

PAC Sterling With-Profits Fund

For more information on this fund or if you have any questions, please contact your Financial Adviser.

Prudential International Investment Bond and International Prudence Bond are issued by Prudential International Assurance plc based in Dublin. They offer investment in a range of unit-linked funds, including funds which are reinsured into the Long-Term Fund of The Prudential Assurance Company Ltd (PAC). PAC is rated A+* by Standard & Poor's.

Access to this fund is no longer available to new customers investing in Prudential International Investment Bond (PIIB) or International Prudence Bond (IPB) on or after 11/09/2017. If you are an existing customer pre 11/09/2017, you will still be able to top up or switch into this fund.

* Source: S&P as at July 2024.

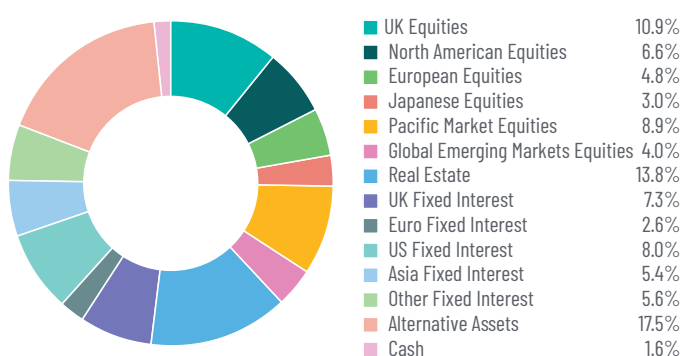
Fund objective

The fund aims to produce growth over the medium to long-term (5 to 10 years or more) while smoothing some of the ups and downs of short-term investment performance.

Fund investments

The fund spreads investment risk by investing in a range of different asset types, which currently includes UK and international equities, property, fixed interest securities, index-linked securities and other specialist investments.

Asset allocation



This is the asset allocation for the fund as at 31 March 2025.

Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

Glossary of investment terms available at pru.co.uk/glossary

Top Holdings

1.	MEMO – PROPERTY DIVISION (OB HLD Prvt)	8.57%
2.	MEMO – INTL. PROPERTY (OB HLDG) Prvt	1.78%
3.	MEMO – OB USD PROPERTY PRVT Prvt	1.50%
4.	MEMO – OB EUROPEAN PROPERTY Prvt	1.49%
5.	NB GEMINI FUND LP Prvt	0.60%
6.	ASTRAZENECA PLC	0.55%
7.	TAIWAN SEMICONDUCTOR MANUFACTURING	0.46%
8.	HSBC HOLDINGS PLC	0.45%
9.	WMF II COMM II FD T GBP UNH ACC	0.45%
10.	HGCAPITAL TRUST PLC	0.41%

Source: M&G as at 31 March 2025.

* Largest assets excluding derivatives exposure positions.

Fund performance

Performance of the PAC Sterling With-Profits Fund*

31/03/20 – 31/03/21	31/03/21 – 31/03/22	31/03/22 – 31/03/23	31/03/23 – 31/03/24	31/03/24 – 31/03/25
19.6%	8.6%	0.5%	5.1%	5.5%

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 investments in the PAC With-Profits Range of Funds, the value of the policy depends on the profits made by the long term fund of The Prudential Assurance Company Limited and how these profits are distributed.

Because of changes in exchange rates the value of your investment, as well as the money you take from it, can go down as well as up.

* Source: Prudential – total return, gross of charges basis with gross income being reinvested. Please note fund performance before 25 July 2005 is based on returns from the PIA Sterling With-Profits Sub-Fund. Fund performance from 25 July 2005 onwards is based on the PAC Sterling With-Profits Fund. The pool of assets underlying each of these sub-funds, and the charges applied, are the same.

The commentary in this report reflects the general views of the fund manager and should not be taken as a recommendation or advice as to how any market is likely to perform.

Fund commentary as at end Quarter 1 2025

Short-term outlook

Based on current consensus the world outlook for 2025 has been pointing to muted growth ahead as tailwinds from easing inflation and the commencement of the rate cut cycle play out. However, the US tariff announcement if upheld significantly alters the outlook. Initial estimates suggest the tariffs could knock at least one percentage point off US GDP estimates, with a similar amount added to inflation expectations. However, uncertainty is very elevated, and these initial estimates likely don't fully account for second round effects on consumption and investment sentiment, as well as potential retaliation by trade partners. Regions with higher exposure to US trade are facing increased headwinds, and tariff developments have increased the likelihood of more stagflationary trade war scenarios. More broadly private sector balance sheets still appear in good positions and fiscal easing may provide a moderate positive impulse to growth, through elevated public debt levels pose medium term risks.

Inflation

Inflation prints have been slightly elevated but remain around target, with core inflation remaining sticky due to the second-round effects of wage increases. Looking ahead inflation risks now appear skewed to the upside, particularly for the US.

Monetary Policy

Headline inflation has come down from its peak and is returning to target with core inflation lagging. With most developed market central banks having begun to ease from restrictive positions, the future path for monetary policy is entering a new phase as the commencement of

the trade wars increases risks of stagflation. Whilst central banks will be mindful of the impact of a trade war on growth, the impacts of tariffs on inflation expectations will also have to be managed, alongside emerging changes in fiscal policy, and the potential inflationary impacts these might also have.

Please note

You may only invest in one PAC With-Profits Range of Funds. Investments in PAC With-Profits Range of Funds are backed by assets in the With-Profits Fund of The Prudential Assurance Company Ltd through a reinsurance agreement.

The returns shown are the returns on the underlying assets. The actual returns on any policy are smoothed and will depend on the bonuses declared over the period of investment.

If money invested in the PAC With-Profits Range of Funds is taken out at any time, except on death, maturity or to meet certain regular withdrawals, PAC may reduce the amount to reflect the current market value of the underlying assets. This is known as a Market Value Reduction. In addition an Early Cash-In Charge may apply in the first five years of any investment into the bond.

For any fund, there may be a delay in buying, selling or switching of units. These delays will only apply in exceptional circumstances and if this applies to you, we will let you know. For more information, please refer to your Contract Conditions, which you can get from your Financial Adviser.

Fund manager	M&G Treasury & Investment Office (T&IO)
Fund size	£91.7bn as at 31 March 2025

Full terms and conditions are available on request from Prudential International by calling +44 (0) 808 234 2200.

Calls may be monitored or recorded for quality, training, dispute resolution and/or security purposes.

pru.co.uk/international

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