

# 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.

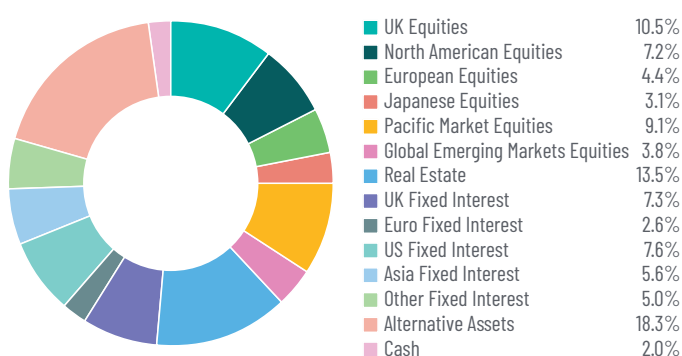
## Fund objective

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 December 2024.

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](https://pru.co.uk/glossary)

## Top Holdings

1.	TAIWAN SEMICONDUCTOR MANUFACTURING	0.60%
2.	HSBC HOLDINGS PLC	0.40%
3.	ASRAZENECA PLC	0.40%
4.	TENCENT HOLDINGS LTD	0.40%
5.	UNILEVER PLC	0.30%
6.	SHELL PLC	0.30%
7.	HDFC BANK LTD	0.30%
8.	SAMSUNG ELECTRONICS LTD	0.30%
9.	AIA GROUP LTD	0.30%
10.	BP PLC	0.20%

Source: M&G as at 31 December 2024.

\* Largest assets excluding derivatives exposure positions.

## Fund performance

### Performance of the PAC Sterling With-Profits Fund\*

31/12/19 – 31/12/20	31/12/20 – 31/12/21	31/12/21 – 31/12/22	31/12/22 – 31/12/23	31/12/23 – 31/12/24
1.7%	12.0%	-1.5%	4.3%	7.3

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 4 2024

### Short-term outlook

Growth data for 2025, has so far stood resilient, outpacing expectations set before the year began, despite restrictive rates. The outlook for 2025 remains for muted growth ahead as tailwinds from easing inflation and the commencement of the rate cut cycle play out. 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 risks. Expectations suggest there will be a moderate reacceleration in growth in the UK and Europe next year. US Growth is expected to settle around trend levels. These outlooks may change depending on the direction US fiscal and trade policy takes following the election.

### Inflation

Inflation has trended lower despite recent upsticks as previous large price level shirts have dropped out of year-on-year calculations, with core inflation remaining sticky due to second-round effects of wage increases. Looking ahead inflation risks appear more balanced with increased downside risk for lower growth regions.

### Monetary Policy

Following the steepest hiking cycle in 40 years, headline inflation has come down from its peak and is returning to target with core inflation lagging. With most developed markets central banks already beginning to ease conditions, the future path for monetary policy is entering a new phase as inflation and employment risks appear more balanced and the tightening cycle has come to an end. However, we still expect some further calibration of rate expectations as an easing cycle plays out and central banks will have to consider emerging changes in fiscal policy, and the potential inflationary impacts these might 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	£92.7bn as at 31 December 2024

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](https://pru.co.uk/international)  
[prudential-international.com](https://prudential-international.com)

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