

# Quarterly Investment Bulletin

Quarter 4 2025



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This Bulletin is intended for trustees, sponsors, advisers and members of occupational pension schemes using Prudential Group Pension contracts and Prudential Grouped Personal Pensions and Stakeholder Pension contracts. Its purpose is to provide an insight into how investment markets and funds have performed over the period and is provided for information only. If you are not familiar with any of the investment terminology contained in this bulletin please refer to the Glossary on [pru.co.uk/guides\\_tools/glossary/](https://pru.co.uk/guides_tools/glossary/) or contact your adviser.

The information contained in this report covers the period 30 September 2025 to 31 December 2025.

## A quarterly market report including performance of your pension fund investments

- Economic and Market Review
- World Market Review
- Quarterly Fund Performance Data

### Fund factsheets and other fund information are available on our website:

If you would like to view more recent information, we have teamed up with FundsLibrary to provide the following fund information:

- Daily fund prices
- Frequently updated fund factsheets
- Past performance data
- Fund analysis tools

Simply go to [pru.co.uk/funds](https://pru.co.uk/funds) then select the link to Prudential Workplace Pension Fund Prices.

You can then use the filter options to get to the fund(s) you are interested in.

There are also guides to help you use and understand the information that FundsLibrary provide. You can download these guides on [pru.co.uk/funds/tools2](https://pru.co.uk/funds/tools2)

If you would like to confirm the funds available to your particular scheme or contract, please check your plan conditions or contact your scheme adviser.

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The fund performance figures included in this update do not take account of the following factors:

- Fund manager dealing cycles – a possible adjustment for the short time-lag between a policyholder investing their money, the money passing through the accounting systems and then buying the underlying investments.
- Fund manager price basis movement – a possible adjustment to account for a move between the offer/bid price of the underlying fund as it is expanding or contracting.

# Economic and Market Review

If you are unsure of the terminology used in the Economic and Market Review and the World Market Review, please refer to the Glossary on [pru.co.uk/guides\\_tools/glossary/](https://pru.co.uk/guides_tools/glossary/) or contact your adviser.

## Economic Overview

As 2025 drew to a close, signs of slowing global growth became more pronounced, even as data revealed pockets of resilience. While headline figures suggested mixed performance, the underlying trend pointed to cooling activity across major economies.

In the US, GDP advanced 4.3% annualised in the third quarter, its fastest pace in two years, driven by strong consumer spending, exports and government investment. That strength contrasted with a weakening labour market, which prompted the Federal Reserve to cut interest rates twice in October and December, even though inflation remained stubbornly above target – annual CPI was 2.7% in November. This brought the target range down to 3.50%-3.75% at the end of the period.

The UK economy remained under pressure, with negative growth of 0.1% in the three months to October, following growth of 0.1% in the three months to September. The annual rate of inflation was 3.2% in November, down from 3.6% a month earlier but well above the Bank of England's 2% goal. The Bank trimmed interest rates by 25 basis points in December to 3.75%, saying further easing would depend on clearer signs of disinflation and labour market weakness.

In the eurozone, GDP rose 1.4% year-on-year in the third quarter, while inflation stayed close to 2%, in line with the ECB's target. The central bank kept borrowing costs unchanged for a fourth straight meeting in December, leaving the deposit rate at 2%, and reiterated its data-dependent approach.

Japan's economy contracted an annualised 2.3% in the third quarter, as exports struggled. Despite this, the Bank of Japan raised its policy rate by 25 basis points to 0.75% in December, the highest since 1995, marking a cautious shift away from decades of ultra-loose monetary policy.

In the third quarter of 2025, China's economy grew 1.1% quarter-on-quarter, meeting official targets but masking underlying fragility. Retail sales softened and property investment remained deeply negative, underscoring structural challenges.

## Market overview

Financial markets proved resilient despite slowing growth, supported by a pivot to monetary easing and ongoing enthusiasm for AI-related stocks. Global equities extended recent gains in the final quarter, though at a more measured pace than earlier in the year. The S&P 500 rose 2.7%, closing 2025 up nearly 18% (in US dollars), while the FTSE 100 gained 6.9% (in sterling), its strongest annual performance since 2009. Emerging markets outperformed, with the MSCI Emerging Markets Index advancing 4.8% (in US dollars) in Q4 and delivering full-year gains above 30%, buoyed by a weaker dollar and improving sentiment across Asia and Latin America. Sector performance was uneven, with materials and healthcare among the leaders, while real estate and energy lagged.

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Bond markets strengthened as central banks shifted to rate cuts and investors priced in looser policy. UK government bonds (gilts) led gains, with the 10-year yield edging lower. (Bond yields and prices move in opposite directions). US Treasuries gained, taking their return for the year to 6.2% (in US dollars). European government bonds also rose, with the exception of German bunds. The narrowing of the spread of Italian government bonds (BTPs) over German bunds was driven by a rise in bund yields rather than a fall in BTPs, as investors digested the adjustment in German fiscal policy. Corporate bonds also posted positive returns.

Commodities delivered contrasting moves. Precious metals soared, with gold and silver posting their strongest annual gains since 1979 as investors sought safe havens amid falling real yields. Oil prices continued to weaken, marking a third consecutive annual decline as supply discipline was outweighed by softer global demand and easing geopolitical tensions. The US dollar logged its worst year since 2017, sliding broadly against major peers, while the euro and sterling strengthened on policy easing and improved risk appetite.

Despite macro headwinds, sentiment ended the year constructive, anchored by expectations of continued policy support and a gradual normalisation of inflation. Still, diverging growth paths and persistent geopolitical risks suggest volatility will remain a defining feature of markets in early 2026.

## UK equities

UK equities delivered solid gains in the fourth quarter of 2025 to cap a year of impressive double-digit returns. The FTSE All-Share Index rose 6.4% over the three months and was ahead of the broad global market and most other regions. Performance was supported by a falling inflation rate and interest rate cuts by the Bank of England. Investors also welcomed the fiscal headroom created by the November Budget. Shares in UK-listed mining companies performed particularly well as the prices of precious metals such as gold and silver rose. Financials and healthcare stocks also outperformed the broader market. In contrast, consumer-related companies and industrials lagged. Once again, the FTSE 100 Index of large, global companies delivered the best returns. The index registered its strongest gain in 16 years and set fresh all-time highs. Small-cap stocks outperformed mid-caps but both trailed their bigger counterparts in the FTSE 100.

## UK bonds

The price of UK government bonds (gilts) rose 3.1% in the fourth quarter of 2025, outperforming both US Treasuries and European sovereigns. The yield of the 10-year UK gilt fell to 4.6% at year-end from 4.7% at the end of the third quarter of 2025 (bond yields and prices move in opposite directions). Several factors aided gilt performance in the final quarter of the year. Gilt investors breathed a sigh of relief as the Autumn Budget, delivered on 26 November, outlined improved fiscal headroom, signalling that the government remains committed to longer-term debt reduction. Gilts were also supported by December's interest rate cut by the Bank of England, from 4.0% down to 3.75%, despite inflation still remaining above target at 3.2%. However, further cuts could be likely given a weak job market, with unemployment rising to above 5% in the three months to October. Longer-dated gilts outperformed short – and medium-dated gilts, while UK corporate bonds returned 2.7%.

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## International bonds

The fourth quarter of 2025 was mostly positive for global government bonds, ending what has been a strong year for bonds. In the US, the 10-year Treasury yield ended the year at 4.1%, unchanged from the end of the third quarter. The US Federal Reserve (Fed) lowered interest rates twice in the three-month period, bringing interest rates into a range of 3.50% to 3.75%, the lowest in three years. However, Fed Chair Jerome Powell struck a cautious tone, noting that the Fed is facing a “very challenging situation”, as it attempts to tackle both rising inflation and rising unemployment. The difficulty of the Fed’s task was exacerbated by a lack of data due to the US government shutdown, which lasted 43 days. US Treasuries rose 0.8% in the quarter, as did US corporate bonds. Globally, the standout performer were gilts, which rose 3.1%, while German bunds declined 0.5% over fears surrounding fiscal stimulus announcements.

## North America

US stockmarkets rounded off an eventful year with further gains in the fourth quarter of 2025. However, US equities trailed most other regions and the broader global market over the three months. In 2025, the S&P 500 Index registered its third consecutive year of gains, after recovering strongly from April’s tariff-driven declines. Investor confidence has been lifted by robust US economic growth, interest rate cuts by the Federal Reserve, as well as excitement about AI-focused stocks. In the fourth quarter, technology stocks were once again among the best performers in the market. The healthcare sector also outperformed the broader market. In contrast, consumer-related stocks and the telecommunications and utilities sectors were notable laggards.

## Europe

Europe was one of the best-performing equity regions globally in the fourth quarter of 2025. The European stockmarket’s gains extended its return for the year as a whole to 20.8% (in euros). Optimism about Germany’s stimulus spending and a rotation away from elevated valuations in the US have driven the market, which delivered its best performance since 2021. Spain’s stockmarket continued to climb – it returned 60.9% in 2025. Share prices in Ireland and Switzerland also rallied. In contrast, France’s stockmarket lagged amid ongoing political uncertain and fiscal concerns. Germany and the Netherlands also underperformed. From a sector perspective, energy, financials and healthcare were among the best performers. On the other hand, basic materials, industrials and technology trailed the broader market.

## Japan

The Japanese equity market stood out as one of the strongest performers (in local currency terms) among developed markets in 2025. The market rallied in the fourth quarter as well, following the election of Sanae Takaichi as Prime Minister, whose pro-growth agenda was warmly received by investors. The new prime minister also unveiled a massive stimulus package designed to spur economic growth in mid-November. Early in the quarter, the artificial intelligence (AI) trade gained momentum in Japan, with many IT-related companies emerging as beneficiaries. Technology outperformed strongly, as did industrials among the larger sectors, whereas communication services and consumer discretionary lagged the broader market. Towards the end of the quarter the Bank of Japan raised interest rates by 0.25% to around 0.75%, their highest level in 30 years, continuing a “normalisation” process that began in 2024.

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## Pacific Basin Ex-Japan

The Asia Pacific ex-Japan region delivered positive performance in the fourth quarter and was broadly in line with global equity market. Early in the quarter, renewed US-China trade tensions and tariff threats heightened uncertainty, but sentiment improved after both countries agreed to a one-year trade truce, easing market concerns. South Korea and Taiwan were standout performers in the region, reflecting the high weighting of technology stocks in both markets. South Korea's equity market ranked among the best performers in 2025, supported by strong AI-driven trade and ongoing corporate governance reforms. Elsewhere, India's stockmarket recorded gains on the back of policy stability and moderating inflation, with the latter allowing the country's central bank to cut rates in December. In contrast, China, the region's largest market, lagged significantly.

## Emerging markets

Emerging market equities posted gains in the fourth quarter of 2025 and outperformed the broader global market. South Korea and Taiwan were the standout performers in the Asia Pacific region, reflecting the high weighting of technology stocks in both markets. South Korea's equity market ranked among the best performers this year, supported by the strong AI-driven trade and ongoing corporate governance reform. Conversely, in the fourth quarter, China lagged significantly on the back of trade tensions with the US.

In the Europe, Middle East and Africa (EMEA) region, markets in South Africa and Poland performed strongly, both benefiting from interest rate cuts. Conversely, the Saudi Arabian stockmarket was weak, reflecting a fall in the share price of oil firm Saudi Aramco, which has a significant weighting in the index.

The two largest markets in Latin America, Brazil and Mexico, recorded good gains. Towards the end of the quarter the Bank of Mexico cut interest rates by a quarter of a percentage point to 7%. The move was the eighth successive easing of monetary policy in 2025.

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# Quarterly Fund Performance Data

The following pages show past performance of each fund over different time periods. Figures are sourced by Prudential using data supplied by FE fundinfo (FE) or from the underlying fund groups.

**Below is the list of all series 1 funds available under Defined Contribution (DC) products. The performance shown is net of the Annual Management Charge and is based on the fluctuation of the daily published (unit) price.**

These funds are generally available to:

- Prudential Money Purchase Plans taken out before April 2003 which have not been through the contract changes taking place from 2005
- Prudential Group Personal Pension Plans taken out before April 2001 which have not been migrated to a new contract since 2003

Not all of the funds are available for every DC product.

If you are in any doubt as to which funds you are invested in, please contact your pensions department (for scheme members), usual Prudential contact (for trustees and advisers) or refer to the "Fund Guide" for the scheme.

Fund Series 1	Percentage Growth					Quarter	Annualised	
	31/12/20 to 31/12/21	31/12/21 to 31/12/22	31/12/22 to 31/12/23	31/12/23 to 31/12/24	31/12/24 to 31/12/25		3 Year	5 Year
Cash S1 Fund Performance	-0.9	0.4	3.9	4.6	4.0	1.2	4.1	2.4
SONIA 7 Days	0.0	1.3	4.6	5.1	4.2	1.0	4.6	3.0
Discretionary S1 Fund Performance	11.9	-9.6	8.3	7.2	14.6	4.0	10.0	6.1
Prudential Custom BM Discretionary	9.6	-4.6	9.1	7.0	14.4	3.5	10.1	6.9
Fixed Interest S1 Fund Performance	-5.0	-24.5	3.9	-4.8	4.2	3.3	1.0	-5.9
Prudential Custom BM Fixed Interest	-5.2	-24.8	3.6	-4.0	5.0	3.3	1.5	-5.7
Global Equity S1 Fund Performance	15.1	-4.9	7.7	9.9	20.7	5.6	12.6	9.4
Prudential Custom BM Global Equity	15.3	-2.3	9.1	10.7	21.6	5.5	13.6	10.6
Index-Linked S1 Fund Performance	5.2	-38.3	0.5	-11.7	1.1	5.1	-3.5	-10.3
Prudential Custom BM Index-Linked	4.2	-38.2	1.0	-11.0	0.9	4.2	-3.2	-10.2
International Equity S1 Fund Performance	14.3	-2.8	11.3	13.4	21.2	5.6	15.2	11.2
Prudential Custom BM International Equity	10.9	-6.3	10.7	12.0	19.2	4.7	13.9	9.0
UK Equity S1 Fund Performance	15.8	-6.4	6.2	6.9	21.0	6.0	11.1	8.3
FTSE All-Share Index	18.3	0.3	7.9	9.5	24.0	6.4	13.6	11.7

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For more information on how the fund performance is calculated please refer to the Important Information on page 16.

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Below is the list of all series 3 funds available under Defined Contribution (DC) products. The performance shown does not allow for any product charges and is based on the fluctuation of the daily published (unit) price.

These funds are generally available to:

- Prudential Group Stakeholder contracts
- Prudential Group AVC schemes
- Prudential Money Purchase Plans taken out since April 2003 (or earlier contracts which have undergone the contract changes that have taken place since 2005)
- Prudential Company Pension Transfer Plan and Prudential Group Personal Pension Plans taken out since April 2001 (including the replacement contracts for earlier plans) which have been migrated since 2003

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Fund (Series 3)	Percentage Growth					Quarter	Annualised	
	31/12/20 to 31/12/21	31/12/21 to 31/12/22	31/12/22 to 31/12/23	31/12/23 to 31/12/24	31/12/24 to 31/12/25		3 Year	5 Year
All Stocks Corporate Bond	-3.3	-16.8	9.3	3.2	6.9	2.7	6.4	-0.6
IBOXX Sterling Non-Gilts Index	-3.1	-17.7	8.6	1.7	6.9	2.6	5.7	-1.2
Cash	0.0	1.3	5.0	5.0	4.4	1.1	4.8	3.1
SONIA 7 Days	0.0	1.3	4.6	5.1	4.2	1.0	4.6	3.0
Discretionary	12.4	-8.6	9.3	7.7	14.7	4.1	10.5	6.8
Prudential Custom BM Discretionary	9.6	-4.6	9.1	7.0	14.4	3.5	10.1	6.9
Dynamic Global Equity Passive	13.5	-4.5	8.7	11.1	19.6	5.6	13.0	9.4
Prudential Custom BM Dynamic Global Equity Passive	14.1	-3.3	10.1	9.2	21.7	5.5	13.5	10.1
Dynamic Growth I	1.0	-11.2	8.2	5.3	8.7	2.4	7.4	2.1
Prudential Custom BM Dynamic Growth I	1.2	-11.2	7.8	3.4	9.2	2.5	6.8	1.8
Dynamic Growth II	3.2	-10.0	8.3	5.9	9.8	2.9	8.0	3.2
Prudential Custom BM Dynamic Growth II	3.1	-10.0	8.2	4.4	10.7	2.8	7.7	3.0
Dynamic Growth III	5.0	-8.8	8.4	6.8	11.5	3.3	8.9	4.4
Prudential Custom BM Dynamic Growth III	5.1	-8.9	8.6	5.2	12.2	3.2	8.6	4.2

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	31/12/20 to 31/12/21	31/12/21 to 31/12/22	31/12/22 to 31/12/23	31/12/23 to 31/12/24	31/12/24 to 31/12/25		3 Year	5 Year
Dynamic Growth IV	7.4	-7.8	8.8	7.7	13.1	3.8	9.8	5.6
Prudential Custom BM Dynamic Growth IV	7.3	-7.5	9.0	6.2	14.0	3.7	9.7	5.6
Dynamic Growth V	9.6	-6.6	9.3	9.5	15.0	4.2	11.3	7.1
Prudential Custom BM Dynamic Growth V	9.8	-6.0	9.5	7.4	16.0	4.2	10.9	7.1
Europe Equity Index	16.7	-7.1	15.3	1.6	25.8	7.1	13.8	9.8
Prudential Custom BM FTSE World Europe ex UK Index	17.4	-7.0	15.7	3.0	27.3	6.7	14.9	10.6
Fixed Interest	-4.5	-23.4	4.6	-3.9	4.7	3.3	1.7	-5.1
Prudential Custom BM Fixed Interest	-5.2	-24.8	3.6	-4.0	5.0	3.3	1.5	-5.7
Global Equity	15.9	-4.1	8.7	10.4	20.9	5.7	13.2	10.0
Prudential Custom BM Global Equity	15.3	-2.3	9.1	10.7	21.6	5.5	13.6	10.6
Index-Linked	5.9	-37.2	1.2	-10.8	1.6	5.1	-2.9	-9.4
Prudential Custom BM Index-Linked	4.2	-38.2	1.0	-11.0	0.9	4.2	-3.2	-10.2
Index-Linked Passive	4.3	-38.0	1.1	-11.1	0.9	4.2	-3.2	-10.2
Prudential Custom BM Index-Linked	4.2	-38.2	1.0	-11.0	0.9	4.2	-3.2	-10.2
International Bond	-5.0	2.5	-2.3	-3.9	2.2	-0.3	-1.4	-1.3
Barclays Global Agg Treasury Custom >\$3Bln from 18.06.13	-5.9	-6.2	-2.2	-1.9	-0.9	-0.5	-1.7	-3.4
International Equity	14.8	-1.8	12.0	13.9	21.4	5.5	15.7	11.8
Prudential Custom BM International Equity	10.9	-6.3	10.7	12.0	19.2	4.7	13.9	9.0
Japan Equity Index	1.9	-4.8	13.2	10.7	16.8	3.7	13.5	7.3
Prudential Custom BM Japan Equity	2.5	-4.8	13.2	10.6	16.4	3.3	13.4	7.3
Long Dated Corporate Bond	-5.4	-32.4	8.6	-4.6	6.2	5.1	3.3	-6.8
iBoxx Sterling Over 15 Years Non Gilts Index	-5.8	-34.4	10.6	-5.6	6.2	4.9	3.5	-7.3

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	31/12/20 to 31/12/21	31/12/21 to 31/12/22	31/12/22 to 31/12/23	31/12/23 to 31/12/24	31/12/24 to 31/12/25		3 Year	5 Year
Long Term Bond	-6.1	-36.6	6.4	-7.4	4.9	5.4	1.1	-9.3
Prudential Custom BM Long Term Bond	-6.5	-37.3	6.0	-8.1	4.9	5.4	0.7	-9.7
Long-Term Gilt Passive	-7.1	-39.9	1.8	-10.5	3.8	5.8	-1.8	-12.0
Prudential Custom BM Long-Term Gilt Passive	-7.3	-40.1	1.5	-10.5	3.7	5.9	-2.0	-12.2
Long Term Growth Index	15.4	-3.9	10.7	10.5	20.6	5.9	13.8	10.3
Prudential Custom BM Long Term Growth Passive	14.9	-3.9	10.6	10.9	21.4	5.6	14.2	10.5
North America Equity Index	28.3	-8.2	18.2	26.3	11.4	4.9	18.5	14.4
Prudential Custom BM FTSE World North America Index	28.1	-8.8	19.4	26.9	11.3	3.7	19.0	14.5
Overseas Equity Index	13.3	-6.6	12.1	10.2	20.6	5.9	14.2	9.5
Prudential Custom BM Overseas Equity Passive	12.9	-6.7	12.2	11.6	20.5	5.4	14.7	9.7
Asia Pacific (ex-Japan) Equity Index	7.2	-6.1	6.1	4.4	31.1	10.6	13.2	7.9
FTSE World Asia ex-Japan Index	8.2	-5.3	8.3	7.8	29.6	9.8	14.8	9.2
Positive Impact	14.6	-7.4	2.4	5.4	3.6	2.5	3.8	3.5
MSCI ACWI Index	20.1	-7.6	15.9	20.1	14.4	3.5	16.8	12.1
UK Equity	16.3	-5.6	6.9	7.7	21.3	6.1	11.7	8.9
FTSE All-Share Index	18.3	0.3	7.9	9.5	24.0	6.4	13.6	11.7
UK Equity Index	18.2	-0.5	8.4	10.5	21.5	6.4	13.3	11.4
Prudential Custom BM FTSE All Share Index	18.3	0.3	7.9	9.5	23.8	6.8	13.5	11.7

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	31/12/20 to 31/12/21	31/12/21 to 31/12/22	31/12/22 to 31/12/23	31/12/23 to 31/12/24	31/12/24 to 31/12/25		3 Year	5 Year
Baillie Gifford UK Equity Core	14.8	-13.3	5.6	10.2	15.8	2.4	10.5	6.1
FTSE All-Share Index	18.3	0.3	7.9	9.5	24.0	6.4	13.6	11.7
BlackRock Aquila All Stocks Corporate Bond Index	-4.0	-16.2	6.6	2.1	7.3	2.5	5.3	-1.2
IBOXX Sterling Non-Gilts Index	-3.1	-17.7	8.6	1.7	6.9	2.6	5.7	-1.2
BlackRock Aquila Consensus	11.9	-5.0	7.8	10.8	15.0	3.7	11.1	7.9
Aquila Consensus Custom Benchmark	12.2	-6.2	9.7	8.8	14.6	3.8	11.0	7.6
BlackRock Aquila Emerging Markets Equity	-1.7	-10.7	3.6	10.4	24.0	5.1	12.3	4.5
MSCI Emerging Markets Index	-1.6	-10.0	3.6	9.4	24.4	4.8	12.1	4.5
BlackRock Aquila Over 15 Years UK Gilt Index	-8.7	-37.7	-3.4	-8.1	3.6	5.3	-2.8	-12.2
FTSE Actuaries UK Conventional Gilts Over 15 Years Index	-7.3	-40.1	1.6	-10.6	3.7	5.8	-2.0	-12.1
BlackRock Aquila UK Equity Index	19.4	0.0	5.6	10.4	25.2	7.0	13.4	11.8
FTSE All-Share Index	18.3	0.3	7.9	9.5	24.0	6.4	13.6	11.7
BlackRock Aquila World ex-UK Index	21.6	-6.4	16.0	23.9	12.9	3.7	17.5	13.0
FTSE Developed Ex UK	22.2	-8.4	17.0	20.2	13.4	3.4	16.8	12.3
BlackRock Aquila Pacific Rim Equity	-0.2	0.0	1.6	-0.2	32.8	10.0	10.4	6.1
FTSE All World Asia Pacific ex-Japan (Developed) Index	2.2	-1.6	4.8	-3.9	31.3	9.3	9.7	5.9
HSBC Islamic Global Equity Index	27.0	-15.0	27.7	31.0	12.2	4.8	23.3	15.2
Dow Jones Islamic Markets Titans 100 CR	27.9	-14.9	27.9	29.9	13.4	5.5	23.5	15.4
LGIM FTSE4Good Developed Equity Index	25.4	-6.5	17.5	20.8	14.5	4.8	17.6	13.8
FTSE4Good Developed Equity Index	24.8	-6.0	17.8	20.0	15.8	5.1	17.8	13.9
LGIM FTSE4Good UK Equity Index	16.4	0.9	7.3	10.8	21.4	6.3	13.0	11.1
FTSE4Good UK Equity Index	17.4	0.9	8.3	10.3	21.8	7.8	13.3	11.5

Figures are sourced by Prudential using data supplied by FE fundinfo (FE) or from the underlying fund groups.

We can't predict the future. Past performance isn't a guide to future performance. The value of your investment can go down as well as up so you might get back less than you put in.

For more information on how the fund performance is calculated please refer to the Important Information on page 16.

For details of the specific benchmark for your fund, please refer to the fund factsheet. You can find it on our website [pru.co.uk/funds](http://pru.co.uk/funds). Simply select "View fund information", under the heading "Workplace Pension fund prices and factsheets".

## With-Profits returns

For investments in the With-Profits fund, the value of the policy depends on how much profit the fund makes and how we decide to distribute that profit. Policyholders receive a distribution of profits by means of bonuses, or other methods as specified in the relevant policy documentation. There are two types of bonus, regular (or revisionary) and final (or terminal) bonus.

The performance figures shown are overall annualised returns for contributions made on the dates specified. The returns include both regular and final bonuses added to a benefit paid at normal retirement date, but make no allowance for any applicable initial charges, allocation rates or early cash in charges (explicit charges).

Final bonus may vary and is not guaranteed. The rate of future bonuses cannot be guaranteed. The value of your investment can go down as well as up so you might get back less than you put in. We can't predict the future. Past performance isn't a guide to future performance.

Bonus Series	1 year	3 years	5 years	10 years
Unitised L With-Profits Returns	6.15%	5.05%	6.15%	5.50%
Unitised N With-Profits Returns	6.15%	5.05%	6.15%	5.50%
Cash Accumulation MPP With-Profits Returns	6.15%	5.05%	6.15%	5.50%
Cash Accumulation AVC With-Profits Returns	6.15%	5.05%	6.15%	5.50%
Cash Accumulation AVC With-Profits Series 2 Returns	5.55%	4.45%	5.55%	n/a

Below is an outline of which bonus series returns relate to which contract:

### Unitised With-Profits

Unitised L With-Profits is used by the "101" money purchase contracts for occupational pension schemes and grouped personal pension contracts (including the "Shout/Xafinity" contracts) typically established from 06/04/1987 where holdings are expressed in terms of units.

Unitised N With-Profits is used by the "Select" group personal pension (established 1997) and "Money Purchase Plan/Group Personal Pension" money purchase contracts for occupational pension schemes and group personal pension contracts established since 2001 where holdings are expressed in terms of units.

Please read the important information below and the Key Features document for the relevant contract.

The performance figures are declared by Prudential Assurance Company Limited, usually each February.

For the Unitised returns shown, it is assumed that the contribution was invested, without any allowance made for any explicit charges on 6 April 1, 3, 5 or 10 years ago and realised on or after 6 April 2025 to secure benefits at normal retirement age. For the Cash Accumulation returns shown, it is assumed that 1, 3, 5 or 10 scheme revision dates ending after 15 March 2019 have passed since the contribution was invested.

Performance (applicable from 6 April 2025)

### Cash Accumulation With-Profits

Cash Accumulation MPP With-Profits is used solely by the oldest "pre 101" money purchase contracts for occupational pension schemes typically established from 1974.

Cash Accumulation AVC With-Profits is used solely by Additional Voluntary Contribution contracts as part of an occupational pension scheme, where the contracts were applied for before 15 March 2019.

Cash Accumulation AVC With-Profits Series 2 is used solely by Additional Voluntary Contribution contracts as part of an occupational pension scheme, where the contracts were applied for on or after 15 March 2019.

Cash Accumulation AVC With-Profits and Cash Accumulation AVC With-Profits Series 2 are not used where voluntary contributions are paid through another Prudential group pension contract.

For more information on With-Profits, please refer to the Important Information on page 16 to 18

## Deposit fund returns

The Prudential Deposit fund earns a variable rate of interest. The current practice, which we can review at any time, is to set the interest rate on the first of each month, in line with the Bank of England base rate at the time. Any interest is declared monthly and there are no explicit charges. Interest once added is guaranteed and withdrawals from this fund are not subject to a Market Value Reduction (MVR). The Deposit fund is backed by the assets held within Prudential's With-Profits Fund.

Below is the past performance of the fund for each of the last 5 years:

	Percentage Growth					Quarter	Annualised	
	31/12/20 to 31/12/21	31/12/21 to 31/12/22	31/12/22 to 31/12/23	31/12/23 to 31/12/24	31/12/24 to 31/12/25		3 Year	5 Year
<b>Deposit fund</b>	0.10%	1.27%	4.59%	5.15%	4.32%	0.99%	4.68%	3.06%

The value of your investment can go down as well as up so you might get back less than you put in. We can't predict the future. Past performance isn't a guide to future performance.

Future Deposit fund rates cannot be guaranteed.

# Important Information

## Additional Fund Information

Please note that some of these funds may not be applicable to your particular scheme or contract, so please check your plan conditions or contact your scheme adviser. Alternatively please refer to your scheme's "Fund Guide".

For non UK invested funds or funds denominated in a different currency: exchange rate fluctuations may cause the Sterling values of overseas investments to rise or fall.

## How are the performance figures calculated?

The performance figures shown in this bulletin are intended only to demonstrate performance history of the fund. Fund Performance is based upon the movement of the daily published (unit) price and is shown as total return with gross income reinvested. The value of your investment may go down as well as up and the fund value at retirement may be less than the payments you have made. To obtain current unit price and performance information for all funds in the Prudential Fund range, simply go to [pru.co.uk/funds](http://pru.co.uk/funds) then select the link to Fund Prices, information and tools; "Go to Fund Tool"; then choose Workplace Pension Funds. You can then use the filter options to get to the fund(s) you are interested in.

## How are Fund (unit) prices calculated?

The Series 1 funds have both an offer and a bid price, based on the valuation of the underlying assets of the fund and which typically differs by 5%. Your contributions are used to buy units at the offer price. Your benefits are realised by selling units at the bid price. The Series 1 performance figures shown in this Bulletin are calculated on an offer to offer basis.

The Series 3 funds have a "single swinging price", which is based on whether money is either going into or being taken out of the fund. If more money is being paid into the fund than is being taken out, then the fund will need to purchase assets. If this is the case then the purchase price will be relevant in determining the unit price of the fund. If more money is being taken out of the fund than is being paid in then the fund will need to sell assets. If this is the case, the sale price of the underlying assets will be more relevant when calculating the unit price.

## What is a dealing cycle?

For some funds, there is a short time lag between a policyholder investing his money, the money passing through the accounting system and then buying the underlying investments. This time-lag or "dealing cycle" is not factored in to the performance of the Prudential fund. You may therefore see a difference between the Prudential's fund performance and that of any underlying fund it invests in to.

## Is there anything else I should know about funds?

For any fund there may be a delay in buying, selling or switching of units. These delays will only apply in exceptional circumstances and we will let you know if they apply to you. For more information please refer to your policy or scheme documentation.

If the total charges taken from your plan are more than any overall growth achieved, your plan will fall in value, possibly to even less than you have invested. This is relevant for all funds but in particular the Prudential Cash fund.

## With-Profits – Other important information

If money invested in the With-Profits fund is taken out at any time other than on death or the selected/normal retirement date as specified in your pension plan literature, a Market Value Reduction may be applied; this may have the effect of reducing the fund value.

For the With-Profits fund, we deduct an annual charge through the bonus mechanism. For the Cash Accumulation and Unitised returns shown, this is currently expected to be 0.76% a year assuming future investment returns in the With-Profits fund are 5% a year.

Charges on With-Profits business depend on the performance of the With-Profits fund and, in particular, the investment returns achieved and expenses incurred. Over time, if investment returns are higher, the charges would be expected to be higher, and if investment returns are lower, the charges would be expected to be lower.

There is a charge to pay for all the guarantees the With-Profits fund supports. We guarantee to not take away regular bonuses already added when a payment is made because of death or the selected/normal retirement date as specified in your pension plan literature and to only apply a Market Value Reduction in certain circumstances. This charge will be taken by making a deduction each year when deciding Regular and Final Bonuses, so you may not see it on any yearly statement. Other than for Cash Accumulation AVC With-Profits Series 2, the total deduction charged to asset shares over the lifetime of each policy is not currently more than 2% of any payment made from the fund. For Cash Accumulation AVC With-Profits Series 2, the total deduction over the lifetime of the Plan is not currently more than 4% of any payment made from the fund. The amount of this charge will be reviewed from time to time and is not guaranteed to remain at the current level.

For further information on MVRs and charges please refer to the Key Features document for the relevant contract. For a copy of the Key Features document, please contact your pensions department for scheme members or usual Prudential contact for trustees and advisers.

## Who manages the Funds?

All the Series 1 and Series 3 Funds are Prudential funds.

Prudential has delegated the investment management of these funds to either M&G Life Investment Office (LIO) or various fund managers outside the Prudential.

Prudential Assurance Company Limited has delegated the investment management of the With-Profits fund to various investment managers including M&G Investments.

## Which Prudential companies are involved and how are they regulated?

'Prudential' is a trading name of The Prudential Assurance Company Limited which is registered in England and Wales. Registered Office at 10 Fenchurch Avenue, London EC3M 5AG. Registered number 15454. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

M&G Investments is a trading name of Prudential Pensions Limited and M&G Investment Management Limited whose business addresses are at 10 Fenchurch Avenue, London EC3M 5AG. Part of M&G plc.

Prudential Pensions Limited and M&G Investment Management Limited are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

## Other Important Information

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