,695.200	08.04.19
	Class 'CI-H' Accumulation ^[a]	0.000	5,165.800	0.000	5,165.800	08.04.19
	Sterling					
	Class 'C-H' Accumulation	2,445.000	6,085.153	(2.378)	8,527.775	05.10.17
	Class 'C-H' Distribution	9,940.000	6,250.000	(2,250.000)	13,940.000	05.10.17
	Class 'L-H' Accumulation	352,353.530	186,396.824	(536,251.875)	2,498.479	05.10.17
	Class 'L-H' Distribution	2,400.000	107,199.622	(90,505.828)	19,093.794	23.08.18
	Swedish krona					
	Class 'A-H' Accumulation ^[a]	0.000	2,918.400	0.000	2,918.400	08.04.19
	Class 'CI-H' Accumulation ^[a]	0.000	5,593.600	0.000	5,593.600	08.04.19

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M&G (Lux) Global High Yield ESG Bond Fund (continued)						
	Swiss franc					
	Class 'A-H' Accumulation	2,425.000	0.000	0.000	2,425.000	05.10.17
	Class 'A-H' Distribution	2,420.000	0.000	0.000	2,420.000	05.10.17
	Class 'C-H' Accumulation	2,435.000	0.000	0.000	2,435.000	05.10.17
	Class 'C-H' Distribution	2,430.000	0.000	0.000	2,430.000	05.10.17
	US dollar					
	Class 'A' Accumulation	1,182.199	17,603.290	(182.199)	18,603.290	05.10.17
	Class 'A' Distribution	1,000.000	9,121.699	0.000	10,121.699	05.10.17
	Class 'A M' Distribution	1,000.000	13,754.242	0.000	14,754.242	05.10.17
	Class 'C' Accumulation	45,909.000	66,625.000	(66,805.000)	45,729.000	05.10.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'CI' Accumulation	1,575,988.000	5,194,872.606	(1,580,391.000)	5,190,469.606	05.10.17
	Class 'L' Accumulation	1,000.000	43,614.000	0.000	44,614.000	05.10.17
M&G (Lux) Global Listed Infrastructure Fund						
	Euro					
	Class 'A' Accumulation	54,221.080	8,201,028.289	(1,661,334.042)	6,593,915.327	05.10.17
	Class 'A' Distribution	24,338.380	1,238,520.344	(155,230.880)	1,107,627.844	05.10.17
	Class 'C' Accumulation	393,867.305	4,744,573.267	(2,324,868.251)	2,813,572.321	05.10.17
	Class 'C' Distribution	1,000.000	1,152,558.583	(357,399.645)	796,158.938	05.10.17
	Class 'CI' Accumulation	4,600.000	3,215,425.930	(257,783.721)	2,962,242.209	05.10.17
	Class 'L' Accumulation	71,300.000	1,458,397.056	(49,159.343)	1,480,537.713	05.10.17
	Class 'ZI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	21.02.20
	Sterling					
	Class 'C' Accumulation	1,000.000	13,326.044	(1,955.000)	12,371.044	05.10.17
	Class 'C' Distribution	1,000.000	6,505.000	0.000	7,505.000	05.10.17
	Class 'L' Accumulation	1,000.000	0.000	0.000	1,000.000	22.01.18
	Swiss franc					
	Class 'A' Accumulation	1,000.000	5,591.000	0.000	6,591.000	05.10.17
	Class 'A' Distribution	1,522.000	0.000	0.000	1,522.000	05.10.17
	Class 'C' Accumulation	1,000.000	4,882.000	0.000	5,882.000	05.10.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	US dollar					
	Class 'A' Accumulation	1,123.469	350,530.853	(53,428.080)	298,226.242	05.10.17
	Class 'A' Distribution	1,000.000	11,219.397	(1,488.866)	10,730.531	05.10.17
	Class 'A M' Distribution	1,000.000	52,170.314	(7,109.511)	46,060.803	05.10.17
	Class 'C' Accumulation	1,000.000	11,083.426	0.000	12,083.426	05.10.17
	Class 'C' Distribution	1,000.000	159,220.000	(136,000.000)	24,220.000	05.10.17
	Class 'CI' Accumulation	654,600.000	727,113.952	(850,000.000)	531,713.952	05.10.17
	Class 'L' Accumulation	74,217.163	195,133.631	(5,772.034)	263,578.760	05.10.17

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M&G (Lux) Global Macro Bond Fund						
	Euro					
	Class 'A' Accumulation	14,155,313.624	1,485,595.031	(2,825,844.701)	12,815,063.954	26.10.18
	Class 'A' Distribution	3,084,611.526	1,009,830.726	(784,602.818)	3,309,839.434	26.10.18
	Class 'A-H' Accumulation	9,375,614.514	473,362.144	(7,528,274.757)	2,320,701.901	26.10.18
	Class 'A-H' Distribution	3,166,584.310	48,324.373	(2,638,824.781)	576,083.902	26.10.18
	Class 'B' Accumulation	3,752,031.699	2,059,944.930	(1,154,904.887)	4,657,071.742	26.10.18
	Class 'B' Distribution	251,209.686	375,474.163	(60,513.994)	566,169.855	26.10.18
	Class 'B-H' Accumulation	433,545.852	14,464.837	(130,624.321)	317,386.368	26.10.18
	Class 'B-H' Distribution	36,649.180	3,570.759	(9,603.202)	30,616.737	26.10.18
	Class 'C' Accumulation	3,302,701.837	9,081,579.091	(6,500,418.804)	5,883,862.124	26.10.18
	Class 'C' Distribution	179,580.017	76,795.054	(35,466.198)	220,908.873	26.10.18
	Class 'C-H' Accumulation	2,042,029.713	1,761,455.107	(2,048,459.817)	1,755,025.003	26.10.18
	Class 'C-H' Distribution	1,405,317.145	34,645.607	(144,505.570)	1,295,457.182	26.10.18
	Class 'CI' Accumulation	5,896,716.962	1,431,843.640	(166,491.467)	7,162,069.135	06.11.18
	Class 'CI-H' Accumulation	362,589.025	5,484,733.259	(560,337.753)	5,286,984.531	06.11.18
	Class 'JI-H' Accumulation ^[a]	0.000	4,610.000	0.000	4,610.000	18.10.19
	Class 'JI-H' Distribution ^[a]	0.000	4,615.000	0.000	4,615.000	18.10.19
	Singapore dollar					
	Class 'A-H' Accumulation	2,325.604	0.000	0.000	2,325.604	26.10.18
	Class 'A-H' Distribution	2,483.933	0.000	0.000	2,483.933	26.10.18
	Class 'C-H' Accumulation	2,284.953	0.000	0.000	2,284.953	26.10.18
	Class 'C-H' Distribution	2,454.415	0.000	0.000	2,454.415	26.10.18
	Sterling					
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'C-H' Distribution	464,934.488	166,340.762	(122,494.334)	508,780.916	22.02.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	05.07.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	05.07.19
	Class 'CI-H' Distribution	4,600.000	0.000	0.000	4,600.000	14.03.19
	Class 'JI-H' Distribution ^[a]	0.000	4,620.000	0.000	4,620.000	18.10.19
	Swiss franc					
	Class 'A' Accumulation	1,689.328	12,037.000	(1,110.000)	12,616.328	26.10.18
	Class 'A-H' Accumulation	9,803.028	0.000	(7,400.000)	2,403.028	26.10.18
	Class 'C' Accumulation	915,021.751	0.000	(7,171.434)	907,850.317	26.10.18
	Class 'C-H' Accumulation	38,840.108	4,600.000	(18,320.816)	25,119.292	26.10.18
	US dollar					
	Class 'A' Accumulation	3,040,562.184	275,518.070	(769,954.728)	2,546,125.526	26.10.18
	Class 'A' Distribution	28,021.430	0.000	(5,520.001)	22,501.429	26.10.18
	Class 'C' Accumulation	300,613.832	94,803.340	(199,324.780)	196,092.392	26.10.18
	Class 'C' Distribution	431,728.845	203,664.749	(168,144.142)	467,249.452	26.10.18
	Class 'CI' Accumulation	7,005.685	1,966.040	0.000	8,971.725	06.11.18
	Class 'JI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	18.10.19
	Class 'JI' Distribution ^[a]	0.000	4,605.000	0.000	4,605.000	18.10.19
M&G (Lux) Global Maxima Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	11.12.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	11.12.19
	Class 'E' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'EI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	11.12.19
	Class 'ZI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	11.12.19

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M&G (Lux) Global Maxima Fund (continued)						
	Singapore dollar					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Swiss franc					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'A' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	11.12.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	11.12.19
	Class 'E' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	11.12.19
	Class 'EI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	11.12.19
	Class 'ZI' Accumulation ^[a]	0.000	5,064,991.000	0.000	5,064,991.000	11.12.19
M&G (Lux) Global Select Fund						
	Euro					
	Class 'A' Accumulation	1,619,928.279	858,058.403	(550,845.400)	1,927,141.282	09.11.18
	Class 'A' Distribution	6,689.623	4,798.807	(1,861.952)	9,626.478	09.11.18
	Class 'B' Accumulation	30,041.042	81,058.439	(21,282.072)	89,817.409	09.11.18
	Class 'C' Accumulation	509,205.971	311,309.039	(381,179.701)	439,335.309	09.11.18
	Class 'C' Distribution	326.170	50.000	0.000	376.170	09.11.18
	Class 'CI' Accumulation	4,600.000	646,579.120	(102,409.689)	548,769.431	19.11.18
	US dollar					
	Class 'A' Accumulation	214,588.711	180,570.429	(339,147.221)	56,011.919	09.11.18
	Class 'A' Distribution	987.302	3,050.000	(561.726)	3,475.576	09.11.18
	Class 'C' Accumulation	377.821	0.000	0.000	377.821	09.11.18
	Class 'C' Distribution	396.957	0.000	0.000	396.957	09.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	19.11.18
M&G (Lux) Global Strategic Value Fund						
	Euro					
	Class 'A' Accumulation	1,000.000	107.828	(107.828)	1,000.000	18.07.18
	Class 'C' Accumulation	1,000.000	151,927.401	(24,167.891)	128,759.510	18.07.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	18.10.19
	Class 'L' Accumulation	1,000.000	0.000	0.000	1,000.000	18.07.18
	US dollar					
	Class 'A' Accumulation	1,000.000	0.000	0.000	1,000.000	18.07.18
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	18.07.18
	Class 'L' Accumulation	120,000.000	0.000	0.000	120,000.000	18.07.18
M&G (Lux) Global Target Return Fund						
	Euro					
	Class 'A' Accumulation	1,413,006.767	61,009.636	(505,415.643)	968,600.760	21.12.16
	Class 'B' Accumulation	72,822.849	4,383.643	(21,177.609)	56,028.883	21.12.16
	Class 'C' Accumulation	1,399,985.401	150,061.032	(376,518.922)	1,173,527.511	21.12.16
	Class 'CI' Accumulation	7,396,283.464	2,955,766.189	(4,067,294.853)	6,284,754.800	21.12.16
	Sterling					
	Class 'C-H' Accumulation	2,416.000	0.000	0.000	2,416.000	21.12.16

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M&G (Lux) Global Target Return Fund (continued)						
	Swiss franc					
	Class 'A-H' Accumulation	2,406.000	0.000	0.000	2,406.000	21.12.16
	Class 'C-H' Accumulation	2,410.000	0.000	0.000	2,410.000	21.12.16
	US dollar					
	Class 'A-H' Accumulation	25,546.925	0.000	(23,125.925)	2,421.000	21.12.16
	Class 'C-H' Accumulation	2,425.000	0.000	0.000	2,425.000	21.12.16
M&G (Lux) Global Themes Fund						
	Euro					
	Class 'A' Accumulation	14,647,794.961	20,019,310.003	(12,838,439.464)	21,828,665.500	19.03.19
	Class 'A' Distribution	6,620.781	74,284.397	(7,660.283)	73,244.895	19.03.19
	Class 'C' Accumulation	581,000.000	451,508.000	(243,108.000)	789,400.000	19.03.19
	Class 'C' Distribution	1,000.000	486,000.000	(486,000.000)	1,000.000	19.03.19
	Class 'CI' Accumulation ^[a]	0.000	10,160,438.732	(384,430.440)	9,776,008.292	10.05.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	10.05.19
	Swiss franc					
	Class 'A' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	10.05.19
	Class 'A' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	10.05.19
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	10.05.19
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	10.05.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	10.05.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	10.05.19
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	149,388.177	(37,152.375)	112,235.802	10.05.19
	Class 'A' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	10.05.19
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	10.05.19
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	10.05.19
	Class 'CI' Accumulation ^[a]	0.000	319,330.626	0.000	319,330.626	10.05.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	10.05.19
M&G (Lux) Income Allocation Fund						
	Euro					
	Class 'A' Accumulation	34,105,876.147	2,213,681.219	(6,879,965.433)	29,439,591.933	16.01.18
	Class 'A' Distribution	46,158,421.459	994,753.549	(5,929,545.029)	41,223,629.979	16.01.18
	Class 'A F2' Distribution	1,000.000	0.000	0.000	1,000.000	03.04.18
	Class 'A F3' Distribution	1,000.000	0.000	0.000	1,000.000	03.04.18
	Class 'A Q' Distribution	4,604,976.041	1,503,880.148	(343,433.825)	5,765,422.364	16.01.18
	Class 'B' Accumulation	1,737,731.663	678,961.576	(367,901.408)	2,048,791.831	16.01.18
	Class 'B F2' Distribution	1,000.000	0.000	0.000	1,000.000	03.04.18
	Class 'B F3' Distribution	1,000.000	0.000	0.000	1,000.000	03.04.18
	Class 'B Q' Distribution	5,198,657.985	735,553.857	(654,990.277)	5,279,221.565	16.01.18
	Class 'C' Accumulation	24,880,122.405	1,585,703.345	(4,753,917.277)	21,711,908.473	16.01.18
	Class 'C' Distribution	11,870,951.276	4,921,158.436	(3,175,405.458)	13,616,704.254	16.01.18
	Class 'C Q' Distribution	3,539.670	0.000	0.000	3,539.670	16.01.18
	Class 'CI' Accumulation	1,951,291.483	9,134,338.424	(3,558,477.741)	7,527,152.166	16.01.18
	Class 'ZI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	13.12.19
	Class 'ZI' Distribution	1,487,676.000	2,553,048.000	(149,330.000)	3,891,394.000	08.05.18
	Singapore dollar					
	Class 'A-H' Accumulation	5,052.303	0.000	0.000	5,052.303	16.01.18
	Class 'A-H' Distribution	5,057.704	0.000	0.000	5,057.704	16.01.18
	Class 'C-H' Accumulation	5,059.542	0.000	0.000	5,059.542	16.01.18
	Class 'C-H' Distribution	5,066.399	0.000	0.000	5,066.399	16.01.18
	Swiss franc					
	Class 'A-H' Accumulation	45,069.477	13,048.097	(2,952.997)	55,164.577	16.01.18
	Class 'C-H' Accumulation	24,076.925	0.000	0.000	24,076.925	16.01.18

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M&G (Lux) Income Allocation Fund (continued)						
	US dollar					
	Class 'A-H' Accumulation	535,757.372	110,453.873	(281,641.513)	364,569.732	16.01.18
	Class 'A-H' Distribution	118,307.219	48,057.607	(39,876.419)	126,488.407	16.01.18
	Class 'C-H' Accumulation	5,027.145	1,206.655	(1,206.655)	5,027.145	16.01.18
	Class 'C-H' Distribution	5,033.788	3,530.000	(200.000)	8,363.788	16.01.18
M&G (Lux) Japan Fund						
	Euro					
	Class 'A' Accumulation	2,071,292.674	124,611.305	(943,876.046)	1,252,027.933	26.10.18
	Class 'A-H' Accumulation	2,400.000	0.000	0.000	2,400.000	06.11.18
	Class 'C' Accumulation	4,788,949.146	824,176.234	(2,138,725.263)	3,474,400.117	26.10.18
	Class 'C-H' Accumulation	2,405.000	15,574.707	0.000	17,979.707	06.11.18
	Class 'CI' Accumulation	384,825.325	355,451.205	(156,205.471)	584,071.059	06.11.18
	Japanese yen					
	Class 'A' Accumulation	1,300.000	0.000	0.000	1,300.000	06.11.18
	Class 'C' Accumulation	1,300.000	0.000	0.000	1,300.000	06.11.18
	Class 'CI' Accumulation ^[a]	0.000	6,440.000	0.000	6,440.000	28.05.19
	Class 'CI' Distribution ^[a]	0.000	6,440.050	0.000	6,440.050	28.05.19
	Sterling					
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	05.07.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	05.07.19
	Swiss franc					
	Class 'A-H' Accumulation	2,420.000	0.000	0.000	2,420.000	06.11.18
	Class 'C-H' Accumulation	2,425.000	0.000	0.000	2,425.000	06.11.18
	US dollar					
	Class 'A' Accumulation	31,442.525	4,588.000	(8,552.584)	27,477.941	26.10.18
	Class 'A-H' Accumulation	2,410.000	0.000	0.000	2,410.000	06.11.18
	Class 'C' Accumulation	94,919.587	6,265.013	(74,637.477)	26,547.123	26.10.18
	Class 'C-H' Accumulation	2,415.000	0.000	0.000	2,415.000	06.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	06.11.18
M&G (Lux) Japan Smaller Companies Fund						
	Euro					
	Class 'A' Accumulation	1,449,128.407	89,053.690	(671,080.646)	867,101.451	26.10.18
	Class 'A-H' Accumulation	2,400.000	26,445.893	(26,445.893)	2,400.000	06.11.18
	Class 'C' Accumulation	1,021,298.457	49,362.643	(991,999.281)	78,661.819	26.10.18
	Class 'C-H' Accumulation	2,405.000	0.000	0.000	2,405.000	06.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	06.11.18
	Japanese yen					
	Class 'A' Accumulation	1,300.000	0.000	0.000	1,300.000	06.11.18
	Class 'C' Accumulation	1,300.000	0.000	0.000	1,300.000	06.11.18
	Class 'CI' Accumulation ^[a]	0.000	6,440.100	0.000	6,440.100	28.05.19
	Class 'CI' Distribution ^[a]	0.000	6,440.150	0.000	6,440.150	28.05.19
	Swiss franc					
	Class 'A-H' Accumulation	2,420.000	0.000	0.000	2,420.000	06.11.18
	Class 'C-H' Accumulation	2,425.000	0.000	0.000	2,425.000	06.11.18
	US dollar					
	Class 'A' Accumulation	4,369,511.486	1,484.984	(4,359,271.248)	11,725.222	26.10.18
	Class 'A-H' Accumulation	2,410.000	0.000	0.000	2,410.000	06.11.18
	Class 'C' Accumulation	38,795.808	0.000	(38,100.000)	695.808	26.10.18
	Class 'C-H' Accumulation	2,415.000	0.000	0.000	2,415.000	06.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	06.11.18

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For the period/year to 31 March 2020	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Multi Asset 2023 Fund						
	Euro					
	Class 'P' Accumulation	3,792,455.193	0.000	(239,307.876)	3,553,147.317	14.12.17
	Class 'P' Distribution	12,360,005.851	0.000	(831,610.805)	11,528,395.046	14.12.17
M&G (Lux) North American Dividend Fund						
	Euro					
	Class 'A' Accumulation	1,449,845.193	577,087.507	(619,997.183)	1,406,935.517	09.11.18
	Class 'A' Distribution	49,432.222	100,853.888	(54,596.638)	95,689.472	09.11.18
	Class 'A-H' Accumulation	301,779.401	90,983.123	(115,969.713)	276,792.811	09.11.18
	Class 'C' Accumulation	331,474.346	11,202.112	(111,683.267)	230,993.191	09.11.18
	Class 'C' Distribution	430.558	62,130.000	(62,130.000)	430.558	09.11.18
	Class 'C-H' Accumulation	547,833.432	18,300.573	0.000	566,134.005	09.11.18
	Class 'CI' Accumulation	4,600.000	399,284.993	0.000	403,884.993	19.11.18
	Sterling					
	Class 'C' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'C' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'CI' Accumulation ^[a]	0.000	14,688.770	0.000	14,688.770	05.07.19
	Class 'CI' Distribution ^[a]	0.000	196,047.073	(1,000.530)	195,046.543	05.07.19
	US dollar					
	Class 'A' Accumulation	1,642,509.076	1,409,256.582	(1,448,307.633)	1,603,458.025	09.11.18
	Class 'A' Distribution	49,601.418	119,838.571	(37,794.763)	131,645.226	09.11.18
	Class 'C' Accumulation	1,428,621.035	492,161.236	(648,167.889)	1,272,614.382	09.11.18
	Class 'C' Distribution	153,111.750	409,076.285	(359,927.068)	202,260.967	09.11.18
	Class 'CI' Accumulation	4,600.000	1,084,885.384	(1,888.163)	1,087,597.221	19.11.18
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	21.02.20
M&G (Lux) North American Value Fund						
	Euro					
	Class 'A' Accumulation	7,347,055.459	1,226,374.363	(6,873,872.590)	1,699,557.232	09.11.18
	Class 'A-H' Accumulation	4,600.000	9,599.154	(1,342.787)	12,856.367	19.11.18
	Class 'C' Accumulation	4,563,580.079	1,149,074.792	(3,306,264.283)	2,406,390.588	09.11.18
	Class 'C-H' Accumulation	2,410.000	1,049,203.155	(252,966.736)	798,646.419	26.02.19
	Class 'CI' Accumulation	4,600.000	8,263,395.492	(579,552.311)	7,688,443.181	19.11.18
	Singapore dollar					
	Class 'A-H' Accumulation	2,415.000	0.000	0.000	2,415.000	26.02.19
	Class 'C-H' Accumulation	2,420.000	0.000	0.000	2,420.000	26.02.19
	Sterling					
	Class 'C-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	05.07.19
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	26.02.19
	Swiss franc					
	Class 'A-H' Accumulation	2,400.000	0.000	0.000	2,400.000	26.02.19
	Class 'C-H' Accumulation	2,405.000	0.000	0.000	2,405.000	26.02.19
	US dollar					
	Class 'A' Accumulation	1,016,951.798	473,094.416	(380,336.950)	1,109,709.264	09.11.18
	Class 'C' Accumulation	5,287,732.488	1,402,150.832	(4,099,400.069)	2,590,483.251	09.11.18
	Class 'CI' Accumulation	58,017.000	566,827.806	(205,845.771)	418,999.035	19.11.18
M&G (Lux) Optimal Income Fund						
	Australian dollar					
	Class 'A-H' Accumulation ^[a]	0.000	321,981.015	(804.683)	321,176.332	26.04.19
	Class 'A-H M' Distribution ^[a]	0.000	4,465.000	0.000	4,465.000	26.04.19
	Class 'C-H' Accumulation ^[a]	0.000	4,466.000	0.000	4,466.000	26.04.19
	Class 'C-H M' Distribution ^[a]	0.000	4,467.000	0.000	4,467.000	26.04.19

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M&G (Lux) Optimal Income Fund (continued)						
	Euro					
	Class 'A' Accumulation	1,064,022,285.532	77,183,693.986	(221,583,476.077)	919,622,503.441	07.09.18
	Class 'A' Distribution	131,750,752.627	3,953,587.833	(15,324,444.048)	120,379,896.412	07.09.18
	Class 'B' Accumulation	30,693,555.197	3,086,638.315	(4,573,772.404)	29,206,421.108	07.09.18
	Class 'B' Distribution	9,605,590.967	377,516.511	(1,900,247.207)	8,082,860.271	07.09.18
	Class 'C' Accumulation	301,226,796.627	43,099,837.666	(152,712,917.086)	191,613,717.207	07.09.18
	Class 'C' Distribution	16,154,411.673	2,960,762.696	(4,502,930.763)	14,612,243.606	07.09.18
	Class 'CI' Accumulation	2,020,339.817	15,018,422.158	(4,177,551.872)	12,861,210.103	07.09.18
	Class 'CI' Distribution	4,600.000	1,940,000.000	0.000	1,944,600.000	17.12.18
	Class 'J' Accumulation	24,888,486.653	8,035,707.003	(23,534,092.516)	9,390,101.140	07.09.18
	Class 'J' Distribution ^[a]	0.000	125,599.529	(12,333.396)	113,266.133	28.05.19
	Class 'JI' Accumulation	63,954,522.657	72,298,079.704	(53,361,959.440)	82,890,642.921	05.10.18
	Class 'JI' Distribution ^[a]	0.000	194,863.553	(1,558.300)	193,305.253	28.05.19
	Hong Kong dollar					
	Class 'A-H' Accumulation ^[a]	0.000	159,491.556	(78,507.000)	80,984.556	26.04.19
	Class 'A-H M' Distribution ^[a]	0.000	2,479.300	0.000	2,479.300	26.04.19
	Class 'C-H' Accumulation ^[a]	0.000	2,479.400	0.000	2,479.400	26.04.19
	Class 'C-H M' Distribution ^[a]	0.000	2,479.500	0.000	2,479.500	26.04.19
	Singapore dollar					
	Class 'A-H' Accumulation	1,993,238.189	65,804.175	(329,556.953)	1,729,485.411	07.09.18
	Class 'A-H M' Distribution	4,644,227.551	192,443.085	(2,008,858.549)	2,827,812.087	07.09.18
	Class 'C-H' Accumulation	398,401.810	288,483.788	(544,169.188)	142,716.410	07.09.18
	Class 'J-H' Accumulation ^[a]	0.000	83,906.766	0.000	83,906.766	28.05.19
	Class 'J-H M' Distribution ^[a]	0.000	255,059.160	0.000	255,059.160	28.05.19
	Class 'JI-H' Accumulation ^[a]	0.000	20,503.529	0.000	20,503.529	05.07.19
	Class 'JI-H M' Distribution ^[a]	0.000	8,004.000	0.000	8,004.000	05.07.19
	Sterling					
	Class 'A-H' Accumulation ^[a]	0.000	53,867.767	0.000	53,867.767	05.07.19
	Class 'A-H' Distribution ^[a]	0.000	27,827.573	0.000	27,827.573	05.07.19
	Class 'C-H' Accumulation	2,400.000	2,403,961.877	(193,640.697)	2,212,721.180	14.03.19
	Class 'C-H' Distribution	10,688,792.453	815,653.100	(1,928,432.035)	9,576,013.518	22.02.19
	Class 'CI-H' Distribution ^[a]	0.000	40,900.000	0.000	40,900.000	29.03.19
	Class 'J-H' Accumulation ^[a]	0.000	19,625.522	0.000	19,625.522	28.05.19
	Class 'J-H' Distribution ^[a]	0.000	2,410.000	0.000	2,410.000	28.05.19
	Class 'JI-H' Accumulation ^[a]	0.000	4,610.000	0.000	4,610.000	28.05.19
	Class 'JI-H' Distribution ^[a]	0.000	325,192.982	(4,650.920)	320,542.062	28.05.19
	Swiss franc					
	Class 'A-H' Accumulation	6,159,262.860	921,995.795	(2,007,341.018)	5,073,917.637	07.09.18
	Class 'A-H' Distribution	878,685.772	121,467.048	(164,458.401)	835,694.419	07.09.18
	Class 'C-H' Accumulation	13,340,894.846	583,159.888	(6,323,914.002)	7,600,140.732	07.09.18
	Class 'C-H' Distribution	2,652,209.211	162,568.307	(1,864,191.157)	950,586.361	07.09.18
	Class 'CI-H' Accumulation	4,600.000	11,365.000	0.000	15,965.000	07.09.18
	Class 'J-H' Accumulation	186,374.503	3,683,681.700	(290,236.597)	3,579,819.606	07.09.18
	Class 'J-H' Distribution ^[a]	0.000	1,322,865.282	(120,780.878)	1,202,084.404	15.10.19

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M&G (Lux) Optimal Income Fund (continued)						
	US dollar					
	Class 'A-H' Accumulation	172,677,719.824	109,004,352.040	(176,125,302.888)	105,556,768.976	07.09.18
	Class 'A-H' Distribution	8,401,974.747	1,191,889.421	(2,724,539.997)	6,869,324.171	07.09.18
	Class 'A-H M' Distribution	14,337,225.414	7,714,557.284	(14,331,855.482)	7,719,927.216	07.09.18
	Class 'C-H' Accumulation	40,535,380.506	46,494,008.092	(34,484,603.537)	52,544,785.061	07.09.18
	Class 'C-H' Distribution	12,465,869.254	2,965,651.388	(5,155,337.330)	10,276,183.312	07.09.18
	Class 'CI-H' Accumulation	80,268.385	236,578.623	(87,988.357)	228,858.651	07.09.18
	Class 'CI-H' Distribution	767,813.191	409,400.345	(218,640.073)	958,573.463	21.01.19
	Class 'J-H' Accumulation	555,685.928	3,244,805.188	(914,749.949)	2,885,741.167	07.09.18
	Class 'J-H' Distribution	122,648.247	1,199,196.052	(242,528.824)	1,079,315.475	07.09.18
	Class 'J-H M' Distribution ^[a]	0.000	290,811.837	(10,115.984)	280,695.853	28.05.19
	Class 'JI-H' Accumulation	35,891.935	540,783.406	(63,632.514)	513,042.827	05.11.18
	Class 'JI-H' Distribution ^[a]	0.000	4,605.000	0.000	4,605.000	28.05.19
	Class 'JI-H M' Distribution ^[a]	0.000	175,553.867	(4,390.000)	171,163.867	28.05.19
M&G (Lux) Pan European Dividend Fund						
	Euro					
	Class 'A' Accumulation ^[b]	645,351.724	12,859.736	(658,211.460)	0.000	07.12.18
	Class 'A' Distribution ^[b]	943,441.485	59,687.730	(1,003,129.215)	0.000	07.12.18
	Class 'B' Accumulation ^[b]	54,373.979	6,372.380	(60,746.359)	0.000	07.12.18
	Class 'B' Distribution ^[b]	46,632.915	11,825.730	(58,458.645)	0.000	07.12.18
	Class 'C' Accumulation ^[b]	3,617,422.145	220,522.920	(3,837,945.065)	0.000	07.12.18
	Class 'C' Distribution ^[b]	304,142.940	0.000	(304,142.940)	0.000	07.12.18
	Class 'CI' Accumulation ^[b]	128,772.754	23,895.727	(152,668.481)	0.000	17.12.18
	Class 'CI' Distribution ^[b]	1,207,182.009	0.000	(1,207,182.009)	0.000	17.12.18
	US dollar					
	Class 'A' Accumulation ^[b]	22,770.562	0.000	(22,770.562)	0.000	07.12.18
	Class 'A' Distribution ^[b]	12,081.924	826.500	(12,908.424)	0.000	07.12.18
	Class 'C' Accumulation ^[b]	835.695	0.010	(835.705)	0.000	07.12.18
	Class 'C' Distribution ^[b]	980.133	0.010	(980.143)	0.000	07.12.18
M&G (Lux) Pan European Select Fund						
	Euro					
	Class 'A' Accumulation	5,214,903.273	363,169.875	(538,966.941)	5,039,106.207	09.11.18
	Class 'B' Accumulation	59,023.685	22,859.751	(35,040.222)	46,843.214	09.11.18
	Class 'C' Accumulation	702,750.910	393,517.744	(532,580.490)	563,688.164	09.11.18
	Class 'CI' Accumulation	4,600.000	1,166,103.767	(483,409.484)	687,294.283	19.11.18
	US dollar					
	Class 'A' Accumulation	45,404.004	1,666.987	(11,524.582)	35,546.409	09.11.18
	Class 'C' Accumulation	3,894.633	0.000	(594.395)	3,300.238	09.11.18
M&G (Lux) Positive Impact Fund						
	Euro					
	Class 'A' Accumulation	2,784.829	689,216.353	(36,459.076)	655,542.106	29.11.18
	Class 'A' Distribution	1,000.000	41,195.265	(1,302.720)	40,892.545	29.11.18
	Class 'C' Accumulation	1,000.000	49,820.922	(3,824.874)	46,996.048	29.11.18
	Class 'C' Distribution	1,000.000	51,212.000	(4,712.000)	47,500.000	29.11.18
	Class 'CI' Accumulation	28,900.000	115,577.000	(108,677.000)	35,800.000	29.11.18
	Class 'L' Accumulation	1,000.000	2,132,107.000	(946,780.000)	1,186,327.000	29.11.18
	Class 'LI' Accumulation	4,600.000	327,556.213	(81,000.000)	251,156.213	29.11.18
	Sterling					
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	29.11.18
	Class 'L' Accumulation	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'LI' Accumulation	4,600.000	0.000	0.000	4,600.000	29.11.18

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M&G (Lux) Positive Impact Fund (continued)						
	Swiss franc					
	Class 'A' Accumulation	1,000.000	25,000.000	(25,000.000)	1,000.000	29.11.18
	Class 'A' Distribution	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	29.11.18
	Class 'L' Accumulation	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'LI' Accumulation	4,600.000	0.000	0.000	4,600.000	29.11.18
	US dollar					
	Class 'A' Accumulation	1,000.000	11,159.264	(1.263)	12,158.001	29.11.18
	Class 'A' Distribution	1,000.000	1,763.062	0.000	2,763.062	29.11.18
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	29.11.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	29.11.18
	Class 'L' Accumulation	1,000.000	12,380.000	(4,663.000)	8,717.000	29.11.18
	Class 'LI' Accumulation	1,274,600.000	3,242,273.304	0.000	4,516,873.304	29.11.18
M&G (Lux) Short Dated Corporate Bond Fund						
	Euro					
	Class 'A' Accumulation	4,306,612.927	1,374,339.924	(1,874,879.540)	3,806,073.311	26.10.18
	Class 'A' Distribution	532,985.623	66,753.392	(99,693.286)	500,045.729	26.10.18
	Class 'C' Accumulation	123,577.601	980,000.000	(300,017.604)	803,559.997	26.10.18
	Class 'C' Distribution	5,802.945	0.000	0.000	5,802.945	26.10.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	06.11.18
	Swiss franc					
	Class 'A-H' Accumulation	2,336.176	0.000	0.000	2,336.176	26.10.18
	Class 'C-H' Accumulation	2,275.896	0.000	0.000	2,275.896	26.10.18
	US dollar					
	Class 'A-H' Accumulation	425,785.050	523,412.976	(832,305.976)	116,892.050	26.10.18
	Class 'A-H' Distribution	45,635.855	973.687	(3,465.076)	43,144.466	26.10.18
	Class 'C-H' Accumulation	2,105.374	0.000	0.000	2,105.374	26.10.18
	Class 'C-H' Distribution	13,338.962	0.000	0.000	13,338.962	26.10.18
M&G (Lux) Sustainable Allocation Fund						
	Euro					
	Class 'A' Accumulation	1,000.000	665,775.188	(57,841.856)	608,933.332	04.12.18
	Class 'A' Distribution	1,000.000	252,186.053	(9,223.894)	243,962.159	04.12.18
	Class 'B' Accumulation	1,000.000	159,094.535	(11,057.839)	149,036.696	04.12.18
	Class 'B' Distribution	1,000.000	22,319.932	0.000	23,319.932	04.12.18
	Class 'C' Accumulation	1,000.000	278,081.841	(235,074.813)	44,007.028	04.12.18
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	04.12.18
	Class 'CI' Accumulation	869,040.603	0.000	0.000	869,040.603	04.12.18
	Class 'CI' Distribution	4,600.000	0.000	0.000	4,600.000	04.12.18
	Class 'K' Accumulation	1,130,000.000	0.010	(1,130,000.010)	0.000	29.11.18
	Class 'L' Accumulation	3,552.996	413,817.731	(148,288.397)	269,082.330	04.12.18
	Class 'LI' Accumulation	4,600.000	1,136,561.437	0.000	1,141,161.437	04.12.18
	Class 'Z' Accumulation	1,000.000	0.000	0.000	1,000.000	04.12.18
	Class 'ZI' Accumulation	4,600.000	0.000	0.000	4,600.000	04.12.18
	Singapore dollar					
	Class 'A-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'A-H' Distribution	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'C-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'C-H' Distribution	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'L-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18

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M&G (Lux) Sustainable Allocation Fund (continued)						
	Sterling					
	Class 'C-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'L-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18
	Swiss franc					
	Class 'A-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'A-H' Distribution	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'C-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'C-H' Distribution	2,400.000	0.000	0.000	2,400.000	04.12.18
	US dollar					
	Class 'A-H' Accumulation	2,400.000	19,093.710	(4,929.459)	16,564.251	04.12.18
	Class 'A-H' Distribution	2,400.000	20,237.546	(999.225)	21,638.321	04.12.18
	Class 'C-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'C-H' Distribution	2,400.000	0.000	0.000	2,400.000	04.12.18
	Class 'CI-H' Accumulation	4,600.000	0.000	0.000	4,600.000	04.12.18
	Class 'L-H' Accumulation	2,400.000	0.000	0.000	2,400.000	04.12.18

[a] Share class launched during the period.

[b] For the period from 1 April 2019 until 6 December 2019 (merger date of the sub-fund into M&G (Lux) European Strategic Value Fund).

M&G (Lux) Investment Funds 1

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1 Basis of preparation

These financial statements have been prepared and presented in accordance with generally accepted accounting principles in Luxembourg and with the legal and regulatory requirements relating to the preparation and presentation of the financial statements as prescribed by the Luxembourg authorities for Luxembourg investment funds including the following significant accounting policies.

2 Summary of significant accounting policies

a) Base currency

The combined financial statements of the Company are expressed in euros, at the exchange rate at 31 March 2020, the base currency of M&G (Lux) Investment Funds 1. The financial statements of each sub-fund are expressed in the sub-funds' base currency.

b) Exchange rates

Transactions in currencies other than each sub-fund's base currency are translated at the rate of exchange ruling on the date of the transaction. Assets and liabilities are translated into each sub-fund's base currency at the rate of exchange ruling at the sub-fund's valuation point on 31 March 2020 being the last business day of the accounting period:

- 1 Euro € = 1.798226781 Australian Dollar (AU\$)
- 1 Euro € = 7.78328974 Chinese Renminbi (CNH)
- 1 Euro € = 8.487935299 Hong Kong Dollar (HK\$)
- 1 Euro € = 118.9390464 Japanese yen (¥)
- 1 Euro € = 11.47151145 Norwegian Krone (NOK)
- 1 Euro € = 1.560818379 Singapore dollar (SG\$)
- 1 Euro € = 11.08875184 Swedish Krona (SEK)
- 1 Euro € = 1.057187308 Swiss franc (CHF)
- 1 Euro € = 0.885765525 UK sterling (£)
- 1 Euro € = 1.094850153 US dollar (US\$)

c) Investments - recognition and valuation

All investments are initially recognised at the transaction price net of direct transaction costs (excluding accrued interest).

Realised gains and losses on sales of investments are determined on the basis of the average cost method where applicable. Investment cost is adjusted by the amortisation of premiums and accretion of discounts on a straight line basis. It includes the net amount received, excluding any interest treated as income, from derivative instruments.

Unrealised gains or losses on investments are determined by reference to the opening and closing valuation of investments and includes surpluses or deficits arising from unsettled derivative contracts.

At the end of the reporting period all investments have been valued using the prices and the portfolio holdings determined on 31 March 2020, at the last valuation point of the accounting period.

The methods of determining value for the principal classes of investment are:

- Equities and debt securities which are traded on an active market are included at the mid price (the mid point between the quoted bid and offer prices), excluding any accrued interest in respect of bonds.
 - Collective investment schemes are included at either the mid of their cancellation and creation prices for dual priced sub-funds or their single price for single priced sub-funds.
 - Other equities and debt securities which are unquoted or not actively traded on a quoted market are included at a value estimated by the Administrator and under policies and procedures approved and overseen by the Board of Directors using an appropriate valuation technique, excluding any accrued interest in respect of bonds.
 - Exchange traded futures and options are included at either their single price or, if separate buying and selling prices are quoted, the average of the two prices.
 - Over the counter equity options, credit default swaps, interest rate swaps, asset swaps and inflation swaps are included at a value provided by Markit Valuations Limited, an independent credit derivative price provider. Their value excludes any accrued interest in respect of derivatives where the interest is income in nature.
 - Forward currency contracts, for share class hedging and investment, are included at a value determined by reference to current forward exchange rates for contracts with similar maturity profiles.
 - Cash and amounts held in current, deposit, and margin accounts and in other time-related deposits shall be valued at their nominal value.
 - Bank of America Merrill Lynch (the futures clearing house) permit overdrawn currency positions as long as the net position is in credit.
- ##### d) Recognition of income and expenses
- Dividends and any withholding tax, including ordinary stock dividends and special dividends, from equity investments are recognised when the security is quoted ex-dividend.
 - Distributions from collective investment schemes, including any equalisation, are recognised when the scheme is priced ex-distribution.
 - Interest income from debt securities is recognised daily on an accruals basis and includes the amortisation of premiums and accretion of discounts on a straight line basis.
 - Income from derivatives is recognised on an accruals basis.

M&G (Lux) Investment Funds 1

Financial statements and notes

Notes to the financial statements

2 Summary of significant accounting policies (continued)

d) Recognition of income and expenses (continued)

- Fixed deposit, money market deposit and bank interest is recognised daily on an accruals basis.
- Underwriting commission is recognised when the issue takes place.
- Fee rebates from investing in other collective investment schemes are recognised on an accruals basis.
- Expenses are recognised on an accruals basis.
- Luxembourg subscription tax (taxe d'abonnement) is recognised daily on an accruals basis.

e) Allocation of returns to share classes

The annual management charge, taxe d'abonnement, any share class hedging returns and associated share class hedging charges are directly attributable to individual share classes. All other returns are apportioned to each sub-fund's share classes pro-rata to the value of the net assets of the relevant share class on the day that the income or expenses are recognised.

The Company operates income equalisation arrangements with a view to ensuring that the level of income accrued within a sub-fund is not affected by the issue, conversion or redemption of sub-fund shares during an accounting period.

The Directors operate a policy of "swing pricing" where a swing price adjustment may be added to the net asset value per share to determine the price at which shares may be issued or redeemed. The swing price adjustment protects existing shareholders from the dilutive effect of direct and indirect portfolio dealing costs incurred when investments are bought or sold in response to net flows of money into or out of the sub-funds from investors buying and selling shares in the sub-funds.

3 Distribution policy

Distribution shares may pay distributions to Shareholders, whereas Accumulation shares will instead accumulate all earnings pertaining to the relevant share class for the benefit of the Accumulation Shareholders. Distribution payments are made in the relevant share class currency.

The Directors will exercise their discretion to determine whether or not to declare a distribution in respect of Distribution shares. Distributions may be paid out of investment income, capital gains or capital at the discretion of the Directors. Distributions and their frequency are included in the Financial highlights section for each sub-fund.

Unless detailed below, the distribution policy for all sub-funds and distribution share classes is to distribute all investment income gross of expenses.

The following distribution share classes distribute an amount or fixed percentage of the Net Asset Value per Share as disclosed below. Where the amount of investment income earned is not sufficient to meet this fixed amount or fixed percentage, a fixed Distribution Share Class may be required to make a payment out of capital. The Directors will periodically review fixed Distribution Share Classes policies and reserve the right to make changes to the distribution rate in cases where maintaining it may adversely impact the respective sub-funds or the Shareholders.

M&G (Lux) Dynamic Allocation Fund US dollar A-H M F4

M&G (Lux) Income Allocation Fund Euro A F2

M&G (Lux) Income Allocation Fund Euro A F3

M&G (Lux) Income Allocation Fund Euro B F2

M&G (Lux) Income Allocation Fund Euro B F3

M&G (Lux) Multi Asset 2023 Fund Euro P

In order to conduct a controlled dividend flow to shareholders, the below sub-funds interim distributions will be at the sub-fund manager's discretion, up to the maximum of the distributable income available for the period.

M&G (Lux) Emerging Markets Income Opportunities Fund

M&G (Lux) Global Dividend Fund

M&G (Lux) Global Listed Infrastructure Fund

M&G (Lux) Income Allocation Fund

M&G (Lux) North American Dividend Fund

M&G (Lux) Pan European Dividend Fund (until its merger)

4 Transaction costs

Direct portfolio transaction costs include broker execution commission and taxes and are incremental costs that are directly attributable to the transaction. Indirect portfolio transaction costs represent the difference between the buying and selling prices of the sub-fund's investments (portfolio dealing spread); some types of investment, such as fixed interest securities, have no direct transaction costs and only the portfolio dealing spread is paid. Transaction fees are included in the trade proceed amounts.

M&G (Lux) Investment Funds 1

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Notes to the financial statements

4 Transaction costs (continued)

Direct portfolio transaction costs	For the period/year ended 31 March 2020
M&G (Lux) Absolute Return Bond Fund	€3491.23
M&G (Lux) Asian Fund	US\$230623.62
M&G (Lux) Conservative Allocation Fund	€841891.61
M&G (Lux) Dynamic Allocation Fund	€2898010.15
M&G (Lux) Emerging Markets Bond Fund	US\$88.33
M&G (Lux) Emerging Markets Corporate ESG Bond Fund [a]	US\$0.00
M&G (Lux) Emerging Markets Hard Currency Bond Fund	US\$0.00
M&G (Lux) Emerging Markets Income Opportunities Fund	US\$12787.9
M&G (Lux) Episode Macro Fund	US\$412210.97
M&G (Lux) Euro Corporate Bond Fund	€10097.4
M&G (Lux) European Inflation Linked Corporate Bond Fund	€2007.23
M&G (Lux) European Strategic Value Fund	€1877978.09
M&G (Lux) Floating Rate High Yield Solution	US\$0.00
M&G (Lux) Global Convertibles Fund	US\$12924.55
M&G (Lux) Global Corporate Bond Fund	US\$492.32
M&G (Lux) Global Dividend Fund	US\$1884985.89
M&G (Lux) Global Emerging Markets Fund	US\$915095.56
M&G (Lux) Global Enhanced Equity Premia Fund [b]	US\$2906.35
M&G (Lux) Global Floating Rate High Yield Fund	US\$0.02
M&G (Lux) Global High Yield Bond Fund	US\$179.04
M&G (Lux) Global High Yield ESG Bond Fund	US\$0.00
M&G (Lux) Global Listed Infrastructure Fund	US\$283016.21
M&G (Lux) Global Macro Bond Fund	US\$35755.2
M&G (Lux) Global Maxima Fund [c]	US\$86332.68
M&G (Lux) Global Select Fund	US\$30949.22
M&G (Lux) Global Strategic Value Fund	US\$3086.21
M&G (Lux) Global Target Return Fund	€21013.55
M&G (Lux) Global Themes Fund	US\$276885.23
M&G (Lux) Income Allocation Fund	€273238.75
M&G (Lux) Japan Fund	¥15576781
M&G (Lux) Japan Smaller Companies Fund	¥7512872
M&G (Lux) Multi Asset 2023 Fund	€0.00
M&G (Lux) North American Dividend Fund	US\$64665.04
M&G (Lux) North American Value Fund	US\$97647.07
M&G (Lux) Optimal Income Fund	€2122112.36
M&G (Lux) Pan European Dividend Fund [d]	€185339.45
M&G (Lux) Pan European Select Fund	€42256.55
M&G (Lux) Positive Impact Fund	US\$69900.61
M&G (Lux) Short Dated Corporate Bond Fund	€27.29
M&G (Lux) Sustainable Allocation Fund	€13995.14

[a] For the period from 25 July 2019 (the launch date of the sub-fund) to 31 March 2020.

[b] For the period from 10 December 2019 (the launch date of the sub-fund) to 31 March 2020.

[c] For the period from 11 December 2019 (the launch date of the sub-fund) to 31 March 2020.

[d] For the period from 1 April 2019 until 6 December 2019 (merger date of the sub-fund into M&G (Lux) European Strategic Value Fund).

5 Operating charges

Operating charges included in the Total Expense Ratio (TER) calculation include payments made to M&G and to providers independent of M&G:

- **Investment management:** Charge paid to M&G for investment management of the sub-fund (also known as Annual Management Charge).
- **Performance fee:** Performance fee paid based on performance of the applicable share class.

- **Administration:** Charge paid to M&G for administration services in addition to investment management – any surplus from this charge will be retained by M&G.
- **Share class hedging:** Charge paid to M&G for currency hedging services to minimise exchange rate risk for the share class.
- **Oversight and other independent services:** Charges paid to providers independent of M&G for services which include depositary, custody and audit.
- **Taxation in Luxembourg:** Under current legislation, investors that are not resident in Luxembourg are not subject to capital gains or income tax, unless they have a permanent establishment in Luxembourg to which the share capital of the Company is allocated. Retail share classes of the Company are subject to a tax ('taxe d'abonnement') of 0.05% per annum and institutional share classes of 0.01%.

The operating charges paid by each share class of the sub-funds are shown in the Total Expense Ratio (TER) tables. Operating charges do not include portfolio transaction costs or any entry and exit charges also known as initial and redemption charges). The charging structures of the share classes may differ, and therefore the operating charges may differ. For each sub-fund there is no difference between operating charges and TER figures, unless disclosed under the specific TER table.

For M&G (Lux) Episode Macro Fund, the operating charges and performance fees are paid by the applicable share class. The charges do not include portfolio transaction costs or any entry and exit charges (also known as initial and redemption charges). The charging structures of the applicable share classes may differ, and therefore the operating charges and performance fees may differ. For further details of performance fee calculations please refer to the most recent Visa Stamped Prospectus approved by the CSSF on 31 January 2020.

For M&G (Lux) Multi Asset 2023, the Management Company will take a 'Single Charge' from each Share Class of the sub-fund to cover its duties, as well as operating, administration and oversight costs associated with the sub-fund. Such charge will be calculated and taken into account daily ('Single Charge'). The Single Charge will be 1.60% and will include: Depositary's Fees, Custody Charges and Custody Transaction Charges, Paying Agents' Fees, Administration Fees, Directors' Fees, Service Provider Fees, and Other Expenses. As the sub-fund invests in collective investment schemes that are also managed by the Management Company (or an associate), the Management Company will rebate the Annual Management Charge and Administration Fee of the underlying collective investment scheme.

M&G (Lux) Investment Funds 1

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6 Annual management, administration and share class hedging charges

Annual management charges are set out in the table below. In addition, there is an administration charge of 0.15% per share class. A Share class hedging charge of 0.01% - 0.055% will apply to hedged share classes. These charges are accrued daily based on the net asset value of each share class. Any amounts outstanding at the year end are disclosed in the Statement of net assets.

Please note that the following table lists the available share classes. Each share class further contains an accumulation and distribution option.

Annual Management Charge

	Share classes					
	A %	B %	C %	CI %	E %	EI %
M&G (Lux) Absolute Return Bond Fund	1.00	1.30	0.40	0.40	n/a	n/a
M&G (Lux) Asian Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Conservative Allocation Fund	1.40	1.90	0.60	0.60	n/a	n/a
M&G (Lux) Dynamic Allocation Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Emerging Markets Bond Fund	1.25	1.75	0.60	0.60	n/a	n/a
M&G (Lux) Emerging Markets Corporate ESG Bond Fund ^[i]	1.50	2.00	0.60	0.60	n/a	n/a
M&G (Lux) Emerging Markets Hard Currency Bond Fund	1.50	2.00	0.60	0.60	n/a	n/a
M&G (Lux) Emerging Markets Income Opportunities Fund	1.50	2.00	0.60	0.60	n/a	n/a
M&G (Lux) Episode Macro Fund	n/a	2.25	n/a	n/a	n/a	n/a
M&G (Lux) Euro Corporate Bond Fund	1.00	1.50	0.50	0.50	n/a	n/a
M&G (Lux) European Inflation Linked Corporate Bond Fund	1.00	1.50	0.40	0.40	n/a	n/a
M&G (Lux) European Strategic Value Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Floating Rate High Yield Solution	0.70	1.20	0.25	0.25	n/a	n/a
M&G (Lux) Global Convertibles Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Global Corporate Bond Fund	1.00	1.50	0.50	0.50	n/a	n/a
M&G (Lux) Global Dividend Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Emerging Markets Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Enhanced Equity Premia Fund ^[j]	0.40	0.90	0.15	0.15	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global High Yield Bond Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global High Yield ESG Bond Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global Listed Infrastructure Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Macro Bond Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global Maxima Fund ^[k]	1.75	2.25	0.75	0.75	0.65	0.65
M&G (Lux) Global Select Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Strategic Value Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Target Return Fund	1.25	1.75	0.50	0.50	n/a	n/a
M&G (Lux) Global Themes Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Income Allocation Fund	1.50	2.00	0.65	0.65	n/a	n/a
M&G (Lux) Japan Fund	1.50	2.00	0.75	0.75	n/a	n/a

Annual Management Charge

	Share classes					
	A %	B %	C %	CI %	E %	EI %
M&G (Lux) Japan Smaller Companies Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) North American Value Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Optimal Income Fund	1.25	1.75	0.75	0.75	n/a	n/a
M&G (Lux) Pan European Dividend Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Pan European Select Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Positive Impact Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Short Dated Corporate Bond Fund	0.65	1.15	0.25	0.25	n/a	n/a
M&G (Lux) Sustainable Allocation Fund	1.50	2.00	0.60	0.60	n/a	n/a

Annual Management Charge

	Share classes					
	G %	GI %	J %	JI %	K %	L %
M&G (Lux) Absolute Return Bond Fund	n/a	n/a	[a]	[a]	nil	n/a
M&G (Lux) Asian Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Conservative Allocation Fund	n/a	n/a	[c]	[c]	nil	n/a
M&G (Lux) Dynamic Allocation Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Emerging Markets Bond Fund	n/a	n/a	[c]	[c]	nil	n/a
M&G (Lux) Emerging Markets Hard Corporate ESG Bond Fund ^[i]	n/a	n/a	[c]	[c]	nil	0.35
M&G (Lux) Emerging Markets Hard Currency Bond Fund	n/a	n/a	[c]	[c]	nil	0.35
M&G (Lux) Emerging Markets Income Opportunities Fund	n/a	n/a	[c]	[c]	nil	n/a
M&G (Lux) Episode Macro Fund	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Euro Corporate Bond Fund	n/a	n/a	[d]	[d]	nil	n/a
M&G (Lux) European Inflation Linked Corporate Bond Fund	n/a	n/a	[a]	[a]	nil	n/a
M&G (Lux) European Strategic Value Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Floating Rate High Yield Solution	n/a	n/a	[e]	[e]	nil	[f]
M&G (Lux) Global Convertibles Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Global Corporate Bond Fund	n/a	n/a	[d]	[d]	nil	n/a
M&G (Lux) Global Dividend Fund	1.00	1.00	[b]	[b]	nil	n/a
M&G (Lux) Global Emerging Markets Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Global Enhanced Equity Premia Fund ^[j]	n/a	n/a	[h]	[h]	nil	n/a
M&G (Lux) Global Floating Rate High Yield Fund	n/a	n/a	[g]	[g]	nil	n/a
M&G (Lux) Global High Yield Bond Fund	n/a	n/a	[g]	[g]	nil	0.40
M&G (Lux) Global High Yield ESG Bond Fund	n/a	n/a	[g]	[g]	nil	0.40
M&G (Lux) Global Listed Infrastructure Fund	n/a	n/a	[b]	[b]	nil	0.50
M&G (Lux) Global Macro Bond Fund	n/a	n/a	[g]	[g]	nil	n/a
M&G (Lux) Global Maxima Fund ^[k]	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Global Select Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Global Strategic Value Fund	n/a	n/a	[b]	[b]	nil	0.50
M&G (Lux) Global Target Return Fund	n/a	n/a	[d]	[d]	nil	n/a
M&G (Lux) Global Themes Fund	n/a	n/a	[b]	[b]	nil	n/a

M&G (Lux) Investment Funds 1

Financial statements and notes

Notes to the financial statements

6 Annual management, administration and share class hedging charges (continued)

Annual Management Charge

	G	GI	Share classes		K	L
	%	%	J	JI	%	%
			%	%		
M&G (Lux) Income Allocation Fund	n/a	n/a	[g]	[g]	nil	n/a
M&G (Lux) Japan Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Japan Smaller Companies Fund	n/a	n/a	n/a	n/a	nil	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) North American Value Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Optimal Income Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Pan European Dividend Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Pan European Select Fund	n/a	n/a	[b]	[b]	nil	n/a
M&G (Lux) Positive Impact Fund	n/a	n/a	[b]	[b]	nil	0.50
M&G (Lux) Short Dated Corporate Bond Fund	n/a	n/a	[e]	[e]	nil	n/a
M&G (Lux) Sustainable Allocation Fund	n/a	n/a	[c]	[c]	nil	0.35

Annual Management Charge

	L	P	Share classes		TI	Z
	%	%	S	T	%	%
			%	%		
M&G (Lux) Absolute Return Bond Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Asian Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Conservative Allocation Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Dynamic Allocation Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Emerging Markets Bond Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Emerging Markets Hard Corporate ESG Bond Fund ^[i]	0.35	n/a	n/a	n/a	n/a	nil
M&G (Lux) Emerging Markets Hard Currency Bond Fund	0.35	n/a	n/a	n/a	n/a	nil
M&G (Lux) Emerging Markets Income Opportunities Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Episode Macro Fund	n/a	n/a	1.75	0.75	0.75	n/a
M&G (Lux) Euro Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) European Inflation Linked Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) European Strategic Value Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Floating Rate High Yield Solution	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Convertibles Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Dividend Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Emerging Markets Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Enhanced Equity Premia Fund ^[i]	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Floating Rate High Yield Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global High Yield Bond Fund	0.40	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global High Yield ESG Bond Fund	0.40	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Listed Infrastructure Fund	0.50	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Macro Bond Fund	n/a	n/a	n/a	n/a	n/a	nil

Annual Management Charge

	L	P	Share classes		TI	Z
	%	%	S	T	%	%
			%	%		
M&G (Lux) Global Maxima Fund ^[k]	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Select Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Strategic Value Fund	0.50	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Target Return Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Global Themes Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Income Allocation Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Japan Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Japan Smaller Companies Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Multi Asset 2023 Fund	n/a	1.60	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) North American Value Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Optimal Income Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Pan European Dividend Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Pan European Select Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Positive Impact Fund	0.50	n/a	n/a	n/a	n/a	nil
M&G (Lux) Short Dated Corporate Bond Fund	n/a	n/a	n/a	n/a	n/a	nil
M&G (Lux) Sustainable Allocation Fund	0.35	n/a	n/a	n/a	n/a	nil

Annual Management Charge

	Share classes		ZI
			%
M&G (Lux) Absolute Return Bond Fund			nil
M&G (Lux) Asian Fund			nil
M&G (Lux) Conservative Allocation Fund			nil
M&G (Lux) Dynamic Allocation Fund			nil
M&G (Lux) Emerging Markets Bond Fund			nil
M&G (Lux) Emerging Markets Hard Corporate ESG Bond Fund ^[i]			nil
M&G (Lux) Emerging Markets Hard Currency Bond Fund			nil
M&G (Lux) Emerging Markets Income Opportunities Fund			nil
M&G (Lux) Episode Macro Fund			n/a
M&G (Lux) Euro Corporate Bond Fund			nil
M&G (Lux) European Inflation Linked Corporate Bond Fund			nil
M&G (Lux) European Strategic Value Fund			nil
M&G (Lux) Floating Rate High Yield Solution			nil
M&G (Lux) Global Convertibles Fund			nil
M&G (Lux) Global Corporate Bond Fund			nil
M&G (Lux) Global Dividend Fund			nil
M&G (Lux) Global Emerging Markets Fund			nil
M&G (Lux) Global Enhanced Equity Premia Fund ^[i]			nil
M&G (Lux) Global Floating Rate High Yield Fund			nil
M&G (Lux) Global High Yield Bond Fund			nil
M&G (Lux) Global High Yield ESG Bond Fund			nil

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6 Annual management, administration and share class hedging charges (continued)

Annual Management Charge

Share classes	ZI %
M&G (Lux) Global Listed Infrastructure Fund	nil
M&G (Lux) Global Macro Bond Fund	nil
M&G (Lux) Global Maxima Fund ^[k]	nil
M&G (Lux) Global Select Fund	nil
M&G (Lux) Global Strategic Value Fund	nil
M&G (Lux) Global Target Return Fund	nil
M&G (Lux) Global Themes Fund	nil
M&G (Lux) Income Allocation Fund	nil
M&G (Lux) Japan Fund	nil
M&G (Lux) Japan Smaller Companies Fund	nil
M&G (Lux) Multi Asset 2023 Fund	n/a
M&G (Lux) North American Dividend Fund	nil
M&G (Lux) North American Value Fund	nil
M&G (Lux) Optimal Income Fund	nil
M&G (Lux) Pan European Dividend Fund	nil
M&G (Lux) Pan European Select Fund	nil
M&G (Lux) Positive Impact Fund	nil
M&G (Lux) Short Dated Corporate Bond Fund	nil
M&G (Lux) Sustainable Allocation Fund	nil

[a] Up to 0.40%.

[b] Up to 0.75%.

[c] Up to 0.60%.

[d] Up to 0.50%.

[e] Up to 0.25%.

[f] Upon agreement with the Company.

[g] Up to 0.65%.

[h] up to 0.10%.

[i] For the period from 25 July 2019 (the launch date of the fund) to 31 March 2020.

[j] For the period from 10 December 2019 (the launch date of the fund) to 31 March 2020.

[k] For the period from 11 December 2019 (the launch date of the fund) to 31 March 2020.

7 Depositary, safe custody and custody transaction charges

The Depositary takes a charge from each sub-fund as payment for its duties as depositary. The Depositary's charge is based on the NAV of each sub-fund, and in normal circumstances, the fees payable to the Depositary for its provision of services shall be subject to a maximum of 1 basis point.

The Depositary also receives a fee in relation to the safe-keeping of each sub-fund's assets (safe custody charges) and a fee in relation to processing transactions (custody transaction charges). The safe custody charge is a range between 0.00005% and 0.4% of the asset values and custody transaction charges range between €5 and €100 per transaction.

The Depositary's charge is calculated and taken into account daily on the same basis as described above for the Annual Management Charge. The safe custody charges and custody transaction charges are accrued daily.

JPM Collection account

Cash account arrangements have been put in place in respect of the SICAV and each sub-fund. These cash accounts are held with a third party banking entity for collection of subscriptions, payment of redemptions and distributions for the SICAV and are deemed assets of the SICAV. The balance on these cash accounts was immaterial at the year end.

8 Audit fees

Audit fees are accrued on a daily basis and paid by the sub-fund with the exception of:

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

M&G (Lux) Global Enhanced Equity Premia Fund

M&G (Lux) Global Maxima Fund

M&G (Lux) Global Themes Fund

M&G (Lux) Multi Asset 2023 Fund

M&G (Lux) Positive Impact Fund

M&G (Lux) Sustainable Allocation Fund

The audit fee is borne by M&G Luxembourg S.A. for one year from the date of launch for the above sub-funds.

9 Merger Costs

M&G will bear the costs associated with the Merger, including portfolio realignment costs, and any stamp duty or transfer taxes which may arise as a result of the Merger.

10 Directors' fees

The Directors of M&G (Lux) Investment Funds 1 are currently entitled to an annual fee paid by the Management Company. Yves Wagner, an Independent Director, received a fee of €50,000. Susanne Van Dootinck, an Independent Director, received a fee of €50,000. The other Directors did not receive any fees for their services. The Management Company shall also reimburse certain expenses of the Directors, in accordance with the Articles, out of the Administration Charge.

M&G (Lux) Investment Funds 1

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11 Taxes

Luxembourg

The Fund is, in principle, liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.05% per annum of its NAV, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Fund at the end of the relevant calendar quarter.

This rate is reduced to 0.01% per annum for:

- Undertakings whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions;
- Undertakings whose sole object is the collective investment in deposits with credit institutions; and
- Individual sub-funds of UCIs with multiple sub-funds, as well as for individual classes of securities issued within a UCI or within a sub-fund of a UCI with multiple sub-funds, provided that the securities of such sub-funds or classes are reserved to one or more institutional investors.

The table below shows the taxe d'abonnement applicable to each share class.

Taxe d'abonnement

	Share classes					
	A	B	C	CI	G	GI
	%	%	%	%	%	%
Current annual rate of local tax (Taxe d'abonnement)	0.05	0.05	0.05	0.01	0.05	0.01

	Share classes					
	J	JI	K	L	LI	P
	%	%	%	%	%	%
Current annual rate of local tax (Taxe d'abonnement)	0.05	0.01	0.01	0.05	0.01	0.01*

	Share classes				
	S	T	TI	Z	ZI
	%	%	%	%	%
Current annual rate of local tax (Taxe d'abonnement)	0.05	0.05	0.01	0.05	0.01

* The Single Charge which is up to 1.60% includes the taxe d'abonnement.

Other transaction taxes

Other jurisdictions may impose taxes, financial transactions taxes ('FTT') or other transaction taxes on certain assets held by the sub-funds (for example, UK stamp duty, French FTT).

Withholding tax

Dividends, capital gains and interest received by the sub-fund on its investments may be subject to withholding taxes in the countries of origin which are generally irrecoverable as the sub-fund itself is exempt from income tax.

12 Swing pricing

Investments are bought or sold by a sub-fund when changes are made to the investment portfolio and in response to net flows of money into or out of the sub-funds from investors buying and selling shares in the sub-funds.

To protect existing investors, the Directors operate a policy of swing pricing. This policy gives the Directors the power to apply a 'swing price adjustment' to the Net Asset Value per share so that portfolio transaction costs incurred as a result of investors buying and selling shares in the sub-funds can be recovered from those investors through the price they pay or receive.

A swing price adjustment may be applied in the event that the daily net subscriptions or net redemptions exceed a predetermined threshold set by the Directors.

The published share price/NAV per share inclusive of the swing pricing adjustment is disclosed in the net asset values and total expense ratio table included within the Financial highlights section of each sub-fund. The swing price adjustment is not recognised in the Statement of net assets or the Statement of operations and changes in net assets.

Swing price adjustments received through buying and selling shares is included in the net in/outflows in the Statement of operations and changes in net assets.

The swing price adjustment will generally not exceed 2% of the Net Asset Value of the relevant Class or Fund, unless otherwise stated in the relevant Fund Supplement of the prospectus.

At the year end a swing price adjustment was applied to the following sub-funds:

M&G (Lux) Absolute Return Bond Fund
M&G (Lux) Asian Fund
M&G (Lux) Conservative Allocation Fund
M&G (Lux) Dynamic Allocation Fund
M&G (Lux) Emerging Markets Bond Fund
M&G (Lux) Emerging Markets Hard Currency Bond Fund
M&G (Lux) Episode Macro Fund
M&G (Lux) Euro Corporate Bond Fund
M&G (Lux) European Inflation Linked Corporate Bond Fund
M&G (Lux) European Strategic Value Fund
M&G (Lux) Floating Rate High Yield Solution
M&G (Lux) Global Convertibles Fund
M&G (Lux) Global Corporate Bond Fund
M&G (Lux) Global Dividend Fund
M&G (Lux) Global Emerging Markets Fund
M&G (Lux) Global Enhanced Equity Premia Fund
M&G (Lux) Global Floating Rate High Yield Fund
M&G (Lux) Global High Yield Bond Fund
M&G (Lux) Global High Yield ESG Bond Fund
M&G (Lux) Global Listed Infrastructure Fund

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12 Swing pricing (continued)

M&G (Lux) Global Macro Bond Fund

M&G (Lux) Global Maxima Fund

M&G (Lux) Global Select Fund

M&G (Lux) Global Themes Fund

M&G (Lux) Income Allocation Fund

M&G (Lux) Japan Fund

M&G (Lux) Japan Smaller Companies Fund

M&G (Lux) North American Dividend Fund

M&G (Lux) North American Value Fund

M&G (Lux) Optimal Income Fund

M&G (Lux) Pan European Select Fund

M&G (Lux) Positive Impact Fund

M&G (Lux) Short Dated Corporate Bond Fund

M&G (Lux) Sustainable Allocation Fund

13 Transactions with connected persons

M&G Luxembourg S.A., as the Management Company, is a related party. Details of charges payable to M&G Luxembourg S.A. in respect of annual management, administration and share class hedging charges are disclosed in note 6. Amounts paid are disclosed in the Statement of operations and changes in net assets and amounts due at the year end are disclosed in the Statement of net assets and liabilities.

As at March 31, 2020, the M&G (Lux) Conservative Allocation Fund sub-fund invested in shares of the sub-funds M&G (Lux) Emerging Markets Bond Fund, M&G (Lux) Emerging Markets Corporate ESG Bond Fund, M&G (Lux) Emerging Markets Hard Currency Bond Fund, M&G (Lux) Global Convertibles Fund, M&G (Lux) Global Corporate Bond Fund and M&G (Lux) Global Emerging Markets Fund. The value of the shares held amounts to Euro 92,109 and represents 5.34% of the net assets of the sub-fund M&G (Lux) Conservative Allocation Fund.

As at March 31, 2020, the M&G (Lux) Dynamic Allocation Fund sub-fund invested in shares of the sub-funds M&G (Lux) Emerging Markets Bond Fund, M&G (Lux) Emerging Markets Corporate ESG Bond Fund, M&G (Lux) Emerging Markets Hard Currency Bond Fund, M&G (Lux) Global Convertibles Fund, M&G (Lux) Global Corporate Bond Fund, M&G (Lux) Global Emerging Markets Fund and M&G (Lux) Japan Fund. The value of the shares held amounts to Euro 213,825 and represents 5.47% of the net assets of the sub-fund M&G (Lux) Dynamic Allocation Fund.

As at March 31, 2020, the M&G (Lux) Global Target Return Fund sub-fund invested in shares of the sub-funds M&G (Lux) Global Corporate Bond Fund and M&G (Lux) European Strategic Value Fund. The value of the shares held amounts to Euro 3,960 and represents 4.87% of the net assets of the sub-fund M&G (Lux) Global Target Return Fund.

As at March 31, 2020, the M&G (Lux) Income Allocation Fund sub-fund invested in shares of the sub-fund M&G (Lux) Emerging Markets Hard Currency Bond Fund. The value of the shares held amounts to Euro 15,653 and represents 1.41% of the net assets of the sub-fund M&G (Lux) Income Allocation Fund.

As at March 31, 2020, the M&G (Lux) Multi Asset 2023 Fund sub-fund invested in shares of the sub-funds M&G (Lux) Absolute Return Bond Fund, M&G (Lux) Conservative Allocation Fund, M&G (Lux) Dynamic Allocation Fund, M&G (Lux) Emerging Markets Bond Fund, M&G (Lux) Emerging Markets Corporate ESG Bond Fund, M&G (Lux) Emerging Markets Hard Currency Bond Fund, M&G (Lux) Episode Macro Fund, M&G (Lux) Global Convertibles Fund, M&G (Lux) Global Dividend Fund, M&G (Lux) Global High Yield Bond Fund, M&G (Lux) Global Target Return Fund, M&G (Lux) Income Allocation Fund and M&G (Lux) Optimal Income Fund. The value of the shares held amounts to Euro 125,016 and represents 98.63% of the net assets of the sub-fund M&G (Lux) Multi Asset 2023 Fund.

The impact of the cross investment transactions has not been eliminated from the combined Statement of Net Assets and Statement of Changes in Net Assets.

The M&G UK funds are considered as related party to the company and are disclosed in the portfolio statements.

14 Cash collateral

The sub-funds trade derivatives with a range of counterparties. The counterparties to the derivatives and amount held as collateral are shown under the portfolio statement.

15 Distributions

The following distributions were paid to Distribution share classes during the period:

M&G (Lux) Absolute Return Bond Fund

Distribution timetable		
Period to	31.03.19	30.09.19
Ex dividend date	23.04.19	21.10.19
Pay date	26.04.19	24.10.19

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A'	0.1455	0.1143
Class 'B'	0.1472	0.1162
Class 'C'	0.1471	0.1161
Sterling	UK p	UK p
Class 'C-H'	0.1514	0.1175
Swiss franc	Swiss €	Swiss €
Class 'A-H'	0.1421	0.1077
Class 'C-H'	0.1441	0.1093
US dollar	US €	US €
Class 'A-H'	0.1552	0.1211
Class 'C-H'	0.1571	0.1229

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15 Distributions (continued)

M&G (Lux) Conservative Allocation Fund

Distribution timetable				
Period to	31.03.19	30.06.19	30.09.19	31.12.19
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20
Pay date	26.04.19	25.07.19	24.10.19	23.01.20

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0363	0.0510	0.0520	0.0342
Class 'B'	0.0361	0.0508	0.0516	0.0338
Class 'C'	0.0366	0.0515	0.0527	0.0346
US dollar	US €	US €	US €	US €
Class 'A-H'	0.0380	0.0518	0.0552	0.0351
Class 'C-H'	0.0383	0.0522	0.0559	0.0357

M&G (Lux) Dynamic Allocation Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Australian dollar	AUD €	AUD €	AUD €	AUD €	AUD €
Class 'A-H M'	n/a	0.0106	0.0228	0.0180	0.0171
Class 'C-H M'	n/a	0.0106	0.0228	0.0180	0.0172
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0345	n/a	n/a	0.0553	n/a
Class 'C'	0.0345	n/a	n/a	0.0561	n/a
Hong Kong dollar	HKD €	HKD €	HKD €	HKD €	HKD €
Class 'A-H M'	n/a	0.1054	0.2276	0.1795	0.1708
Class 'C-H M'	n/a	0.1055	0.2278	0.1800	0.1710
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'A-H'	n/a	n/a	n/a	n/a	n/a
Class 'C-H'	0.0355	n/a	n/a	0.0557	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	0.0361	n/a	n/a	0.0558	n/a
Class 'A-H M F4'	0.0300	0.0306	0.0294	0.0301	0.0301
Class 'C-H'	0.0364	n/a	n/a	0.0568	n/a

M&G (Lux) Dynamic Allocation Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	23.11.19	30.12.19	23.01.20

Distribution rate per share class					
Australian dollar	AUD €	AUD €	AUD €	AUD €	AUD €
Class 'A-H M'	0.0176	0.0270	0.0130	0.0112	0.0137
Class 'C-H M'	0.0177	0.0270	0.0132	0.0113	0.0137
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	0.0558	n/a	n/a	0.0346
Class 'C'	n/a	0.0567	n/a	n/a	0.0354
Hong Kong dollar	HKD €	HKD €	HKD €	HKD €	HKD €
Class 'A-H M'	0.1754	0.2687	0.1266	0.1153	0.1370
Class 'C-H M'	0.1761	0.2696	0.1272	0.1160	0.1380
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'A-H'	n/a	0.0558	n/a	n/a	0.0375
Class 'C-H'	n/a	0.0577	n/a	n/a	0.0377
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	n/a	0.0593	n/a	n/a	0.0355
Class 'A-H M F4'	0.0291	0.0301	0.0307	0.0311	0.0317
Class 'C-H'	n/a	0.0601	n/a	n/a	0.0362

M&G (Lux) Dynamic Allocation Fund

Distribution timetable				
Period to			31.01.20	28.02.20
Ex dividend date			24.02.20	23.02.20
Pay date			27.02.20	26.03.20

Distribution rate per share class				
Australian dollar			AUD €	AUD €
Class 'A-H M'			0.0117	0.0102
Class 'C-H M'			0.0119	0.0103
Euro			Euro €	Euro €
Class 'A'			n/a	n/a
Class 'C'			n/a	n/a
Hong Kong dollar			HKD €	HKD €
Class 'A-H M'			0.1226	0.1027
Class 'C-H M'			0.1235	0.1039
Sterling			UK p	UK p
Class 'A-H'			n/a	n/a
Class 'C-H'			n/a	n/a
US dollar			US €	US €
Class 'A-H'			n/a	n/a
Class 'A-H M F4'			0.0311	0.0294
Class 'C-H'			n/a	n/a

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15 Distributions (continued)

M&G (Lux) Emerging Markets Bond Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.18	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.18	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.2381	n/a	n/a	n/a	n/a
Class 'A-H'	0.2240	n/a	n/a	n/a	n/a
Class 'B'	0.2376	n/a	n/a	n/a	n/a
Class 'B-H'	0.2236	n/a	n/a	n/a	n/a
Class 'C'	0.2386	n/a	n/a	n/a	n/a
Class 'C-H'	0.2244	n/a	n/a	n/a	n/a
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C'	0.0135	n/a	n/a	n/a	n/a
Class 'CI'	0.1650	n/a	n/a	n/a	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.2273	n/a	n/a	n/a	n/a
Class 'A M'	0.0578	0.0647	0.0643	0.0567	0.0641
Class 'C'	0.2278	n/a	n/a	n/a	n/a
Class 'C M'	0.0579	0.0647	0.0646	0.0569	0.0644

M&G (Lux) Emerging Markets Bond Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	0.3834	n/a	n/a	n/a
Class 'A-H'	n/a	0.3451	n/a	n/a	n/a
Class 'B'	n/a	0.3820	n/a	n/a	n/a
Class 'B-H'	n/a	0.3437	n/a	n/a	n/a
Class 'C'	n/a	0.3854	n/a	n/a	n/a
Class 'C-H'	n/a	0.3469	n/a	n/a	n/a
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C'	n/a	0.3755	n/a	n/a	n/a
Class 'CI'	n/a	0.3749	n/a	n/a	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A'	n/a	0.3560	n/a	n/a	n/a
Class 'A M'	0.0563	0.0583	0.0572	0.0498	0.0590
Class 'C'	n/a	0.3578	n/a	n/a	n/a
Class 'C M'	0.0565	0.0585	0.0574	0.0498	0.0593

M&G (Lux) Emerging Markets Bond Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A'	n/a	n/a
Class 'A-H'	n/a	n/a
Class 'B'	n/a	n/a
Class 'B-H'	n/a	n/a
Class 'C'	n/a	n/a
Class 'C-H'	n/a	n/a
Sterling	UK p	UK p
Class 'C'	n/a	n/a
Class 'CI'	n/a	n/a
US dollar	US €	US €
Class 'A'	n/a	n/a
Class 'A M'	0.0493	0.0458
Class 'C'	n/a	n/a
Class 'C M'	0.0499	0.0466

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Distribution timetable		
Period to	30.09.19	31.12.19
Ex dividend date	21.10.19	20.01.20
Pay date	24.10.19	23.01.20

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A-H'	0.0900	0.1311
Class 'C-H'	0.0900	0.1317
Class 'CI-H'	0.0899	0.1316
Class 'LI-H'	0.0900	0.1315
Sterling	UK p	UK p
Class 'C'	n/a	0.1266
Class 'C-H'	n/a	0.1343
US dollar	US €	US €
Class 'A'	0.0901	0.1316
Class 'C'	0.0902	0.1320
Class 'CI'	0.0901	0.1318
Class 'LI'	0.0901	0.1319

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15 Distributions (continued)

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Distribution timetable					
Period to	31.03.19	30.06.19	30.09.19	31.12.19	
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20	
Pay date	26.04.19	25.07.19	24.10.19	23.01.20	
Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1393	0.1446	0.1532	0.1456	
Class 'A-H'	0.1309	0.1376	0.1380	0.1376	
Class 'C'	0.1422	0.1475	0.1561	0.1489	
Class 'C-H'	0.1330	0.1385	0.1408	0.1406	
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C'	0.1402	0.1528	0.1610	0.1472	
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1294	0.1320	0.1376	0.1350	
Class 'C-H'	0.1312	0.1345	0.1402	0.1380	
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.1393	0.1465	0.1491	0.1456	
Class 'C'	0.1415	0.1492	0.1520	0.1489	

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19
Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.0813	n/a	n/a	0.1601	n/a
Class 'C-H'	0.0826	n/a	n/a	0.1636	n/a
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	0.0850	n/a	n/a	0.1676	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.0802	n/a	n/a	0.1575	n/a
Class 'C-H'	0.0814	n/a	n/a	0.1602	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.0866	n/a	n/a	0.1729	n/a
Class 'A M'	0.0316	0.0484	0.0580	0.0658	0.0527
Class 'C'	0.0883	n/a	n/a	0.1763	n/a
Class 'C M'	0.0323	0.0492	0.0590	0.0671	0.0538

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20
Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1318	n/a	n/a	0.1086
Class 'C-H'	n/a	0.1348	n/a	n/a	0.1113
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.1373	n/a	n/a	0.1180
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1322	n/a	n/a	0.1065
Class 'C-H'	n/a	0.1350	n/a	n/a	0.1089
US dollar	US €	US €	US €	US €	US €
Class 'A'	n/a	0.1435	n/a	n/a	0.1149
Class 'A M'	0.0361	0.0537	0.0464	0.0345	0.0334
Class 'C'	n/a	0.1464	n/a	n/a	0.1173
Class 'C M'	0.0367	0.0549	0.0476	0.0351	0.0340

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20
Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
Sterling	UK p	UK p
Class 'C-H'	n/a	n/a
Swiss franc	Swiss €	Swiss €
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
US dollar	US €	US €
Class 'A'	n/a	n/a
Class 'A M'	0.0263	0.0387
Class 'C'	n/a	n/a
Class 'C M'	0.0270	0.0397

M&G (Lux) Euro Corporate Bond Fund

Distribution timetable				
Period to	31.03.19	30.06.19	30.09.19	31.12.19
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20
Pay date	26.04.19	25.07.19	24.10.19	23.01.20
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1057	0.0634	0.0637	0.0576
Class 'C'	0.1192	0.0717	0.0721	0.0652
Class 'CI'	0.0654	0.0393	0.0395	0.0357
US dollar	US €	US €	US €	US €
Class 'A-H'	0.0693	0.0413	0.0428	0.0378
Class 'C-H'	0.0710	0.0418	0.0435	0.0386

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15 Distributions (continued)

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.1433	n/a	n/a	0.1496	n/a
Class 'B-H'	0.1422	n/a	n/a	0.1476	n/a
Class 'C-H'	0.1443	n/a	n/a	0.1501	n/a

Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.1490	n/a	n/a	0.1539	n/a
Class 'A-H M'	0.0483	0.0510	0.0529	0.0498	0.0553
Class 'C-H M'	0.0486	0.0515	0.0533	0.0502	0.0558

Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	0.1474	n/a	n/a	0.1528	n/a

Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1416	n/a	n/a	0.1441	n/a
Class 'C-H'	0.1426	n/a	n/a	0.1451	n/a

US dollar	US €	US €	US €	US €	US €
Class 'A'	0.1512	n/a	n/a	0.1587	n/a
Class 'A M'	0.0490	0.0539	0.0538	0.0502	0.0563
Class 'C'	0.1523	n/a	n/a	0.1600	n/a
Class 'C M'	0.0493	0.0543	0.0542	0.0507	0.0566

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1497	n/a	n/a	0.1421
Class 'B-H'	n/a	0.1481	n/a	n/a	0.1405
Class 'C-H'	n/a	0.1510	n/a	n/a	0.1437

Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	n/a	0.1578	n/a	n/a	0.1485
Class 'A-H M'	0.0514	0.0506	0.0406	0.0342	0.0718
Class 'C-H M'	0.0518	0.0511	0.0410	0.0345	0.0726

Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.1543	n/a	n/a	0.1515

Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1494	n/a	n/a	0.1395
Class 'C-H'	n/a	0.1508	n/a	n/a	0.1409

US dollar	US €	US €	US €	US €	US €
Class 'A'	n/a	0.1605	n/a	n/a	0.1494
Class 'A M'	0.0522	0.0511	0.0406	0.0350	0.0731
Class 'C'	n/a	0.1619	n/a	n/a	0.1511
Class 'C M'	0.0527	0.0516	0.0410	0.0354	0.0739

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A-H'	n/a	n/a
Class 'B-H'	n/a	n/a
Class 'C-H'	n/a	n/a

Singapore dollar	SGD €	SGD €
Class 'A-H'	n/a	n/a
Class 'A-H M'	0.0824	0.0403
Class 'C-H M'	0.0834	0.0407

Sterling	UK p	UK p
Class 'C-H'	n/a	n/a

Swiss franc	Swiss €	Swiss €
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a

US dollar	US €	US €
Class 'A'	n/a	n/a
Class 'A M'	0.0843	0.0429
Class 'C'	n/a	n/a
Class 'C M'	0.0853	0.0434

M&G (Lux) Global Convertibles Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0431
Class 'A-H'	0.0358
Class 'B'	0.0286
Class 'B-H'	0.0272
Class 'C'	0.0474
Class 'C-H'	0.0384

US dollar	US €
Class 'A-H'	0.0354
Class 'C-H'	0.0369

M&G (Lux) Global Corporate Bond Fund

Distribution timetable				
Period to	31.03.19	30.06.19	30.09.19	31.12.19
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20
Pay date	26.04.19	25.07.19	24.10.19	23.01.20

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.1157	0.0919	0.0821	0.0812
Class 'C-H'	0.1166	0.0926	0.0831	0.0823

US dollar	US €	US €	US €	US €
Class 'A'	0.1264	0.1017	0.0922	0.0890
Class 'C'	0.1285	0.1034	0.0939	0.0909

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15 Distributions (continued)

M&G (Lux) Global Dividend Fund

Distribution timetable					
Period to	31.03.19	30.06.19	30.09.19	31.12.19	
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20	
Pay date	26.04.19	25.07.19	24.10.19	23.01.20	
Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1141	0.0699	0.0818	0.0602	
Class 'C'	0.1146	0.0705	0.0825	0.0608	
Class 'CI'	0.1161	0.0703	0.0826	0.0608	
Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A'	0.1091	0.0673	0.0770	0.0566	
Class 'C'	0.1095	0.0676	0.0779	0.0572	
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C'	0.0108	0.0739	0.0859	0.0607	
Class 'CI'	0.1092	0.0742	0.0861	0.0607	
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.1093	0.0680	0.0762	0.0577	
Class 'C'	0.1098	0.0683	0.0770	0.0583	

M&G (Lux) Global Emerging Markets Fund

Distribution timetable					
Period to				31.03.19	
Ex dividend date				23.04.19	
Pay date				26.04.19	
Distribution rate per share class					
Euro				Euro €	
Class 'A'				0.1646	
Class 'C'				0.1767	
Singapore dollar				SGD €	
Class 'A'				0.0682	
Class 'C'				0.0699	
US dollar				US €	
Class 'A'				0.1439	
Class 'C'				0.1542	

M&G (Lux) Global Floating Rate High Yield Fund

Distribution timetable						
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19	
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19	
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19	
Distribution rate per share class						
Australian dollar	AUD €	AUD €	AUD €	AUD €	AUD €	AUD €
Class 'A-H M'	n/a	0.0299	0.0425	0.0395	0.0426	
Class 'C-H M'	n/a	0.0299	0.0426	0.0395	0.0426	
Euro	Euro €	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.1533	n/a	n/a	0.1220	n/a	
Class 'B-H'	0.1529	n/a	n/a	0.1216	n/a	
Class 'C-H'	0.1536	n/a	n/a	0.1224	n/a	
Hong Kong dollar	HKD €	HKD €	HKD €	HKD €	HKD €	HKD €
Class 'A-H M'	n/a	0.2991	0.4271	0.3942	0.4247	
Class 'C-H M'	n/a	0.2988	0.4271	0.3949	0.4251	
Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.1546	n/a	n/a	0.1239	n/a	
Class 'A-H M'	0.0384	0.0437	0.0419	0.0389	0.0415	
Class 'C-H M'	0.0386	0.0439	0.0419	0.0391	0.0417	
Sterling	UK p	UK p	UK p	UK p	UK p	UK p
Class 'A-H'	n/a	n/a	n/a	n/a	n/a	
Class 'C-H'	0.0096	n/a	n/a	0.1297	n/a	
Class 'CI-H'	0.0706	n/a	n/a	0.1276	n/a	
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1529	n/a	n/a	0.1177	n/a	
Class 'C-H'	0.1533	n/a	n/a	0.1197	n/a	
US dollar	US €	US €	US €	US €	US €	US €
Class 'A'	0.1557	n/a	n/a	0.1258	n/a	
Class 'A M'	0.0388	0.0445	0.0423	0.0389	0.0419	
Class 'C'	0.1561	n/a	n/a	0.1262	n/a	
Class 'C M'	0.0389	0.0447	0.0424	0.0390	0.0421	

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15 Distributions (continued)

M&G (Lux) Global Floating Rate High Yield Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Australian dollar	AUD €	AUD €	AUD €	AUD €	AUD €
Class 'A-H M'	0.0409	0.0408	0.0424	0.0355	0.0464
Class 'C-H M'	0.0411	0.0408	0.0426	0.0356	0.0466
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1173	n/a	n/a	0.1204
Class 'B-H'	n/a	0.1168	n/a	n/a	0.1197
Class 'C-H'	n/a	0.1180	n/a	n/a	0.1212
Hong Kong dollar	HKD €	HKD €	HKD €	HKD €	HKD €
Class 'A-H M'	0.4083	0.4064	0.4193	0.3652	0.4647
Class 'C-H M'	0.4093	0.4074	0.4207	0.3665	0.4664
Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	n/a	0.1213	n/a	n/a	0.1233
Class 'A-H M'	0.0401	0.0401	0.0415	0.0355	0.0454
Class 'C-H M'	0.0402	0.0403	0.0417	0.0358	0.0458
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'A-H'	n/a	0.1159	n/a	n/a	0.1298
Class 'C-H'	n/a	0.1242	n/a	n/a	0.1315
Class 'CI-H'	n/a	0.1222	n/a	n/a	0.1297
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1175	n/a	n/a	0.1185
Class 'C-H'	n/a	0.1180	n/a	n/a	0.1193
US dollar	US €	US €	US €	US €	US €
Class 'A'	n/a	0.1223	n/a	n/a	0.1232
Class 'A M'	0.0403	0.0401	0.0413	0.0360	0.0458
Class 'C'	n/a	0.1230	n/a	n/a	0.1239
Class 'C M'	0.0405	0.0404	0.0416	0.0362	0.0461

M&G (Lux) Global Floating Rate High Yield Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20

Distribution rate per share class		
Australian dollar	AUD €	AUD €
Class 'A-H M'	0.0414	0.0396
Class 'C-H M'	0.0416	0.0398
Euro	Euro €	Euro €
Class 'A-H'	n/a	n/a
Class 'B-H'	n/a	n/a
Class 'C-H'	n/a	n/a
Hong Kong dollar	HKD €	HKD €
Class 'A-H M'	0.4279	0.3965
Class 'C-H M'	0.4302	0.3985
Singapore dollar	SGD €	SGD €
Class 'A-H'	n/a	n/a
Class 'A-H M'	0.0416	0.0382
Class 'C-H M'	0.0419	0.0384
Sterling	UK p	UK p
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
Class 'CI-H'	n/a	n/a
Swiss franc	Swiss €	Swiss €
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
US dollar	US €	US €
Class 'A'	n/a	n/a
Class 'A M'	0.0421	0.0392
Class 'C'	n/a	n/a
Class 'C M'	0.0426	0.0395

M&G (Lux) Global High Yield Bond Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.0490	0.0506	0.0511	0.0492	0.0550
Class 'B-H'	0.0412	0.0426	0.0429	0.0412	0.0462
Class 'C-H'	0.0533	0.0548	0.0556	0.0534	0.0600
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.0567	0.0588	0.0594	0.0564	0.0643
Class 'C'	0.0587	0.0610	0.0615	0.0585	0.0668

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15 Distributions (continued)

M&G (Lux) Global High Yield Bond Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.0502	0.0542	0.0557	0.0477	0.0540
Class 'B-H'	0.0421	0.0454	0.0467	0.0399	0.0453
Class 'C-H'	0.0545	0.0591	0.0607	0.0520	0.0590
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.0587	0.0633	0.0639	0.0567	0.0636
Class 'C'	0.0609	0.0658	0.0665	0.0590	0.0661

M&G (Lux) Global High Yield Bond Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A-H'	0.0486	0.0450
Class 'B-H'	0.0406	0.0376
Class 'C-H'	0.0531	0.0491
US dollar	US €	US €
Class 'A'	0.0582	0.0536
Class 'C'	0.0606	0.0558

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.1004	n/a	n/a	0.1047	n/a
Class 'C-H'	0.1012	n/a	n/a	0.1055	n/a
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	0.1034	n/a	n/a	0.1073	n/a
Class 'L-H'	0.1068	n/a	n/a	0.1115	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.0991	n/a	n/a	0.1007	n/a
Class 'C-H'	0.1000	n/a	n/a	0.1018	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.1058	n/a	n/a	0.1118	n/a
Class 'A M'	0.0348	0.0392	0.0395	0.0327	0.0407
Class 'C'	0.1070	n/a	n/a	0.1127	n/a

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.19
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1082	n/a	n/a	0.1182
Class 'C-H'	n/a	0.1092	n/a	n/a	0.1198
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.1118	n/a	n/a	0.1259
Class 'L-H'	n/a	0.1156	n/a	n/a	0.1301
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1077	n/a	n/a	0.1159
Class 'C-H'	n/a	0.1092	n/a	n/a	0.1175
US dollar	US €	US €	US €	US €	US €
Class 'A'	n/a	0.1158	n/a	n/a	0.1243
Class 'A M'	0.0354	0.0393	0.0434	0.0371	0.0432
Class 'C'	n/a	0.1171	n/a	n/a	0.1262

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
Sterling	UK p	UK p
Class 'C-H'	n/a	n/a
Class 'L-H'	n/a	n/a
Swiss franc	Swiss €	Swiss €
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
US dollar	US €	US €
Class 'A'	n/a	n/a
Class 'A M'	0.0374	0.0360
Class 'C'	n/a	n/a

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15 Distributions (continued)

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0642	n/a	n/a	0.1077	n/a
Class 'C'	0.0651	n/a	n/a	0.1095	n/a
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C'	0.0627	n/a	n/a	0.1103	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A'	0.0626	n/a	n/a	0.1042	n/a
Class 'C'	0.0633	n/a	n/a	0.1059	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A'	0.0613	n/a	n/a	0.1044	n/a
Class 'A M'	0.0277	0.0320	0.0473	0.0247	0.0158
Class 'C'	0.0622	n/a	n/a	0.1061	n/a

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	0.0698	n/a	n/a	0.0931
Class 'C'	n/a	0.0710	n/a	n/a	0.0952
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C'	n/a	0.0709	n/a	n/a	0.0908
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A'	n/a	0.0661	n/a	n/a	0.0881
Class 'C'	n/a	0.0675	n/a	n/a	0.0899
US dollar	US €	US €	US €	US €	US €
Class 'A'	n/a	0.0649	n/a	n/a	0.0890
Class 'A M'	0.0206	0.0283	0.0083	0.0453	0.0352
Class 'C'	n/a	0.0661	n/a	n/a	0.0910

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A'	n/a	n/a
Class 'C'	n/a	n/a
Sterling	UK p	UK p
Class 'C'	n/a	n/a
Swiss franc	Swiss €	Swiss €
Class 'A'	n/a	n/a
Class 'C'	n/a	n/a
US dollar	US €	US €
Class 'A'	n/a	n/a
Class 'A M'	0.0143	0.0165
Class 'C'	n/a	n/a

M&G (Lux) Global Macro Bond Fund

Distribution timetable				
Period to	31.03.19	30.06.19	30.09.19	31.12.19
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20
Pay date	26.04.19	25.07.19	24.10.19	23.01.20

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1081	0.0951	0.0911	0.0755
Class 'A-H'	0.0837	0.0734	0.0669	0.0584
Class 'B'	0.0838	0.0732	0.0704	0.0583
Class 'B-H'	0.0772	0.0673	0.0615	0.0536
Class 'C'	0.1128	0.0994	0.0954	0.0791
Class 'C-H'	0.0885	0.0778	0.0711	0.0621
Class 'JL-H'	n/a	n/a	n/a	0.1274
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.0838	0.0733	0.0684	0.0592
Class 'C-H'	0.0850	0.0746	0.0696	0.0603
Sterling	UK p	UK p	UK p	UK p
Class 'C'	n/a	n/a	0.0649	0.0568
Class 'C-H'	0.0067	0.0778	0.0702	0.0636
Class 'CI'	n/a	n/a	0.0653	0.0564
Class 'CI-H'	0.0571	0.0770	0.0697	0.0632
Class 'JL-H'	n/a	n/a	n/a	0.1270
US dollar	US €	US €	US €	US €
Class 'A'	0.1222	0.1091	0.1002	0.0853
Class 'C'	0.0983	0.0880	0.0809	0.0690
Class 'JI'	n/a	n/a	n/a	0.1282

M&G (Lux) Global Select Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1679
Class 'C'	0.1897
US dollar	US €
Class 'A'	0.1401
Class 'C'	0.1509

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15 Distributions (continued)

M&G (Lux) Income Allocation Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0576	0.0259	0.0253	0.0260	0.0263
Class 'A F2'	0.0160	0.0163	0.0159	0.0164	0.0165
Class 'A F3'	0.0238	0.0242	0.0236	0.0243	0.0245
Class 'A Q'	0.1082	n/a	n/a	0.0779	n/a
Class 'B F2'	0.0160	0.0162	0.0158	0.0163	0.0164
Class 'B F3'	0.0237	0.0240	0.0235	0.0241	0.0243
Class 'B Q'	0.1080	n/a	n/a	0.0773	n/a
Class 'C'	0.0581	0.0262	0.0256	0.0264	0.0266
Class 'C Q'	0.1088	n/a	n/a	0.0787	n/a
Class 'ZI'	0.0583	0.0271	0.0264	0.0272	0.0275
Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.0591	0.0266	0.0260	0.0268	0.0271
Class 'C-H'	0.0599	0.0269	0.0263	0.0271	0.0274
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	0.0606	0.0270	0.0264	0.0272	0.0275
Class 'C-H'	0.0606	0.0272	0.0267	0.0275	0.0278

M&G (Lux) Income Allocation Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.11.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0262	0.0269	0.0272	0.0275	0.0275
Class 'A F2'	0.0165	0.0170	0.0172	0.0174	0.0174
Class 'A F3'	0.0245	0.0251	0.0254	0.0256	0.0256
Class 'A Q'	n/a	0.0800	n/a	n/a	0.0828
Class 'B F2'	0.0164	0.0168	0.0170	0.0172	0.0172
Class 'B F3'	0.0243	0.0249	0.0252	0.0254	0.0254
Class 'B Q'	n/a	0.0793	n/a	n/a	0.0820
Class 'C'	0.0266	0.0273	0.0276	0.0279	0.0279
Class 'C Q'	n/a	0.0811	n/a	n/a	0.0841
Class 'ZI'	0.0275	0.0282	0.0286	0.0289	0.0289
Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.0271	0.0278	0.0282	0.0285	0.0286
Class 'C-H'	0.0275	0.0282	0.0286	0.0290	0.0291
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	0.0276	0.0283	0.0287	0.0290	0.0291
Class 'C-H'	0.0279	0.0286	0.0291	0.0294	0.0295

M&G (Lux) Income Allocation Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20

Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A'	0.0275	0.0261
Class 'A F2'	0.0174	0.0166
Class 'A F3'	0.0257	0.0244
Class 'A Q'	n/a	n/a
Class 'B F2'	0.0173	0.0164
Class 'B F3'	0.0255	0.0242
Class 'B Q'	n/a	n/a
Class 'C'	0.028	0.0266
Class 'C Q'	n/a	n/a
Class 'ZI'	0.029	0.0276
Singapore dollar	SGD €	SGD €
Class 'A-H'	0.0287	0.0273
Class 'C-H'	0.0292	0.0278
US dollar	US €	US €
Class 'A-H'	0.0292	0.0276
Class 'C-H'	0.0297	0.0283

M&G (Lux) Multi Asset 2023 Fund

Distribution timetable	
Period to	13.12.19
Ex dividend date	16.12.19
Pay date	19.12.19

Distribution rate per share class	
Euro	Euro €
Class 'P'	0.2500

M&G (Lux) North American Dividend Fund

Distribution timetable				
Period to	31.03.19	30.06.19	30.09.19	31.12.19
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20
Pay date	26.04.19	25.07.19	24.10.19	23.01.20

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1563	0.0700	0.0729	0.0710
Class 'C'	0.1737	0.0780	0.0815	0.0793
Sterling	UK p	UK p	UK p	UK p
Class 'C'	n/a	n/a	0.0234	0.0275
Class 'CI'	n/a	n/a	0.0234	0.0275
US dollar	US €	US €	US €	US €
Class 'A'	0.1377	0.0625	0.0625	0.0625
Class 'C'	0.1489	0.0677	0.0678	0.0680

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15 Distributions (continued)

M&G (Lux) Optimal Income Fund

Distribution timetable					
Period to	31.03.19	30.04.19	31.05.19	30.06.19	31.07.19
Ex dividend date	23.04.19	20.05.19	24.06.19	22.07.19	19.08.19
Pay date	26.04.19	23.05.19	27.06.19	25.07.19	22.08.19

Distribution rate per share class					
Australian dollar	AUD €	AUD €	AUD €	AUD €	AUD €
Class 'A-H M'	n/a	n/a	0.0339	0.0158	0.0232
Class 'C-H M'	n/a	n/a	0.0339	0.0158	0.0233
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	n/a	n/a	n/a	n/a
Class 'B'	n/a	n/a	n/a	n/a	n/a
Class 'C'	n/a	n/a	n/a	n/a	n/a
Class 'CI'	n/a	n/a	n/a	n/a	n/a
Class 'J'	n/a	n/a	n/a	n/a	n/a
Class 'JI'	n/a	n/a	n/a	n/a	n/a
Hong Kong dollar	HKD €	HKD €	HKD €	HKD €	HKD €
Class 'A-H M'	n/a	n/a	0.3348	0.1577	0.2327
Class 'C-H M'	n/a	n/a	0.3349	0.1579	0.2329
Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H M'	0.0172	0.0262	0.0326	0.0164	0.0237
Class 'J-H M'	n/a	n/a	n/a	0.0917	0.0244
Class 'JI-H M'	n/a	n/a	n/a	n/a	0.1127
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'A-H'	n/a	n/a	n/a	n/a	n/a
Class 'C-H'	0.0052	n/a	n/a	n/a	n/a
Class 'CI-H'	n/a	n/a	n/a	n/a	n/a
Class 'J-H'	n/a	n/a	n/a	n/a	n/a
Class 'JI-H'	n/a	n/a	n/a	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	n/a	n/a	n/a	n/a
Class 'C-H'	n/a	n/a	n/a	n/a	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	n/a	n/a	n/a	n/a	n/a
Class 'A-H M'	0.0174	0.0263	0.0326	0.0159	0.0238
Class 'C-H'	n/a	n/a	n/a	n/a	n/a
Class 'CI-H'	n/a	n/a	n/a	n/a	n/a
Class 'J-H'	n/a	n/a	n/a	n/a	n/a
Class 'J-H M'	n/a	n/a	n/a	0.0917	0.0247
Class 'JI-H'	n/a	n/a	n/a	n/a	n/a
Class 'JI-H M'	n/a	n/a	n/a	0.0917	0.0248

M&G (Lux) Optimal Income Fund

Distribution timetable					
Period to	31.08.19	30.09.19	31.10.19	30.11.19	31.12.19
Ex dividend date	23.09.19	21.10.19	18.10.19	23.12.19	20.01.20
Pay date	26.09.19	24.10.19	21.11.19	30.12.19	23.01.20

Distribution rate per share class					
Australian dollar	AUD €	AUD €	AUD €	AUD €	AUD €
Class 'A-H M'	0.0222	0.0180	0.0176	0.0160	0.0154
Class 'C-H M'	0.0222	0.0180	0.0176	0.0161	0.0154
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	0.1528	n/a	n/a	n/a
Class 'B'	n/a	0.1522	n/a	n/a	n/a
Class 'C'	n/a	0.1537	n/a	n/a	n/a
Class 'CI'	n/a	0.1600	n/a	n/a	n/a
Class 'J'	n/a	0.1556	n/a	n/a	n/a
Class 'JI'	n/a	0.1556	n/a	n/a	n/a
Hong Kong dollar	HKD €	HKD €	HKD €	HKD €	HKD €
Class 'A-H M'	0.2213	0.1789	0.1733	0.1650	0.1527
Class 'C-H M'	0.2216	0.1791	0.1737	0.1653	0.1533
Singapore dollar	SGD €	SGD €	SGD €	SGD €	SGD €
Class 'A-H M'	0.0225	0.0184	0.0179	0.0168	0.0156
Class 'J-H M'	0.0223	0.0183	0.0177	0.0166	0.0155
Class 'JI-H M'	0.0213	0.0177	0.0174	0.0162	0.0151
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'A-H'	n/a	0.0578	n/a	n/a	n/a
Class 'C-H'	n/a	0.1412	n/a	n/a	n/a
Class 'CI-H'	n/a	0.1479	n/a	n/a	n/a
Class 'J-H'	n/a	0.1542	n/a	n/a	n/a
Class 'JI-H'	n/a	0.1566	n/a	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1515	n/a	n/a	n/a
Class 'C-H'	n/a	0.1523	n/a	n/a	n/a
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	n/a	0.1559	n/a	n/a	n/a
Class 'A-H M'	0.0223	0.0178	0.0175	0.017	0.0156
Class 'C-H'	n/a	0.1564	n/a	n/a	n/a
Class 'CI-H'	n/a	0.1594	n/a	n/a	n/a
Class 'J-H'	n/a	0.1574	n/a	n/a	n/a
Class 'J-H M'	0.0219	0.0176	0.0176	0.0167	0.0155
Class 'JI-H'	n/a	0.1555	n/a	n/a	n/a
Class 'JI-H M'	0.0219	0.0176	0.0172	0.0167	0.0153

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15 Distributions (continued)

M&G (Lux) Optimal Income Fund

Distribution timetable		
Period to	31.01.20	28.02.20
Ex dividend date	24.02.20	23.03.20
Pay date	27.02.20	26.03.20
Distribution rate per share class		
Australian dollar	AUD €	AUD €
Class 'A-H M'	0.0149	0.0137
Class 'C-H M'	0.0149	0.0139
Euro	Euro €	Euro €
Class 'A'	n/a	n/a
Class 'B'	n/a	n/a
Class 'C'	n/a	n/a
Class 'CI'	n/a	n/a
Class 'J'	n/a	n/a
Class 'JI'	n/a	n/a
Hong Kong dollar	HKD €	HKD €
Class 'A-H M'	0.1541	0.1398
Class 'C-H M'	0.1544	0.1404
Singapore dollar	SGD €	SGD €
Class 'A-H M'	0.0155	0.0140
Class 'J-H M'	0.0154	0.0138
Class 'JI-H M'	0.0151	0.0136
Sterling	UK p	UK p
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
Class 'CI-H'	n/a	n/a
Class 'J-H'	n/a	n/a
Class 'JI-H'	n/a	n/a
Swiss franc	Swiss €	Swiss €
Class 'A-H'	n/a	n/a
Class 'C-H'	n/a	n/a
US dollar	US €	US €
Class 'A-H'	n/a	n/a
Class 'A-H M'	0.0157	0.0142
Class 'C-H'	n/a	n/a
Class 'CI-H'	n/a	n/a
Class 'J-H'	n/a	n/a
Class 'J-H M'	0.0156	0.014
Class 'JI-H'	n/a	n/a
Class 'JI-H M'	0.0156	0.0141

M&G (Lux) Pan European Dividend Fund ^[a]

Distribution timetable		
Period to	31.03.19	30.09.19
Ex dividend date	23.04.19	21.10.19
Pay date	26.04.19	24.10.19
Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A'	0.1894	0.2109
Class 'B'	0.1339	0.1489
Class 'C'	0.2175	0.2426
Class 'CI'	0.1586	0.2660
US dollar	US €	US €
Class 'A'	0.1233	0.1335
Class 'C'	0.1278	0.1385

[a] For the period from 1 April 2019 until 6 December 2019 (merger date of the sub-fund into M&G (Lux) European Strategic Value Fund).

M&G (Lux) Positive Impact Fund

Distribution timetable		
Period to		31.03.19
Ex dividend date		23.04.19
Pay date		26.04.19
Distribution rate per share class		
Euro		Euro €
Class 'A'		0.0379
Class 'C'		0.0380
Sterling		UK p
Class 'C'		0.0365
Swiss franc		Swiss €
Class 'A'		0.0374
Class 'C'		0.0375
US dollar		US €
Class 'A'		0.0374
Class 'C'		0.0375

M&G (Lux) Short Dated Corporate Bond Fund

Distribution timetable				
Period to	31.03.19	30.06.19	30.09.19	31.12.19
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20
Pay date	26.04.19	25.07.19	24.10.19	23.01.20
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0584	0.0525	0.0481	0.0439
Class 'C'	0.0592	0.0531	0.0488	0.0445
US dollar	US €	US €	US €	US €
Class 'A-H'	0.0642	0.0570	0.0540	0.0482
Class 'C-H'	0.0650	0.0583	0.0547	0.0489

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15 Distributions (continued)

M&G (Lux) Sustainable Allocation Fund

Distribution timetable				
Period to	31.03.19	30.06.19	30.09.19	31.12.19
Ex dividend date	23.04.19	22.07.19	21.10.19	20.01.20
Pay date	26.04.19	25.07.19	24.10.19	23.01.20
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1025	0.1167	0.0849	0.0627
Class 'B'	0.1024	0.1164	0.0859	0.0626
Class 'C'	0.1028	0.1171	0.0864	0.0639
Class 'CI'	0.1026	0.1173	0.0855	0.0631
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.1097	0.1504	0.0881	0.0636
Class 'C-H'	0.1098	0.1510	0.0887	0.0642
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1088	0.0985	0.0853	0.0613
Class 'C-H'	0.1090	0.0990	0.0857	0.0619
US dollar	US €	US €	US €	US €
Class 'A-H'	0.1099	0.1507	0.0888	0.0628
Class 'C-H'	0.1101	0.1513	0.0893	0.0632

16 Subsequent events

The World Health Organisation declared the COVID-19 outbreak a pandemic on 11 March 2020.

Global financial markets have been reacting to the outbreak. All markets have incurred increased volatility and uncertainty since the onset of the pandemic.

The Board has also noted the operational risks that are posed to the Company and its service providers due to global and local movement restrictions that have been enacted by various governments.

The COVID-19 pandemic is an unprecedented event and the eventual impact on the global economy and markets will largely depend on the scale and duration of the outbreak. The Board will continue to monitor this situation.

Subsequent to the year end the Board of Directors resolved to pay distributions to the following sub-funds and distribution share classes.

Between 31 March 2020 and 1 July 2020 the net asset values (NAV) per share for all share classes across the funds have fluctuated. As at 1 July 2020, all share classes had seen a positive movement in the NAV per share. The increase in NAV per share stems from market movements in the value of investments driven from the global impacts of COVID 19.

M&G (Lux) Absolute Return Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1410
Class 'B'	0.1429
Class 'C'	0.1436
Sterling	UK p
Class 'C-H'	0.1531
Swiss franc	Swiss €
Class 'A-H'	0.1382
Class 'C-H'	0.1406
US dollar	US €
Class 'A-H'	0.1510
Class 'C-H'	0.1541

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16 Subsequent events (continued)

M&G (Lux) Conservative Allocation Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0412
Class 'B'	0.0409
Class 'C'	0.0420
US dollar	US \$
Class 'A-H'	0.0442
Class 'C-H'	0.0448

M&G (Lux) Dynamic Allocation Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Australian dollar	AUD \$
Class 'A-H M'	0.0219
Class 'C-H M'	0.0220
Euro	Euro €
Class 'A'	0.0409
Class 'C'	0.0416
Hong Kong dollar	HKD \$
Class 'A-H M'	0.2349
Class 'C-H M'	0.2372
Sterling	UK £
Class 'A-H'	0.0461
Class 'C-H'	0.0432
US dollar	US \$
Class 'A-H'	0.0439
Class 'A-H M F4'	0.0257
Class 'C-H'	0.0446

M&G (Lux) Emerging Markets Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.3270
Class 'A-H'	0.2977
Class 'B'	0.3249
Class 'B-H'	0.2959
Class 'C'	0.3296
Class 'C-H'	0.3002
Sterling	UK £
Class 'C'	0.3215
Class 'CI'	0.3205
US dollar	US \$
Class 'A'	0.3044
Class 'A M'	0.0494
Class 'C'	0.3069
Class 'C M'	0.0498

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A-H'	0.1243
Class 'C-H'	0.1247
Class 'CI-H'	0.1246
Class 'LI-H'	0.1248
Sterling	UK £
Class 'C'	0.1276
Class 'C-H'	0.1271
US dollar	US \$
Class 'A'	0.1275
Class 'C'	0.1282
Class 'CI'	0.1282
Class 'LI'	0.1283

M&G (Lux) Investment Funds 1

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16 Subsequent events (continued)

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1467
Class 'A-H'	0.1306
Class 'C'	0.1513
Class 'C-H'	0.1338
Sterling	UK p
Class 'C'	0.1549
Swiss franc	Swiss €
Class 'A-H'	0.1301
Class 'C-H'	0.1333
US dollar	US €
Class 'A'	0.1430
Class 'C'	0.1466

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A-H'	0.0960
Class 'C-H'	0.0986
Sterling	UK p
Class 'C-H'	0.1017
Swiss franc	Swiss €
Class 'A-H'	0.0959
Class 'C-H'	0.0983
US dollar	US €
Class 'A'	0.1058
Class 'A M'	0.0404
Class 'C'	0.1089
Class 'C M'	0.0418

M&G (Lux) Euro Corporate Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0564
Class 'C'	0.0640
Class 'CI'	0.0351
US dollar	US €
Class 'A-H'	0.0383
Class 'C-H'	0.0390

M&G (Lux) European Strategic Value Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1764
Class 'C'	0.1761
Class 'CI'	0.0961

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A-H'	0.1587
Class 'B-H'	0.1566
Class 'C-H'	0.1604
Singapore dollar	SGD €
Class 'A-H'	0.1698
Class 'A-H M'	0.0424
Class 'C-H M'	0.0429
Sterling	UK p
Class 'C-H'	0.1655
Swiss franc	Swiss €
Class 'A-H'	0.1577
Class 'C-H'	0.1594
US dollar	US €
Class 'A'	0.1723
Class 'A M'	0.0443
Class 'C'	0.1744
Class 'C M'	0.0448

M&G (Lux) Global Convertibles Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1215
Class 'A-H'	0.0959
Class 'B'	0.0803
Class 'B-H'	0.0724
Class 'C'	0.1356
Class 'C-H'	0.1032
US dollar	US €
Class 'A-H'	0.0969
Class 'C-H'	0.0876

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16 Subsequent events (continued)

M&G (Lux) Global Corporate Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A-H'	0.0676
Class 'C-H'	0.0682
US dollar	US \$
Class 'A'	0.0768
Class 'C'	0.0783

M&G (Lux) Global Dividend Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0951
Class 'C'	0.0965
Class 'CI'	0.0965
Singapore dollar	SGD \$
Class 'A'	0.0926
Class 'C'	0.0940
Sterling	UK p
Class 'C'	0.1003
Class 'CI'	0.1004
US dollar	US \$
Class 'A'	0.0888
Class 'C'	0.0901

M&G (Lux) Global Emerging Markets Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	1.0197
Class 'C'	1.1030
Singapore dollar	SGD \$
Class 'A'	0.4332
Class 'C'	0.4466
US dollar	US \$
Class 'A'	0.8669
Class 'C'	0.9385

M&G (Lux) Global Enhanced Equity Premia Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0593
Class 'C'	0.0594
Class 'CI'	0.0594

Singapore dollar	SGD \$
Class 'A'	0.0615
Class 'C'	0.0615

Swiss franc	Swiss €
Class 'A'	0.0574
Class 'C'	0.0574

US dollar	US \$
Class 'A'	0.0586
Class 'C'	0.0586

M&G (Lux) Global Floating Rate High Yield Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Australian dollar	AUD \$
Class 'A-H M'	0.0372
Class 'C-H M'	0.0374

Euro	Euro €
Class 'A-H'	0.1170
Class 'B-H'	0.1161
Class 'C-H'	0.1178

Hong Kong dollar	HKD \$
Class 'A-H M'	0.4295
Class 'C-H M'	0.4322

Singapore dollar	SGD \$
Class 'A-H'	0.1235
Class 'A-H M'	0.0412
Class 'C-H M'	0.0415

Sterling	UK p
Class 'A-H'	0.1241
Class 'C-H'	0.1258
Class 'CI-H'	0.1239

Swiss franc	Swiss €
Class 'A-H'	0.1167
Class 'C-H'	0.1177

US dollar	US \$
Class 'A'	0.1235
Class 'A M'	0.0423
Class 'C'	0.1247
Class 'C M'	0.0426

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16 Subsequent events (continued)

M&G (Lux) Global High Yield Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A-H'	0.0514
Class 'B-H'	0.0430
Class 'C-H'	0.0567

US dollar	US €
Class 'A'	0.0624
Class 'C'	0.0650

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A-H'	0.1067
Class 'C-H'	0.1082

Sterling	UK p
Class 'C-H'	0.1109
Class 'L-H'	0.1144

Swiss franc	Swiss €
Class 'A-H'	0.1062
Class 'C-H'	0.1077

US dollar	US €
Class 'A'	0.1159
Class 'A M'	0.0418
Class 'C'	0.1169

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0692
Class 'C'	0.0709
Class 'ZI'	0.0308

Sterling	UK p
Class 'C'	0.0705

Swiss franc	Swiss €
Class 'A'	0.0638
Class 'C'	0.0653

US dollar	US €
Class 'A'	0.0645
Class 'A M'	0.0336
Class 'C'	0.0661

M&G (Lux) Global Macro Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0631
Class 'A-H'	0.0460
Class 'B'	0.0487
Class 'B-H'	0.0419
Class 'C'	0.0663
Class 'C-H'	0.0487
Class 'JI-H'	0.0459

Singapore dollar	SGD €
Class 'A-H'	0.0474
Class 'C-H'	0.0483

Sterling	UK p
Class 'C'	0.0493
Class 'C-H'	0.0486
Class 'CI'	0.0495
Class 'CI-H'	0.0483
Class 'JI-H'	0.0464

US dollar	US €
Class 'A'	0.0696
Class 'C'	0.0563
Class 'JI-H'	0.0485

M&G (Lux) Global Maxima Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0341
Class 'C'	0.0341
Class 'CI'	0.0341

Singapore dollar	SGD €
Class 'A'	0.0353
Class 'C'	0.0354

Swiss franc	Swiss €
Class 'A'	0.0330
Class 'C'	0.0331

US dollar	US €
Class 'A'	0.0337
Class 'C'	0.0337
Class 'CI'	0.0337

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16 Subsequent events (continued)

M&G (Lux) Global Select Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.4341
Class 'C'	0.4933
US dollar	US \$
Class 'A'	0.3532
Class 'C'	0.3824

M&G (Lux) Global Themes Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.2317
Class 'C'	0.2328
Class 'CI'	0.1907
Swiss franc	UK p
Class 'A'	0.1763
Class 'C'	0.1771
Class 'CI'	0.1771
US dollar	US \$
Class 'A'	0.1850
Class 'C'	0.1859
Class 'CI'	0.1858

M&G (Lux) Income Allocation Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0333
Class 'A F2'	0.0145
Class 'A F3'	0.0213
Class 'A Q'	0.0870
Class 'B F2'	0.0143
Class 'B F3'	0.0211
Class 'B Q'	0.0862
Class 'C'	0.0339
Class 'C Q'	0.0869
Class 'ZI'	0.0366
Singapore dollar	SGD \$
Class 'A-H'	0.0334
Class 'C-H'	0.0336
US dollar	US \$
Class 'A-H'	0.0335
Class 'C-H'	0.0347

M&G (Lux) Japan Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Japanese yen	JPY ¥
Class 'CI'	27.9060
Sterling	UK p
Class 'C'	0.2490
Class 'CI'	0.2490

M&G (Lux) Japan Smaller Companies Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Japanese yen	JPY ¥
Class 'CI'	23.3719

M&G (Lux) North American Dividend Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1717
Class 'C'	0.1924
Sterling	UK p
Class 'C'	0.0724
Class 'CI'	0.0724
US dollar	US \$
Class 'A'	0.1475
Class 'C'	0.1606
Class 'CI'	0.0196

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16 Subsequent events (continued)

M&G (Lux) Optimal Income Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Australian dollar	AUD €
Class 'A-H M'	0.016
Class 'C-H M'	0.016
Euro	Euro €
Class 'A'	0.0936
Class 'B'	0.0930
Class 'C'	0.0943
Class 'CI'	0.0972
Class 'J'	0.0957
Class 'JI'	0.0959
Hong Kong dollar	HKD €
Class 'A-H M'	0.177
Class 'C-H M'	0.1778
Singapore dollar	SGD €
Class 'A-H M'	0.0178
Class 'J-H M'	0.0177
Class 'JI-H M'	0.0172
Sterling	UK p
Class 'A-H'	0.0970
Class 'C-H'	0.1024
Class 'CI-H'	0.1020
Class 'J-H'	0.1011
Class 'JI-H'	0.1021
Swiss franc	Swiss €
Class 'A-H'	0.0909
Class 'C-H'	0.0914
Class 'J-H'	0.2472
US dollar	US €
Class 'A-H'	0.0938
Class 'A-H M'	0.0176
Class 'C-H'	0.0946
Class 'CI-H'	0.0952
Class 'J-H'	0.0947
Class 'J-H M'	0.0178
Class 'JI-H'	0.0940
Class 'JI-H M'	0.0179

M&G (Lux) Positive Impact Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1622
Class 'C'	0.1633
Sterling	UK p
Class 'C'	0.1627
Swiss franc	Swiss €
Class 'A'	0.1514
Class 'C'	0.1526
US dollar	US €
Class 'A'	0.1563
Class 'C'	0.1573

M&G (Lux) Short Dated Corporate Bond Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0407
Class 'C'	0.0413
US dollar	US €
Class 'A-H'	0.0463
Class 'C-H'	0.0471

M&G (Lux) Sustainable Allocation Fund

Distribution timetable	
Period to	31.03.20
Ex dividend date	20.04.20
Pay date	23.04.20
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0638
Class 'B'	0.0634
Class 'C'	0.0646
Class 'CI'	0.0644
Singapore dollar	SGD €
Class 'A-H'	0.0669
Class 'C-H'	0.0677
Swiss franc	Swiss €
Class 'A-H'	0.0637
Class 'C-H'	0.0644
US dollar	US €
Class 'A-H'	0.0664
Class 'C-H'	0.0671

Other information (unaudited)

Risk management policies

The sub-funds' investment activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest.

These financial statements are designed to enable users to evaluate the nature and extent of those risks and how they are managed.

Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in a sub-fund's portfolio attributable to changes in market variables, such as interest rates, foreign exchange rates, equity and commodity prices or an issuer's creditworthiness.

In measuring and monitoring market risk, the global exposure of a sub-fund is calculated on a daily basis, using a 'commitment' approach or 'Value at Risk' (VaR) approach.

'Commitment' approach

The commitment approach is applied for sub-funds investing only in traditional asset classes, namely equities, fixed income, money market instruments and collective investment schemes.

In addition, the approach is applied for sub-funds which use or intend to use derivatives or instruments embedding derivatives, but only for efficient portfolio management purposes, or in a simple way not necessarily restricted to efficient portfolio management.

Under the commitment approach the global exposure of sub-funds is measured and monitored using a commitment (adjusted notional) methodology.

'Value at Risk' approach

The absolute Value at Risk (VaR) approach is a methodology for estimating the maximum potential loss – with a degree of statistical confidence – due to market risk based on historic market volatilities and correlations. Specifically, the absolute VaR approach gives a broad indication of the maximum potential loss at a given confidence level (probability), over a specific time period under normal market conditions.

Instrument and portfolio modelling techniques are based on market accepted practices and are subject to regular audit (back-testing). Market risk factors that are analysed include LIBOR / swap rates, government yield curves, equity prices, foreign exchange, market volatility, credit spreads and credit default swap (CDS) spreads.

The VaR model is based on a Monte Carlo process with VaR reported on the basis of a 99% confidence interval over a one month period (20 business days). Risk factor history used in the Monte Carlo process is based on 104 weeks with a half-life of 26 weeks. From the variance/covariance matrices, a parametric Monte Carlo scenario set of 5,000 simulations is derived and applied to the sub-fund.

VaR does have limitations in its ability to present valid levels of risk in extreme market conditions. Accordingly, the Risk Analysis team also carries out monthly stress testing and scenario-based

analysis. Stress testing allows for extreme sets of market circumstances which may not be reflected in historical data sets, thereby enabling further assessment of combinations of market movements which may cause serious damage to portfolio values. The key element to the scenariobased analysis is challenging the correlation assumptions implicit within statistical based models such as VaR.

The stress test and scenario-based analysis is customised for each sub-fund type and the VaR analysis is produced on a daily basis.

The table below shows sub-funds using the 'commitment' approach and those using the VaR approach:

Fund	Global exposure approach
M&G (Lux) Absolute Return Bond Fund	VaR
M&G (Lux) Asian Fund	Commitment
M&G (Lux) Conservative Allocation Fund	VaR
M&G (Lux) Dynamic Allocation Fund	VaR
M&G (Lux) Emerging Markets Bond Fund	VaR
M&G (Lux) Emerging Markets Corporate ESG Bond Fund	VaR
M&G (Lux) Emerging Markets Hard Currency Bond Fund	VaR
M&G (Lux) Emerging Markets Income Opportunities Fund	VaR
M&G (Lux) Episode Macro Fund	VaR
M&G (Lux) Euro Corporate Bond Fund	VaR
M&G (Lux) European Inflation Linked Corporate Bond Fund	VaR
M&G (Lux) European Strategic Value Fund	Commitment
M&G (Lux) Floating Rate High Yield Solution	VaR
M&G (Lux) Global Convertibles Fund	VaR
M&G (Lux) Global Corporate Bond Fund	VaR
M&G (Lux) Global Dividend Fund	Commitment
M&G (Lux) Global Emerging Markets Fund	Commitment
M&G (Lux) Global Enhanced Equity Premia Fund	Commitment
M&G (Lux) Global Floating Rate High Yield Fund	VaR
M&G (Lux) Global High Yield Bond Fund	VaR
M&G (Lux) Global High Yield ESG Bond Fund	VaR
M&G (Lux) Global Listed Infrastructure Fund	Commitment
M&G (Lux) Global Macro Bond Fund	VaR
M&G (Lux) Global Maxima Fund	Commitment
M&G (Lux) Global Select Fund	Commitment
M&G (Lux) Global Strategic Value Fund	Commitment
M&G (Lux) Global Target Return Fund	VaR
M&G (Lux) Global Themes Fund	Commitment
M&G (Lux) Income Allocation Fund	VaR
M&G (Lux) Japan Fund	Commitment
M&G (Lux) Japan Smaller Companies Fund	Commitment
M&G (Lux) Multi Asset 2023 Fund	Commitment
M&G (Lux) North American Dividend Fund	Commitment
M&G (Lux) North American Value Fund	Commitment
M&G (Lux) Optimal Income Fund	VaR
M&G (Lux) Pan European Dividend Fund	Commitment
M&G (Lux) Pan European Select Fund	Commitment
M&G (Lux) Positive Impact Fund	Commitment
M&G (Lux) Short Dated Corporate Bond Fund	VaR
M&G (Lux) Sustainable Allocation Fund	VaR

Other information (unaudited)

Risk management policies

VaR limit

When VaR is calculated as a percentage of the net asset value to assess a sub-fund's market risk, it may not be greater than the VaR limit set for the sub-fund.

For the financial period from 31 March 2019 to 31 March 2020 the table below shows the VaR limits set for the sub-funds, together with the lowest, highest and average VaR calculated for each sub-fund during the period.

Due to market volatility caused by the COVID-19 pandemic there were passive breaches on a number of the internally set upper VaR limits. The recent volatility has been more abrupt than the 2008-09 crisis on which these limits were initially modelled.

The VaR levels on all funds remained below the regulatory upper VaR limit and are being monitored with increased oversight.

From 15 April 2020 (the Effective date), the VaR limit of the below sub-funds will be aligned with the regulatory maximum applicable to any UCITS fund.

for the year to 31 March 2020	VaR limit	Lowest	Highest	Average
	%	%	%	%
M&G (Lux) Absolute Return Bond Fund	3.00	0.75	7.37	1.36
M&G (Lux) Asian Fund	n/a	n/a	n/a	n/a
M&G (Lux) Conservative Allocation Fund	8.00	3.06	11.92	4.08
M&G (Lux) Dynamic Allocation Fund	13.00	4.43	15.26	5.67
M&G (Lux) Emerging Markets Bond Fund	20.00	2.86	15.29	4.05
M&G (Lux) Emerging Markets Corporate ESG Bond Fund ^[a]	12.00	1.36	16.94	2.73
M&G (Lux) Emerging Markets Hard Currency Bond Fund	15.00	3.23	18.72	4.35
M&G (Lux) Emerging Markets Income Opportunities Fund	20.00	5.79	20.69	7.22
M&G (Lux) Episode Macro Fund	15.00	1.89	10.93	5.74
M&G (Lux) Euro Corporate Bond Fund	13.00	0.87	7.20	1.48
M&G (Lux) European Inflation Linked Corporate Bond Fund	10.00	0.40	4.43	0.83
M&G (Lux) European Strategic Value Fund	n/a	n/a	n/a	n/a
M&G (Lux) Floating Rate High Yield Solution	11.00	2.12	13.70	3.25
M&G (Lux) Global Convertibles Fund	13.00	2.66	10.43	6.14
M&G (Lux) Global Corporate Bond Fund	13.00	1.27	9.70	2.17
M&G (Lux) Global Dividend Fund	n/a	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund	n/a	n/a	n/a	n/a
M&G (Lux) Global Enhanced Equity Premia Fund ^[b]	n/a	n/a	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund	10.00	1.26	16.36	2.48
M&G (Lux) Global High Yield Bond Fund	12.00	1.10	16.38	2.62
M&G (Lux) Global High Yield ESG Bond Fund	12.00	1.14	15.65	2.51
M&G (Lux) Global Listed Infrastructure Fund	n/a	n/a	n/a	n/a
M&G (Lux) Global Macro Bond Fund	20.00	1.71	9.43	2.65
M&G (Lux) Global Maxima Fund ^[c]	n/a	n/a	n/a	n/a
M&G (Lux) Global Select Fund	n/a	n/a	n/a	n/a
M&G (Lux) Global Strategic Value Fund	n/a	n/a	n/a	n/a
M&G (Lux) Global Target Return Fund	6.00	0.91	7.86	2.80
M&G (Lux) Global Themes Fund	n/a	n/a	n/a	n/a
M&G (Lux) Income Allocation Fund	11.00	3.82	14.70	4.76
M&G (Lux) Japan Fund	n/a	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund	n/a	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a

	VaR limit	Lowest	Highest	Average
for the year to 31 March 2020	%	%	%	%
M&G (Lux) North American Dividend Fund	n/a	n/a	n/a	n/a
M&G (Lux) North American Value Fund	n/a	n/a	n/a	n/a
M&G (Lux) Optimal Income Fund	20.00	1.24	9.52	2.15
M&G (Lux) Pan European Dividend Fund ^[d]	n/a	n/a	n/a	n/a
M&G (Lux) Pan European Select Fund	n/a	n/a	n/a	n/a
M&G (Lux) Positive Impact Fund	n/a	n/a	n/a	n/a
M&G (Lux) Short Dated Corporate Bond Fund	3.00	0.34	4.31	0.62
M&G (Lux) Sustainable Allocation Fund	12.00	3.92	14.77	4.89

^[a] For the period from 25 July 2019 (the launch date of the sub-fund) to 31 March 2020.

^[b] For the period from 10 December 2019 (the launch date of the sub-fund) to 31 March 2020.

^[c] For the period from 11 December 2019 (the launch date of the sub-fund) to 31 March 2020.

^[d] For the period from 1 April 2019 until 6 December 2019 (merger date of the sub-fund into M&G (Lux) European Strategic Value Fund).

Leverage risk

Derivatives can be used by the sub-fund to generate market exposure to investments exceeding the net asset value. As a result of this exposure, positive or negative movement in markets may have a more significant effect on the net asset value of the sub-fund.

Derivatives can also be employed to hedge exposure.

Consequently, higher derivative usage will not necessarily imply a higher level of risk for the sub-fund.

For sub-funds using VaR approaches we disclose the level of this leverage employed during the financial reporting period on a 'sum of notional' basis.

The lowest, highest and average level of leverage employed and utilisation of the leverage level calculated during the financial period from 31 March 2019 to 31 March 2020 are shown in the table below. Please note that not all the sub-funds were in existence for the whole financial period and therefore the data is only calculated from their respective launch dates (see footnote below table).

for the year to 31 March 2020 ^[a]	Lowest	Highest	Average
M&G (Lux) Absolute Return Bond Fund (€'000)	53,150	224,515	116,108
M&G (Lux) Absolute Return Bond Fund (%)	100	333	197
M&G (Lux) Asian Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Asian Fund (%)	n/a	n/a	n/a
M&G (Lux) Conservative Allocation Fund (€'000)	2,391,306	6,033,545	3,310,627
M&G (Lux) Conservative Allocation Fund (%)	105	234	137
M&G (Lux) Dynamic Allocation Fund (€'000)	7,371,089	18,503,747	10,260,414
M&G (Lux) Dynamic Allocation Fund (%)	130	266	168
M&G (Lux) Emerging Markets Bond Fund (US\$'000)	102,551	2,728,119	1,071,731
M&G (Lux) Emerging Markets Bond Fund (%)	12	237	97
M&G (Lux) Emerging Markets Corporate ESG Bond Fund (US\$'000) ^[b]	14,899	47,334	23,106
M&G (Lux) Emerging Markets Corporate ESG Bond Fund (%) ^[b]	44	145	68
M&G (Lux) Emerging Markets Hard Currency Bond Fund (US\$'000)	47,113	330,333	128,294
M&G (Lux) Emerging Markets Hard Currency Bond Fund (%)	20	141	49

Other information (unaudited)

Risk management policies

Leverage risk (continued)

for the year to 31 March 2020 ^[a]	Lowest	Highest	Average
M&G (Lux) Emerging Markets Income Opportunities Fund (US\$'000)	111	15,724	4,703
M&G (Lux) Emerging Markets Income Opportunities Fund (%)	0	64	18
M&G (Lux) Episode Macro Fund (US\$'000)	369,398	1,415,942	783,068
M&G (Lux) Episode Macro Fund (%)	161	524	283
M&G (Lux) Euro Corporate Bond Fund (€'000)	104,102	416,896	201,728
M&G (Lux) Euro Corporate Bond Fund (%)	13	33	17
M&G (Lux) European Inflation Linked Corporate Bond Fund (€'000)	48,379	111,426	70,113
M&G (Lux) European Inflation Linked Corporate Bond Fund (%)	70	154	104
M&G (Lux) European Strategic Value Fund (€'000)	n/a	n/a	n/a
M&G (Lux) European Strategic Value Fund (%)	n/a	n/a	n/a
M&G (Lux) Floating Rate High Yield Solution (US\$'000)	14,090	334,639	157,176
M&G (Lux) Floating Rate High Yield Solution (%)	86	2,490	360
M&G (Lux) Global Convertibles Fund (US\$'000)	77,859	2,914,694	1,434,893
M&G (Lux) Global Convertibles Fund (%)	8	303	177
M&G (Lux) Global Corporate Bond Fund (US\$'000)	8,711	98,052	45,180
M&G (Lux) Global Corporate Bond Fund (%)	42	443	205
M&G (Lux) Global Dividend Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Global Dividend Fund (%)	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund (%)	n/a	n/a	n/a
M&G (Lux) Global Enhanced Equity Premia Fund (US\$'000) ^[c]	n/a	n/a	n/a
M&G (Lux) Global Enhanced Equity Premia Fund (%) ^[c]	n/a	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund (US\$'000)	3,036,335	14,453,090	6,513,876
M&G (Lux) Global Floating Rate High Yield Fund (%)	91	500	237
M&G (Lux) Global High Yield Bond Fund (US\$'000)	49,625	388,895	165,722
M&G (Lux) Global High Yield Bond Fund (%)	52	417	175
M&G (Lux) Global High Yield ESG Bond Fund (US\$'000)	12,661	107,088	38,043
M&G (Lux) Global High Yield ESG Bond Fund (%)	48	250	84
M&G (Lux) Global Listed Infrastructure Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Global Listed Infrastructure Fund (%)	n/a	n/a	n/a
M&G (Lux) Global Macro Bond Fund (US\$'000)	447,234	3,070,739	1,327,869
M&G (Lux) Global Macro Bond Fund (%)	60	403	174
M&G (Lux) Global Maxima Fund (US\$'000) ^[d]	n/a	n/a	n/a
M&G (Lux) Global Maxima Fund (%) ^[d]	n/a	n/a	n/a
M&G (Lux) Global Select Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Global Select Fund (%)	n/a	n/a	n/a
M&G (Lux) Global Strategic Value Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Global Strategic Value Fund (%)	n/a	n/a	n/a
M&G (Lux) Global Target Return Fund (€'000)	112,634	273,226	169,714
M&G (Lux) Global Target Return Fund (%)	107	287	174
M&G (Lux) Global Themes Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Global Themes Fund (%)	n/a	n/a	n/a
M&G (Lux) Income Allocation Fund (€'000)	559,697	1,875,128	714,214
M&G (Lux) Income Allocation Fund (%)	44	141	55
M&G (Lux) Japan Fund (¥'000)	n/a	n/a	n/a
M&G (Lux) Japan Fund (%)	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund (¥'000)	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund (%)	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund (€'000)	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund (%)	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund (%)	n/a	n/a	n/a
M&G (Lux) North American Value Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) North American Value Fund (%)	n/a	n/a	n/a

for the year to 31 March 2020 ^[a]	Lowest	Highest	Average
M&G (Lux) Optimal Income Fund (€'000)	16,809,069	47,165,476	28,633,289
M&G (Lux) Optimal Income Fund (%)	86	242	148
M&G (Lux) Pan European Dividend Fund (€'000) ^[e]	n/a	n/a	n/a
M&G (Lux) Pan European Dividend Fund (%) ^[e]	n/a	n/a	n/a
M&G (Lux) Pan European Select Fund (€'000)	n/a	n/a	n/a
M&G (Lux) Pan European Select Fund (%)	n/a	n/a	n/a
M&G (Lux) Positive Impact Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Positive Impact Fund (%)	n/a	n/a	n/a
M&G (Lux) Short Dated Corporate Bond Fund (€'000)	44,252	148,240	61,979
M&G (Lux) Short Dated Corporate Bond Fund (%)	74	251	102
M&G (Lux) Sustainable Allocation Fund (€'000)	14,825	61,801	21,091
M&G (Lux) Sustainable Allocation Fund (%)	56	210	77

^[a] Global Exposure Stated as Gross Notional. Expressed as a % over Sub-fund Valuation.

^[b] For the period from 25 July 2019 (the launch date of the sub-fund) to 31 March 2020.

^[c] For the period from 10 December 2019 (the launch date of the sub-fund) to 31 March 2020.

^[d] For the period from 11 December 2019 (the launch date of the sub-fund) to 31 March 2020.

^[e] For the period from 1 April 2019 until 6 December 2019 (merger date of the sub-fund into M&G (Lux) European Strategic Value Fund).

Other information (unaudited)

Other regulatory disclosures

Remuneration

In line with the requirements of the Undertakings for Collective Investments in Transferable Securities (UCITS) V, M&G Luxembourg S.A. (the “UCITS Manager”) is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the UCITS Directive.

The remuneration policy is designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of employees is in line with the risk policies and objectives of the UCITS funds managed by the UCITS Manager. Further details of the remuneration policy can be found here: <https://global.mandg.com/our-business/mandg-investments/mandg-investments-business-policies>. The remuneration policy and its implementation is reviewed on an annual basis, or more frequently where required, and is approved by the M&G plc Board Remuneration Committee.

The UCITS Manager is required under the UCITS Directive to make quantitative disclosures of remuneration. These disclosures are made in line with M&G’s interpretation of currently available guidance on quantitative remuneration disclosures. As market or regulatory guidance evolves, M&G may consider it appropriate to make changes to the way in which quantitative disclosures are calculated. Members of staff and senior management typically provide both UCITS and non-UCITS related services and have a number of areas of responsibility. Therefore, only the portion of remuneration for those individuals’ services which may be attributable to the UCITS Manager is included in the remuneration figures disclosed. Accordingly the figures are not representative of any individual’s actual remuneration.

The aggregate remuneration paid by the UCITS Manager to those with full or partial activities in respect of the UCITS Manager during the financial year ended 31 December 2019, amounted to €8,691,655 (€4,854,958 in respect of fixed remuneration and €3,836,697 in respect of variable remuneration), of which €2,468,839 related to 29 staff members, €2,121,774 to 8 senior management team members and €4,101,042 to 17 ‘Identified Staff’ whose actions may have a material impact on the risk profile of the UCITS Manager.

Securities Financing Transactions Regulation (SFTR)

Under the Securities Financing Transactions Regulation (‘SFTR’), the Company is required to disclose certain information in relation to its use of Securities Financing Transactions (‘SFTs’) including Total Return Swaps (‘TRSs’). SFTs include various types of transactions, however, the Company is currently only permitted to enter into TRSs, and only in relation to the following sub-funds:

- M&G (Lux) Absolute Return Bond Fund
- M&G (Lux) Conservative Allocation Fund
- M&G (Lux) Dynamic Allocation Fund
- M&G (Lux) Episode Macro Fund
- M&G (Lux) Floating Rate High Yield Solution
- M&G (Lux) Global Floating Rate High Yield Fund
- M&G (Lux) Global High Yield Bond Fund
- M&G (Lux) Global Macro Bond Fund
- M&G (Lux) Global Target Return Fund
- M&G (Lux) Income Allocation Fund
- M&G (Lux) Optimal Income Fund
- M&G (Lux) Sustainable Allocation Fund

During the period from 1 April 2019 to 31 March 2020 no sub-funds entered into Total Return Swaps.

Swiss investor information

For sub-funds registered in Switzerland FINMA requires to disclose the Total Expense Ratio (TER).

For these sub-funds the TERs are disclosed in the ‘Net Asset Values and Total Expense Ratio’ table that can be found in each sub-fund’s financial highlights section.

Glossary

1933 Act: The United States Securities Act of 1933, as amended.

1940 Act: The United States Securities Act of 1940, as amended.

Accumulation shares: Shares in respect of which all earnings are accumulated and added to the capital property of a fund.

Administration agreement: The administration agreement dated 14 September 2018 pursuant to which the Administrator is appointed to provide services with respect to the Company.

Administrator: State Street Bank International GmbH, Luxembourg Branch.

Ancillary liquid assets: Refers to (i) cash deposits; and (ii) money market instruments, such as short-term debt securities (i.e., debt securities with less than one year to maturity), treasury bills, commercial paper, certificates of deposit and bankers acceptances.

Articles: Articles of incorporation of the Company.

Auditor: Ernst & Young S.A.

Base currency: The base currency of the Company is the Euro.

Business day: Unless otherwise stated in a Supplement, any day when the banks are fully open for normal banking business in both England and Luxembourg (excluding 24 December and 31 December).

Class or Class of shares or Share class: A class of shares in issue or to be issued.

Company: M&G (Lux) Investment Funds 1.

CSSF: The Luxembourg Commission de Surveillance du Secteur Financier or its successor, being the Luxembourg regulatory authority in charge of the supervision of UCIs in the Grand-Duchy of Luxembourg.

CSSF Circular 04/146: the CSSF Circular 04/146 of 17 June 2004 regarding the protection of undertakings for collective investment and their investors against late trading and market timing practices, as amended.

CSSF Regulation 12/02: the CSSF Regulation 12/02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended.

Dealing day: Unless otherwise stated in a Supplement, any Business Day.

Dealing request deadline: Such time in respect of any relevant Dealing Day as shall be specified in the relevant Supplement for that fund or such other time as the Directors may determine.

Depository: State Street Bank International GmbH, Luxembourg Branch.

Depository agreement: The depository agreement dated 5 December 2016 pursuant to which the Depository is appointed to provide depository services to the Company.

Directors: The members of the Board of Directors of the Company for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time.

Distribution shares: Shares in respect of which dividends may be distributed periodically to Shareholders.

ESMA: The European Securities and Markets Authority or its successor authority.

ESMA guidelines 2014/937: Refers to the guidelines on ETFs and other UCITS issues published on 1 August 2014 by ESMA (ESMA/2014/937), as implemented in Luxembourg and entered into force on 1 October 2014 as may be amended, supplemented and/or implemented from time to time.

EU: The European Union.

Euribor: The Euro Interbank Offered Rate, which is based on the average interest rates at which a panel of European banks borrow money from one another.

FATCA: The provisions of the US HIRE Act generally referred to as the Foreign Account Tax Compliance Act.

FCA: The Financial Conduct Authority or its successor authority in the United Kingdom.

FCA rules: The rules of the FCA, as the same may be amended from time to time.

Fund: A specific pool of assets, or sub-fund established within the Company, within the meaning of Article 181 of the UCI Law.

Fund manager: An employee of M&G FA Limited who manages the investment of money on its behalf.

Group or Group of companies: Companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognised international accounting rules, as amended.

Hedged share classes: Those classes where a currency hedging strategy is applied.

Ineligible investor: Any person to whom a transfer of shares (legally or beneficially) or by whom a holding of shares (legally or 3 beneficially) would or, in the opinion of the Directors, might: a) be in breach of any law (or regulation by a competent authority) of any country or territory by virtue of which the person in question is not qualified to hold such shares; or b) require the Company, the Management Company or the Investment manager to be registered under any law or regulation whether as an investment fund or otherwise, or cause the Company to be required to comply with any registration requirements in respect of any of its shares, whether in the United States of America or any other jurisdiction; or c) cause the Company, its Shareholders, the Management Company or the Investment manager some legal, regulatory, taxation, pecuniary or material administrative disadvantage which the Company, its Shareholders, the Management Company or the Investment manager might not otherwise have incurred or suffered.

Initial Offer Period: (the period set by the Directors in relation to any fund or Class of shares as the period during which shares are initially on offer and as specified in the relevant Supplement).

Institutional investor: As defined in the UCI Law and by guidelines or recommendations issued by the CSSF from time to time.

Investment management agreement: The investment management agreement dated 7 December 2018 pursuant to which the investment manager is appointed to provide discretionary investment management services to the Company and the funds.

Investment manager: M&G Investment Management Limited.

IRS: The US Internal Revenue Service.

KIID: Key Investor Information Document applicable to a Share Class.

Luxembourg: The Grand-Duchy of Luxembourg.

Management Agreement: The management agreement dated 1 October 2018 pursuant to which the Management Company is appointed by the Company.

Management Company: M&G Luxembourg S.A.

Member state: A member state of the European Union. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the European Union, within the limits set forth by this agreement 4 and related acts, are considered as equivalent to member states of the European Union.

Glossary

Money market instruments: Instruments normally dealt on the money market which are liquid, and have a value which can be accurately determined at any time, and instruments eligible as money market instruments, as defined by guidelines issued by the CSSF from time to time.

Net Asset Value: The net asset value of the Company, a fund or a Class (as the context may require) as calculated in accordance with the Articles and the Prospectus.

Net Asset Value per share: The Net Asset Value in respect of any fund or Class divided by the number of shares of the relevant fund or Class in issue at the relevant time.

Non-Member State: Any state which is not a Member State.

OECD: The Organisation for Economic Co-operation and Development.

OECD CRS: OECD Common Reporting Standard.

OTC (over the counter) derivative: A derivative instrument entered into with an approved counterparty outside of an exchange.

Price per share: Unless otherwise defined in a Supplement, the Net Asset Value per Share attributable to the shares issued in respect of a fund or Class, plus or minus any attributable swing price adjustment, as described in the section of the Prospectus entitled 'Swing Pricing and Dilution Levy'.

Prospectus: The Prospectus, as may be amended or supplemented from time to time.

Reference currency: The currency of the relevant fund.

Registrar and transfer agent: RBC Investor Services Bank S.A.

Registrar and transfer agency agreement: The registrar and transfer agency agreement dated 6 December 2016 pursuant to which the registrar and transfer agent is appointed to provide certain registration and transfer agency services in respect of the funds.

Regulated market: A regulated market according to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EC ('MiFID'). A list of EU-regulated markets according to MiFID is regularly updated and published by the European Commission.

Share or shares: Shares of any Class in the Company as the context requires.

Share class currency: The currency of the relevant Class.

Shareholder: A person registered as the holder of shares on the Company's register of shareholders.

Supplement: A supplement to the Prospectus specifying certain information in respect of a fund and/or one or more classes.

Transferable securities: (i) shares and other securities equivalent to shares ('shares'); (ii) bonds and other debt instruments ('debt securities'); and (iii) any other negotiable securities that carry the right to acquire any such transferable securities by subscription or exchange, to the extent they do not qualify as Techniques and Instruments as described in Appendix 1 of the Prospectus.

UCI(s): Undertaking(s) for collective investment.

UCI law: The Luxembourg law of 17 December 2010 on undertakings for collective investment, as may be amended from time to time.

UCITS: An undertaking for collective investment in transferable securities established pursuant to the UCITS Directive.

UCITS directive: The Directive 2009/65/EC of the European Parliament and Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended by Directive 2014/91/EU as regards depositary functions, remuneration policies and sanctions.

United States, US or USA: The United States of America (including the States and District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction.

Valuation day: Unless otherwise stated in a Supplement, any Business Day.

