



PruFund – Past, Present & Future Celebrating 20 years & more

Monday 25 November



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Session 4:

PruFund Quarterly Update & Market Outlook

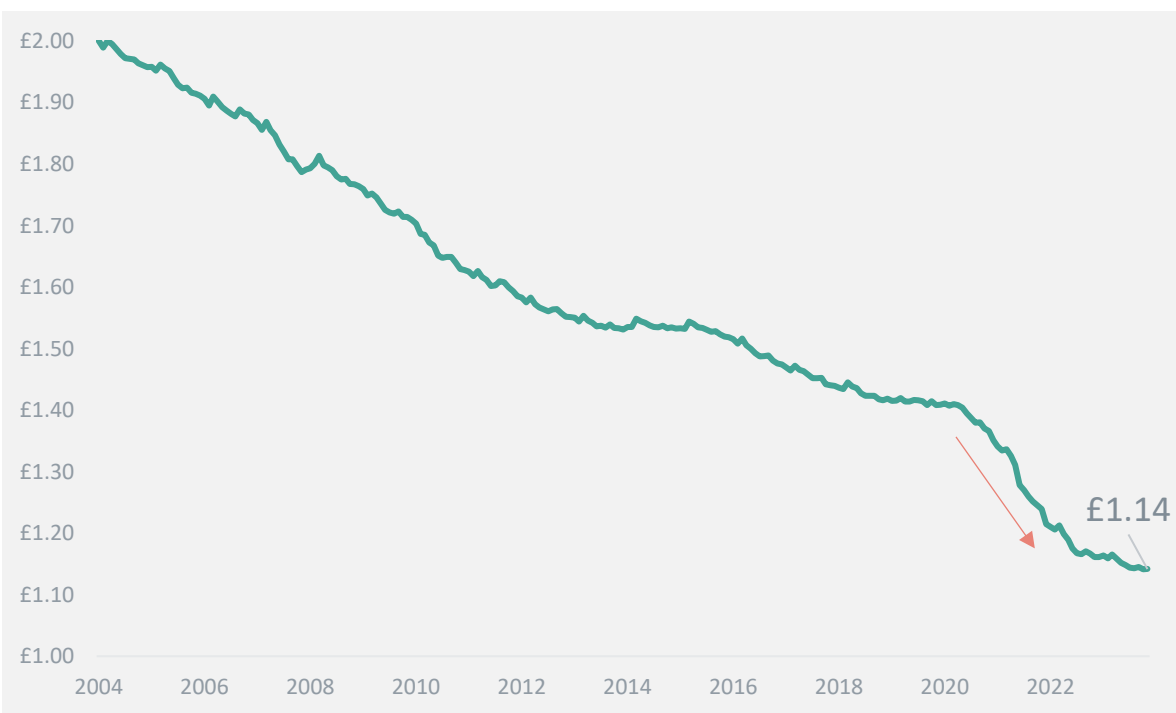
Cat McNally, Paul Fidell & Michael Watt

Inflation and the value of the coin

As inflation (change in prices of goods and services in an economy) eats into the purchasing power of money, the same £2 could buy only a fraction of regular household items now compared to 20 years ago...



How much a £2 coin be worth today if it was safely kept under the mattress over the past 20



Items bought with £2

20 years ago

Now

Home brewed cups of tea



115

60

Loafs of bread



3

1

Pints of lager



0.9

0.4

Litres of unleaded petrol

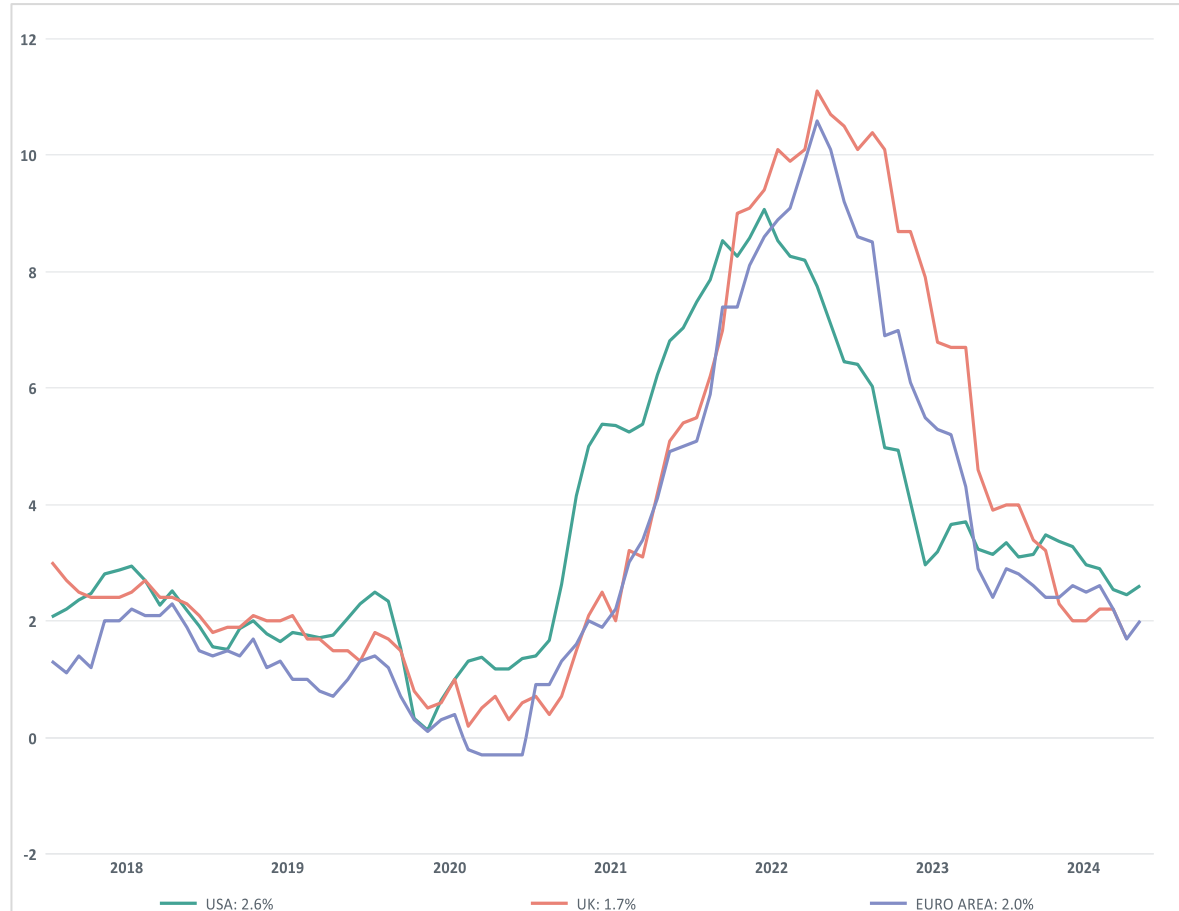


2.4

1.5

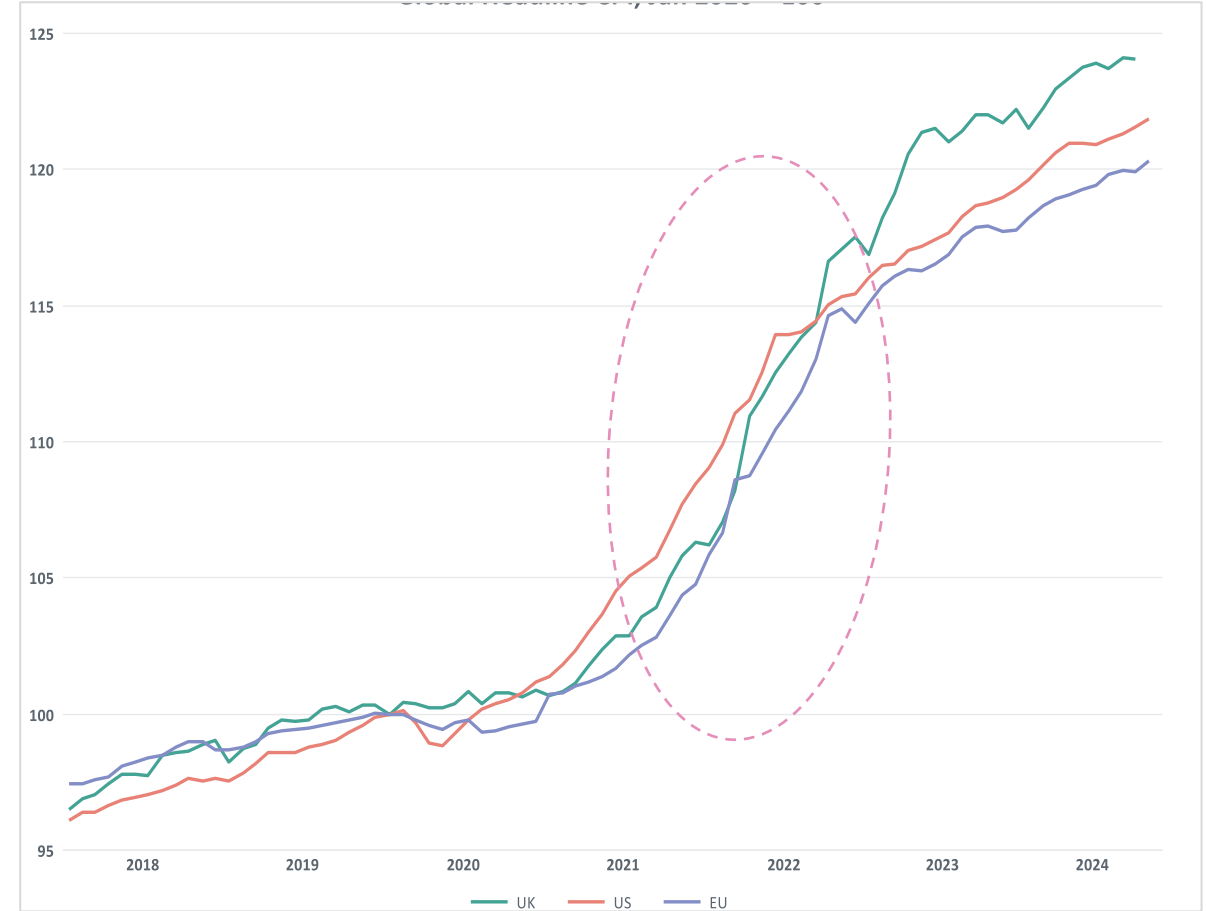
Inflation on downward trend; Elections impacted by higher prices!

Global Headline Inflation Rates (YoY%)



Source: LSEG Datastream & MAPM (Investment Office). Oct 2024 (Sept for UK)

Global Headline CPI, Jan 2020 = 100



Source: LSEG Datastream & MAPM (Investment Office). Oct 2024 (Sept for UK)

Global Economic Outlook

Growth

Steady Growth in the first half of the year, outpacing expectations. The outlook 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 positive impulse. Elevated public debt levels pose medium term risks.

Country/region	Output gap	Inflation	Business cycle position
US	Positive / falling	Around target	<i>Around trend</i>
UK	Closed	Around target	<i>Below trend</i>
Euro area	Closed	Below target	<i>Below trend</i>
China	Negative	Below Target	<i>Recovery</i>

Source: LTIS (Investment Office). November 2024

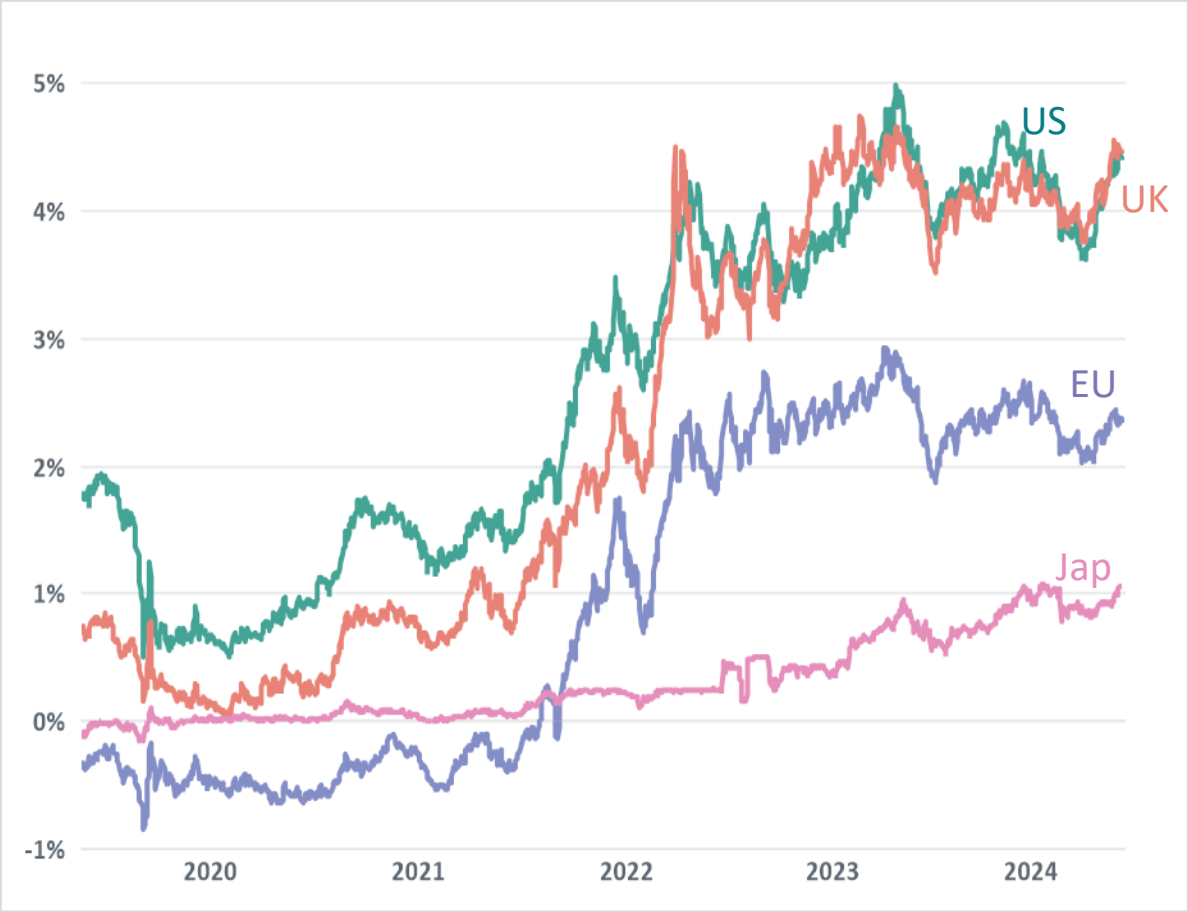
China Manufacturing PMI



Source: M&G, Macrobond. China Caixin Manufacturing PMI. October 2024

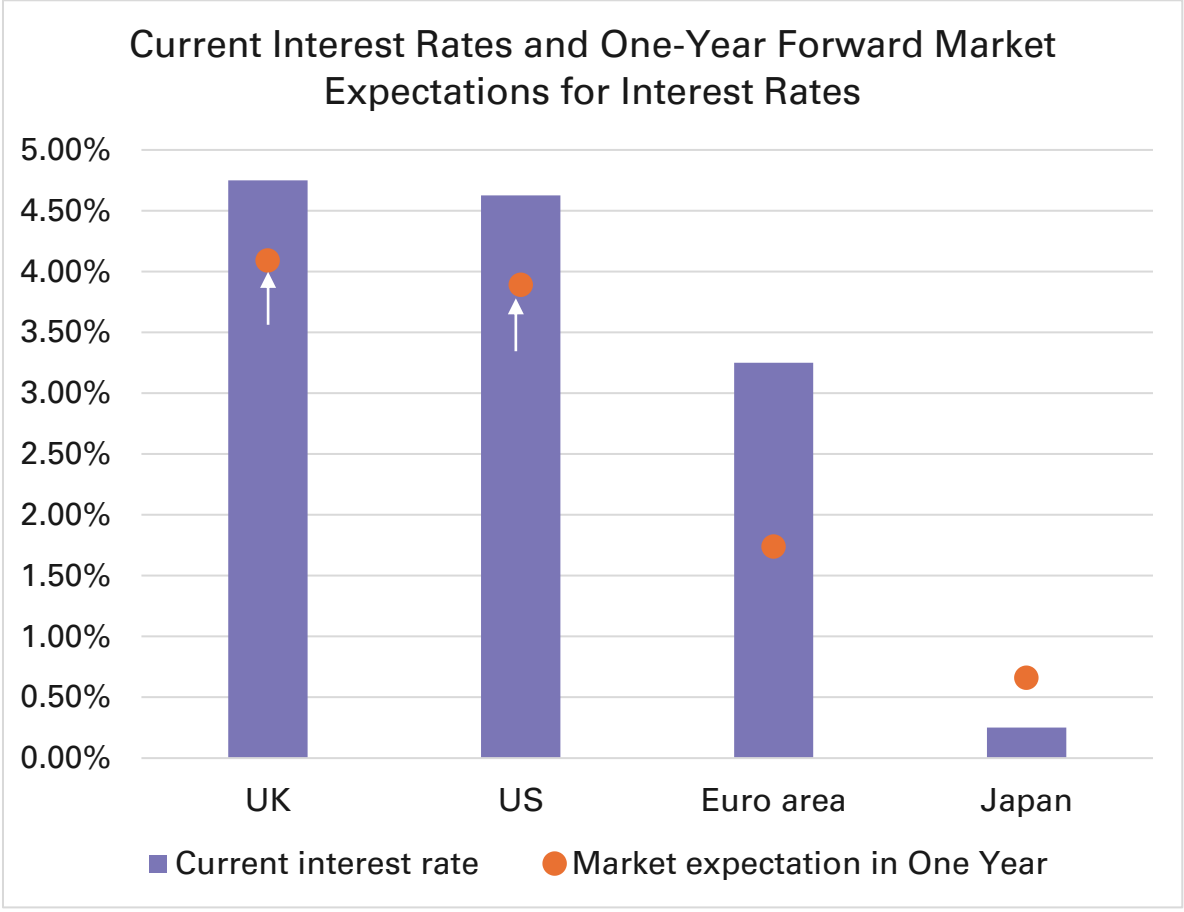
Central Banks keeping markets on their toes!

Gov't 10Y Bond Yields



Source: LSEG Datastream & MAPM (M&G Investment Office). 19/11/2024.

Interest Rates



Source: Trading Economics, Refinitiv, 15th Nov 2024. One-Year forward represents interest rate expectations.

£2 coin – 350% increase in value of underlying physical metal

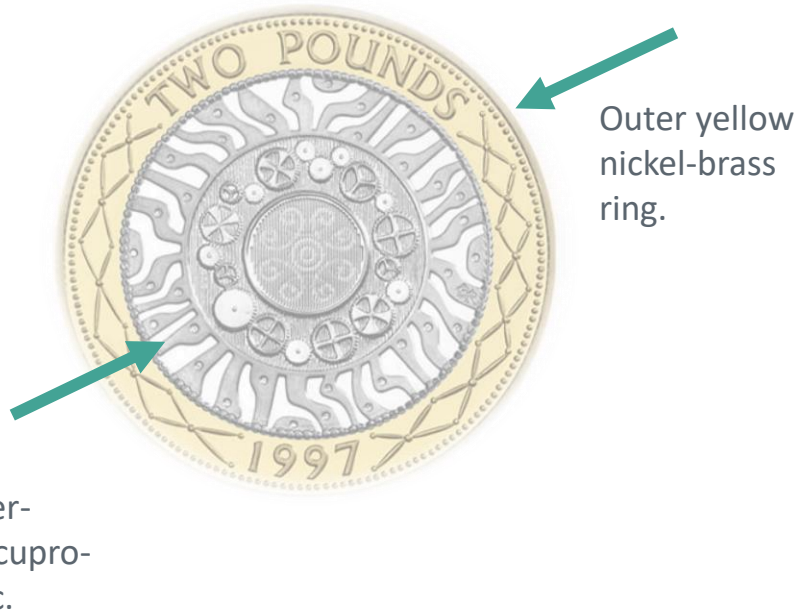


Image source: Royal Mint

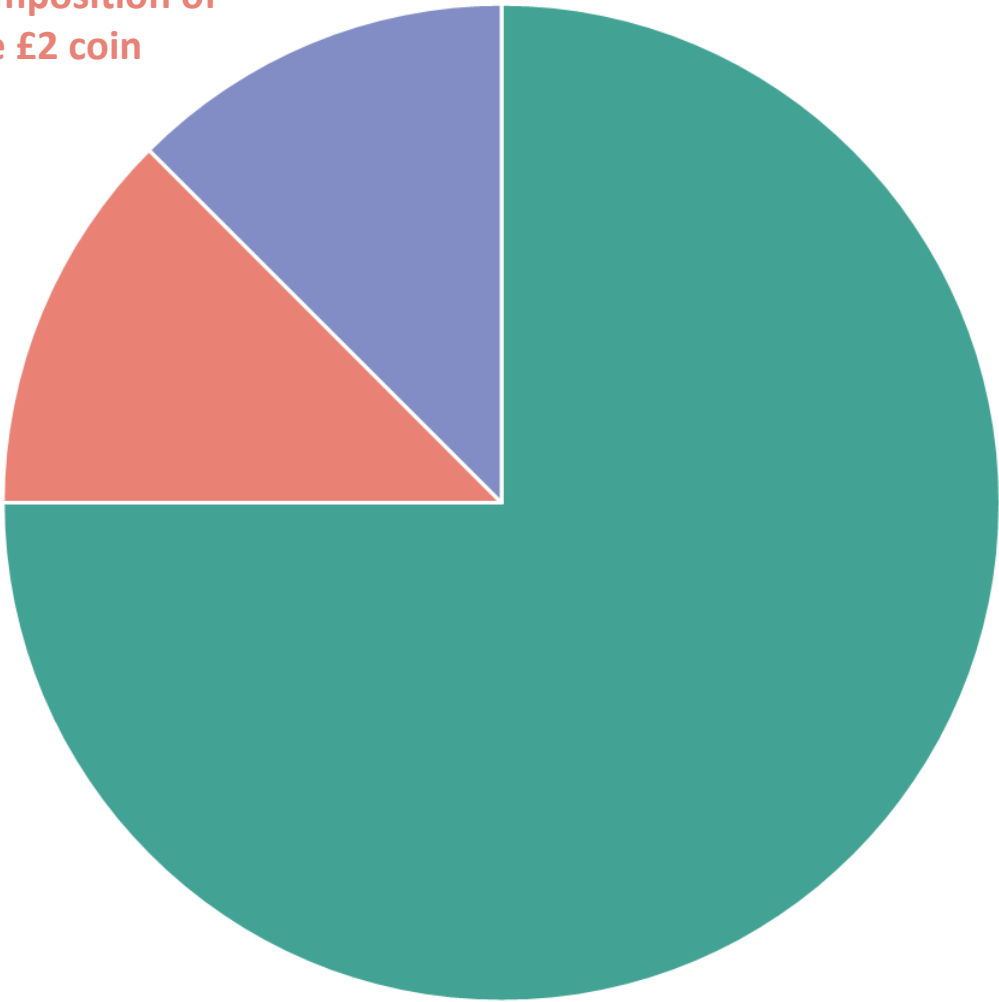
Estimated value of metals used in a £2 coin = £0.09



Source: Datastream 14/11/2024, LTIS Calculation

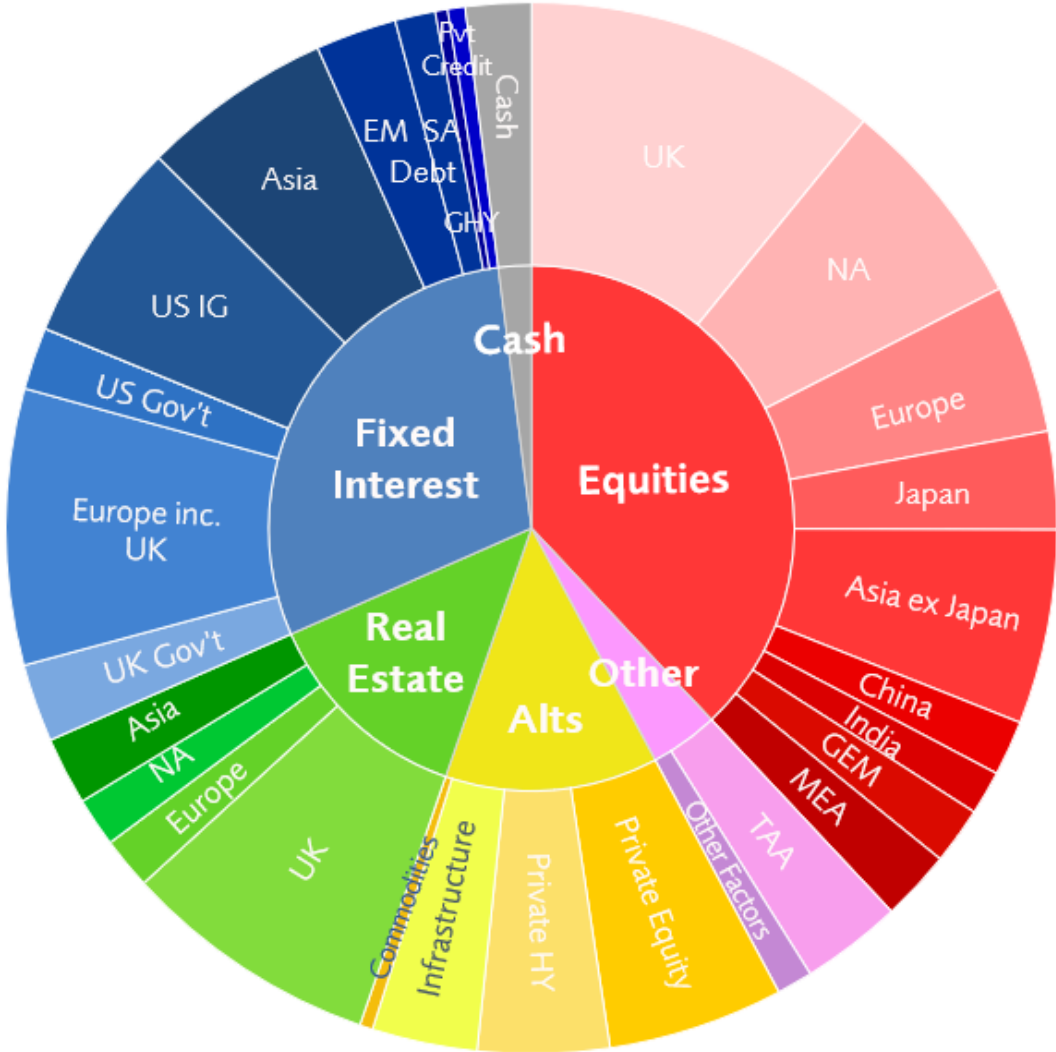
PruFund – Keeping it ‘real’

Composition of the £2 coin



■ Copper ■ Zinc ■ Nickel

PruFund Growth



Source: LTIS (Investment Office. Drifted SAA (Nov 2024)

What could've been done to preserve the value of the £2 coin?

Instead of storing the coin safely under the mattress, it could've earned some interest if deposited in an easy access UK bank account. It could have also been invested in a multi-asset fund like **PruFund!**



Source: FE Analytics (25.11.2004 – 30.09.2024). PruFund Growth (Life Fund) includes 0.65% AMC.
*Multi-asset fund reflects ABI Insurance 20-60 Shares Sector.

Source: Datastream 15/11/2024, LTIS Calculations. Value of £2 invested from Nov 2004 to Sep 2024

PruFund Quarterly Update – Nov 2024

Paul Fidell

This is for UK adviser use only



Important information

This presentation is for adviser use only, and is based on our current understanding of taxation, legislation and HMRC practice, all of which are liable to change and subject to an individual's own circumstances.

The rate of growth of funds and any income from them cannot be guaranteed. PruFund funds aim to grow your client's money while smoothing their investment journey.

The PruFund range of funds all invest in Prudential's With-Profits Fund, which is one of the largest with-profits funds in the UK. However, there are differences across the range of PruFund funds in their objectives and mix of assets, and how PruFund delivers returns to investors when compared to other With-Profits business, which means the returns received by investors will vary by fund choice.

Prudential set Expected Growth Rates (EGR); these are the annualised rates your client's investment would normally grow at. The EGRs reflect our view of how we think each PruFund fund will perform over the long-term (up to 15 years). Each PruFund fund has its own EGR and your client's investments into a PruFund will normally grow daily by the relevant EGR. Although we take a long-term view, we do review the rates every three months to allow for any changes, which may mean a change in EGR on a quarterly basis, up or down. While the EGR reflects our long term view, we need to check that the fund is performing as expected - if not we may need to make an adjustment to your client's fund value, either up or down. There are limits which set out when an adjustment would be required. The value of your client's investment in a PruFund fund is based on the Smoothed Price, this is the unit price, which grows daily by the EGR. We compare the Smoothed Price against the Unsmoothed Price – which reflects the value of underlying assets. If these move too far away from one another we need to adjust the Smoothed Price to narrow the gap. This could be a price increase or a price decrease. In certain circumstances we might need to suspend the smoothing process for one or more of the PruFund funds.

'Prudential' is a trading name of Prudential Distribution Limited. Prudential Distribution Limited is registered in Scotland. Registered office at 5 Central Way, Kildean Business Park, Stirling FK8 1FT. Registered number SC212640. Authorised and regulated by the Financial Conduct Authority.



What we will cover

- Expected Growth Rates (EGRs)
- Unit Price Adjustments (UPAs)
- Market context
- PruFund performance



EGR decision

- Following the usual quarterly review; EGRs for most versions remain unchanged
- USD Growth and Cautious have increased by 20bps

Example EGRs

Product	Fund	EGR from 25 Nov 2024
Onshore Bond	PruFund Growth S2	6.00%
	PruFund Cautious S2	5.40%
ISA	PruFund Growth Pn ISA	7.30%
	PruFund Cautious Pn ISA	6.60%
Pension	PruFund Growth Pn Ser E	7.30%
	PruFund Cautious Pn Ser E	6.60%

Example EGRs

Product	Fund	EGR from 25 Nov 2024
ISA/Pension	PruFund Risk Managed 1	6.10%
	PruFund Risk Managed 2	6.50%
	PruFund Risk Managed 3	7.00%
	PruFund Risk Managed 4	7.40%
	PruFund Risk Managed 5	7.70%

Product	Fund	EGR from 25 Nov 2024
ISA/Pension	PruFund Planet 1	6.10%
	PruFund Planet 2	6.50%
	PruFund Planet 3	7.00%
	PruFund Planet 4	7.40%
	PruFund Planet 5	7.70%

Example EGRs

Product	Fund	EGR from 25 Nov 2024
Offshore Bond	PruFund Growth GBP Ser B	7.30%
	PruFund Cautious GBP Ser B	6.60%

Product	Fund	EGR from 25 Nov 2024
Offshore Bond	PruFund Growth EUR Ser B	6.60%
	PruFund Cautious EUR Ser B	5.70%

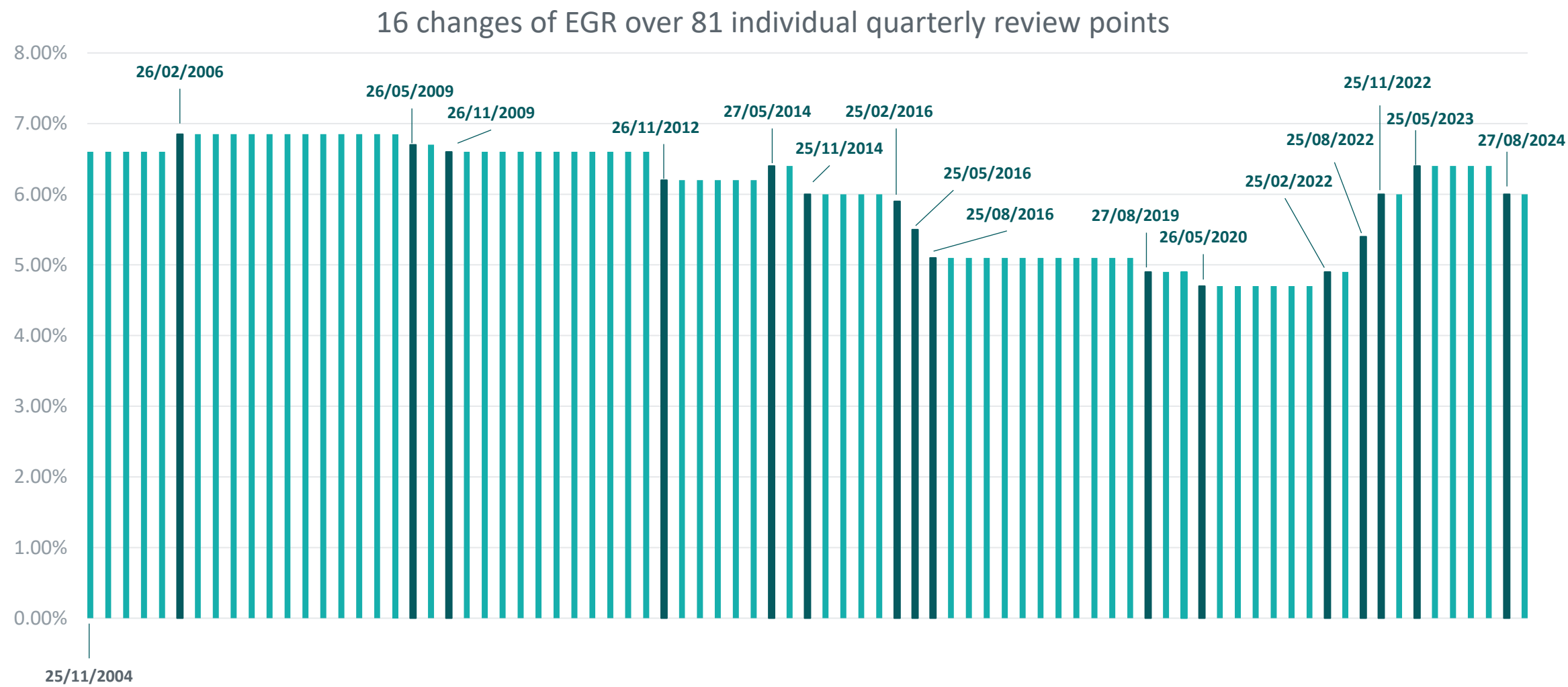
Product	Fund	EGR from 25 May 2023	EGR from 25 Nov 2024
Offshore Bond	PruFund Growth USD Ser B	7.00%	7.20%
	PruFund Cautious USD Ser B	6.40%	6.60%



A reminder of the EGR methodology

- The EGR is an estimate of the expected investment return over the long-term, at least 15 years
- Our in-house stochastic asset model is used to generate a distribution of possible future investment returns (having regard to the current asset mix in each fund) over a 15-year period
- It is preferable not to make frequent changes due to the long-term perspective

Preferable not to make frequent changes



Source: <https://www.pruadviser.co.uk/funds/prufund-egr/pfip/> Chart shows EGRs for PruFund Growth Fund held within PruFund Investment Plan since launch 25 Nov 2004



Expectation vs reality

EGRs – expectation and reality

Investment date	PruFund Growth EGR at outset	PruFund Return after 10 years	ABI Mixed 20-60% Shares return after 10 years
25/11/2004	6.60%	6.64%	4.33%
25/11/2005	6.60%	6.21%	3.36%
25/11/2006	6.85%	5.74%	3.26%
25/11/2007	6.85%	5.56%	4.00%
25/11/2008	6.85%	7.64%	5.85%
25/11/2009	6.60%	7.20%	4.58%
25/11/2010	6.60%	6.21%	3.92%
25/11/2011	6.60%	6.64%	4.82%
25/11/2012	6.20%	6.61%	2.96%
25/11/2013	6.20%	6.03%	2.17%
25/11/2014	6.00%	6.13% <small>(as at 22/11/2024)</small>	2.54% <small>(as at 22/11/2024)</small>

Figures are for PruFund Growth Fund held within PruFund Investment Plan. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

Unit Price Adjustments (UPAs)

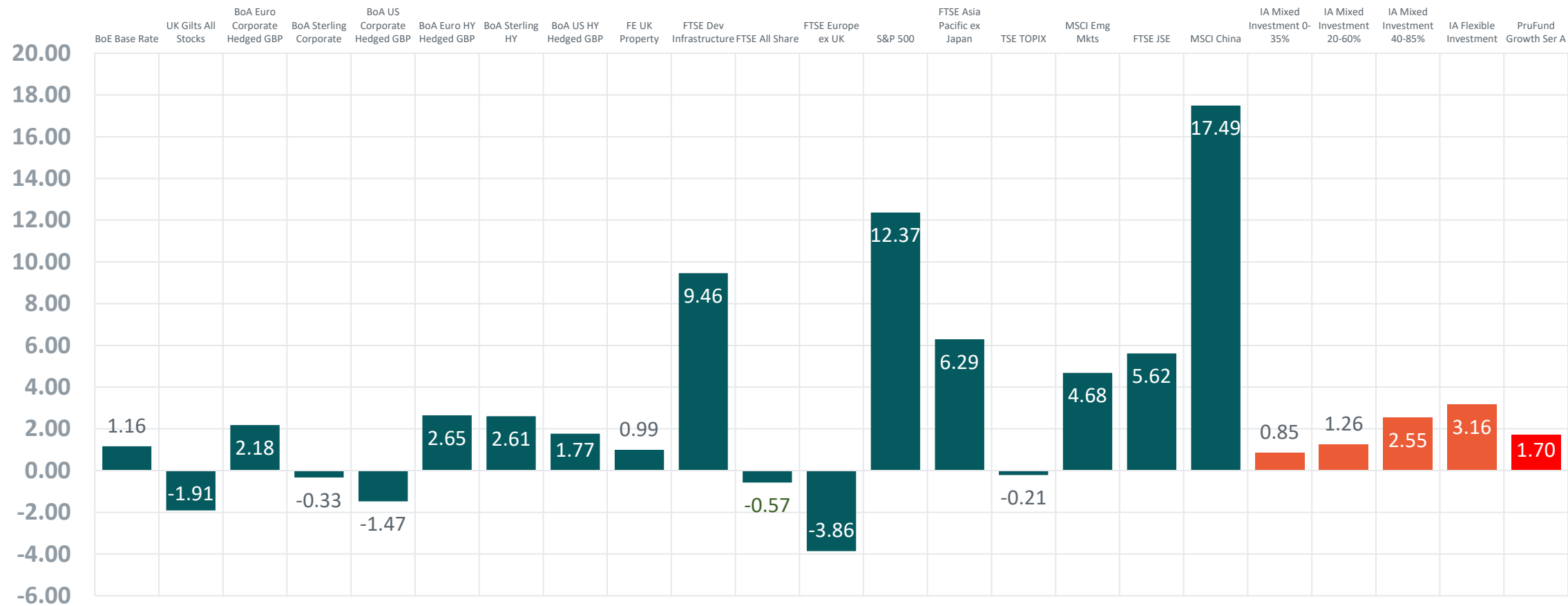
- UPAs reflect the actual past performance of each PruFund and the smoothing approach followed
- They are formulaic and non-discretionary
- For S2, Series A, Series B and Series D; there is a Daily Smoothing Limit and a Quarterly Smoothing Limit
- For Series C, E and F; there is a Daily Smoothing Limit and a Monthly Smoothing Limit
- There are no UPAs at this quarter date
- Full details at <https://www.mandg.com/pru/adviser/en-gb/funds/prufund-range>

Quarterly UPA checks

UPAs – a reminder of what's required

- To trigger a UPA for quarterly versions in Nov 2024 requires movement in unsmoothed fund to at least equal:
 - growth in Smoothed Price (SP) as a result of EGR, *plus*
 - sufficient movement to make up difference from USP/SP start position and upper/lower smoothing limit of 4%/5%

Performance of markets since 27 Aug 2024

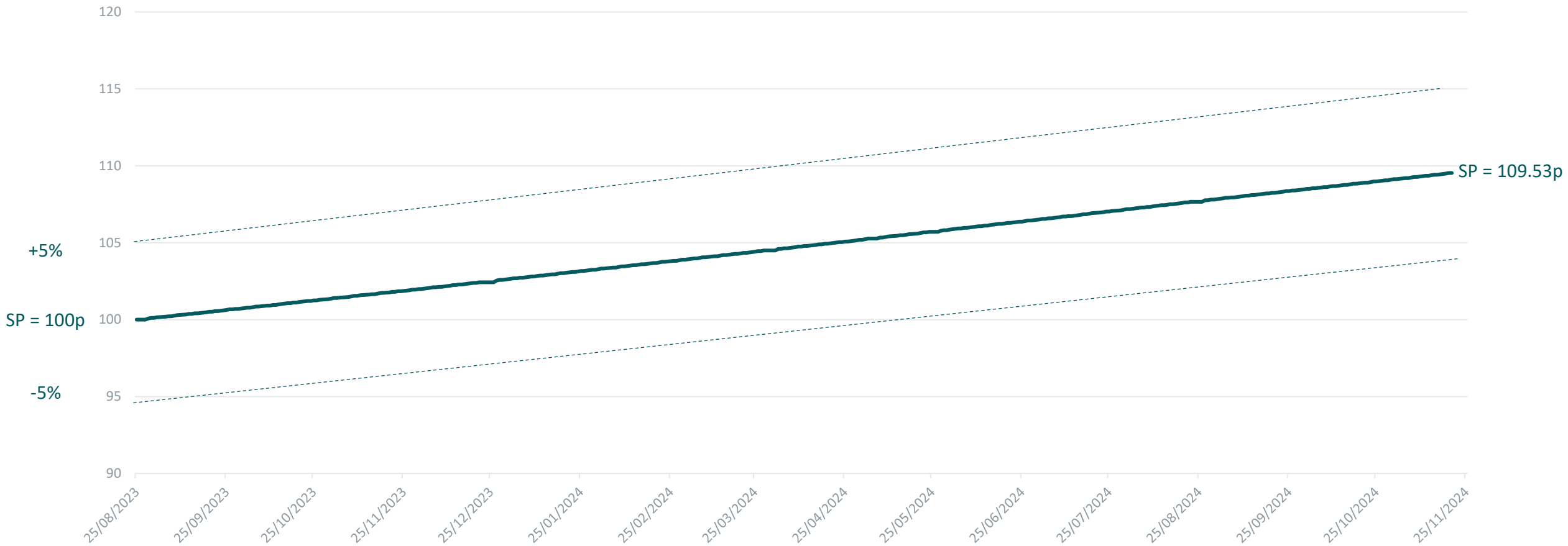


Performance of various indices in GBP over period from 27 Aug 2024 to 22 Nov 2024. The PruFund figure includes any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the IA sector averages are net of fund charges. The value of an investment can go down as well as up. Your clients may get back less than they have paid in. Source: FE Analytics

UPAs – a reminder of what's required

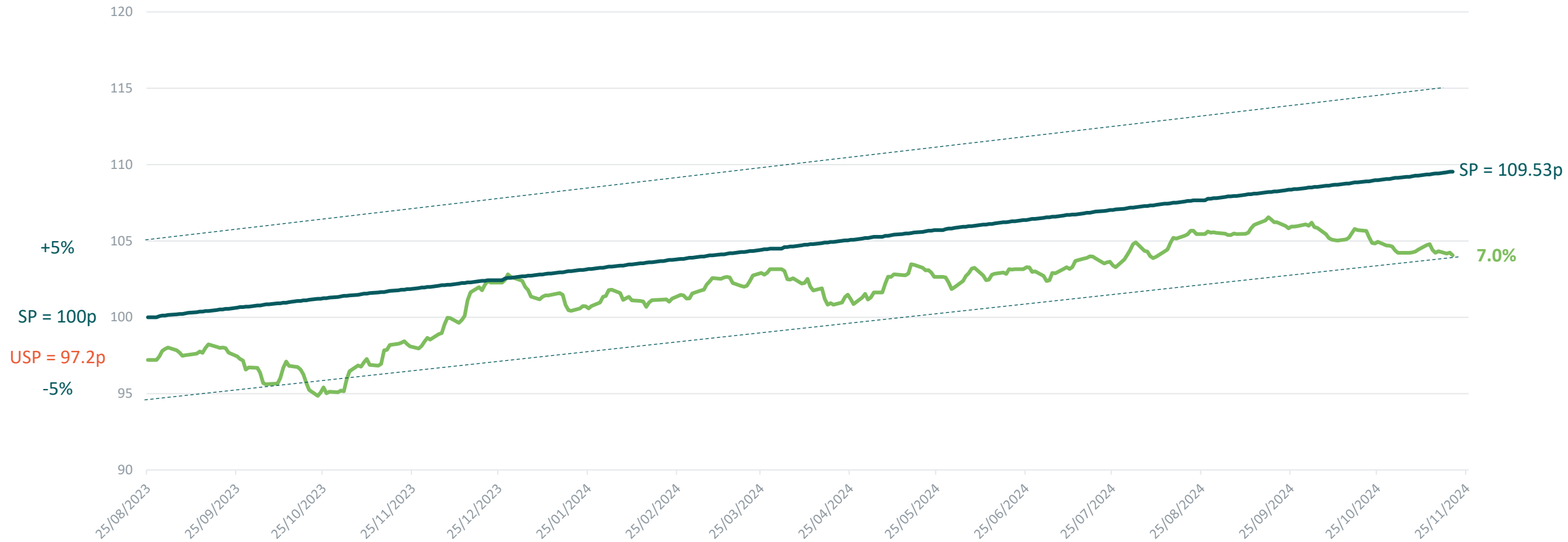
- Last UPA for PruFund Growth Ser A, in August 2023, was -2.80%
- This means the gap between Smoothed Price (SP) and Unsmoothed Price (USP) was 5.60%

The Smoothed Price (SP) performance is not the same as the Unsmoothed Price (USP) performance



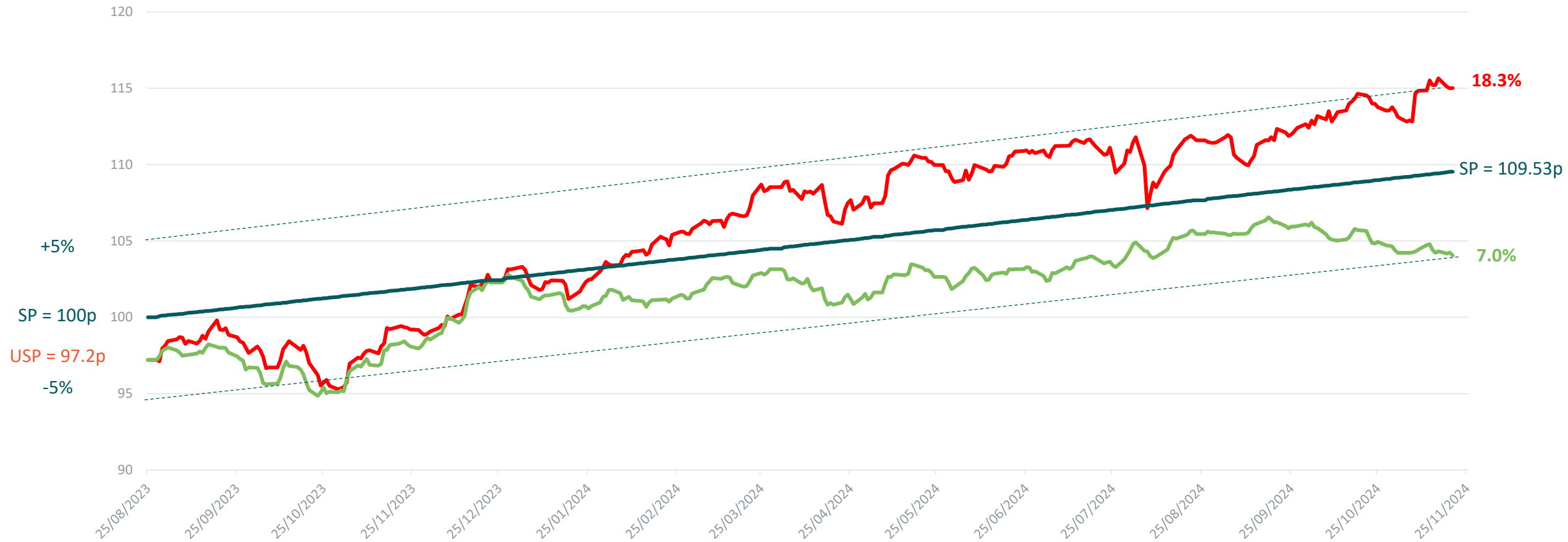
This is a hypothetical example to illustrate the mechanics of the smoothing process. It does not represent any actual version of PruFund.

The Smoothed Price (SP) performance is not the same as the Unsmoothed Price (USP) performance



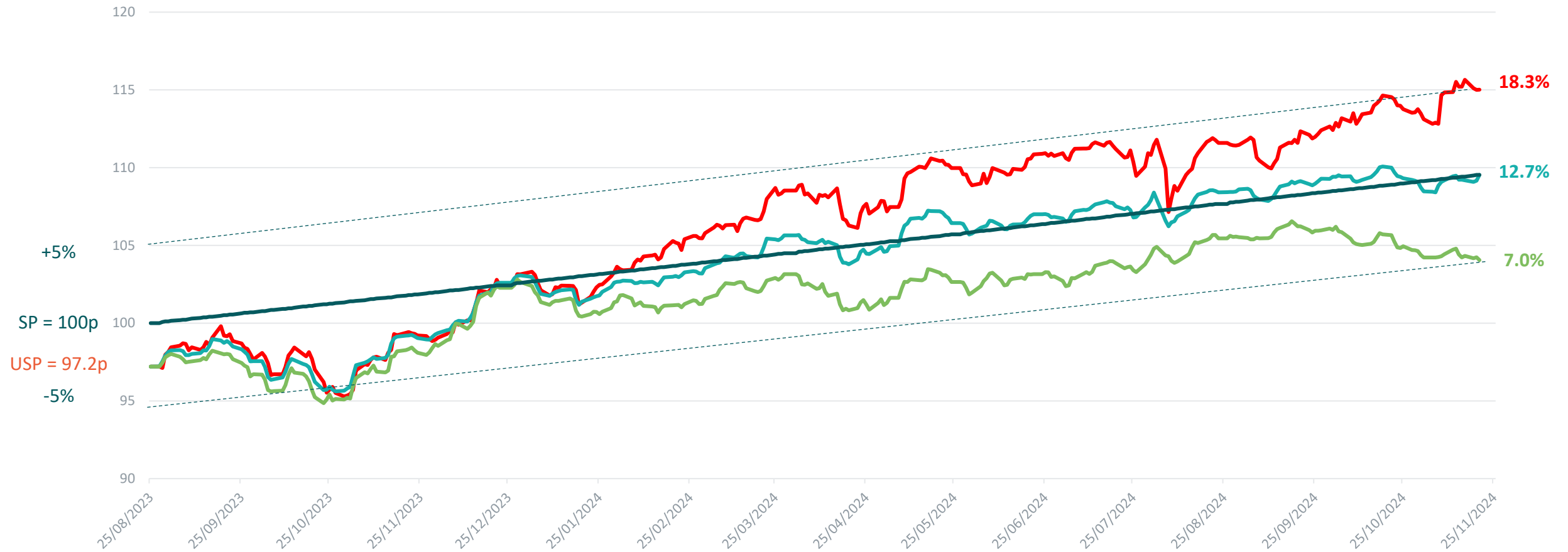
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The Smoothed Price (SP) performance is not the same as the Unsmoothed Price (USP) performance



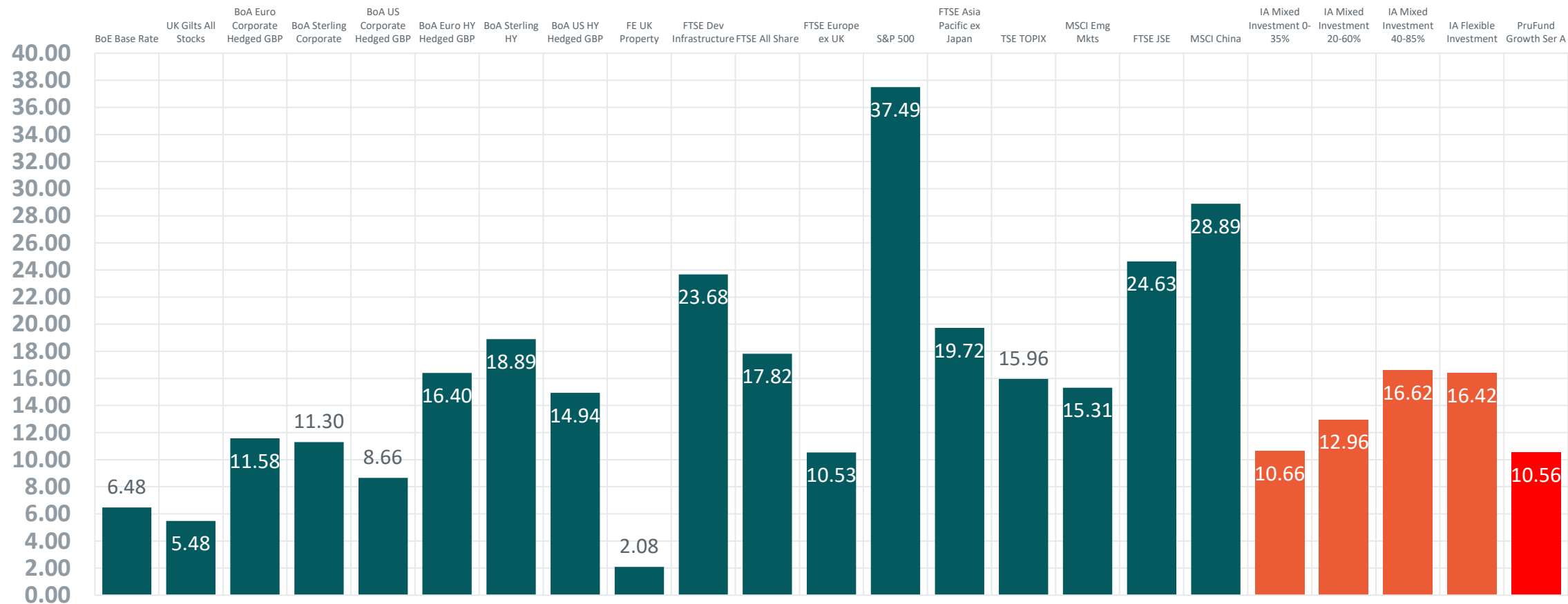
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The Smoothed Price (SP) performance is not the same as the Unsmoothed Price (USP) performance



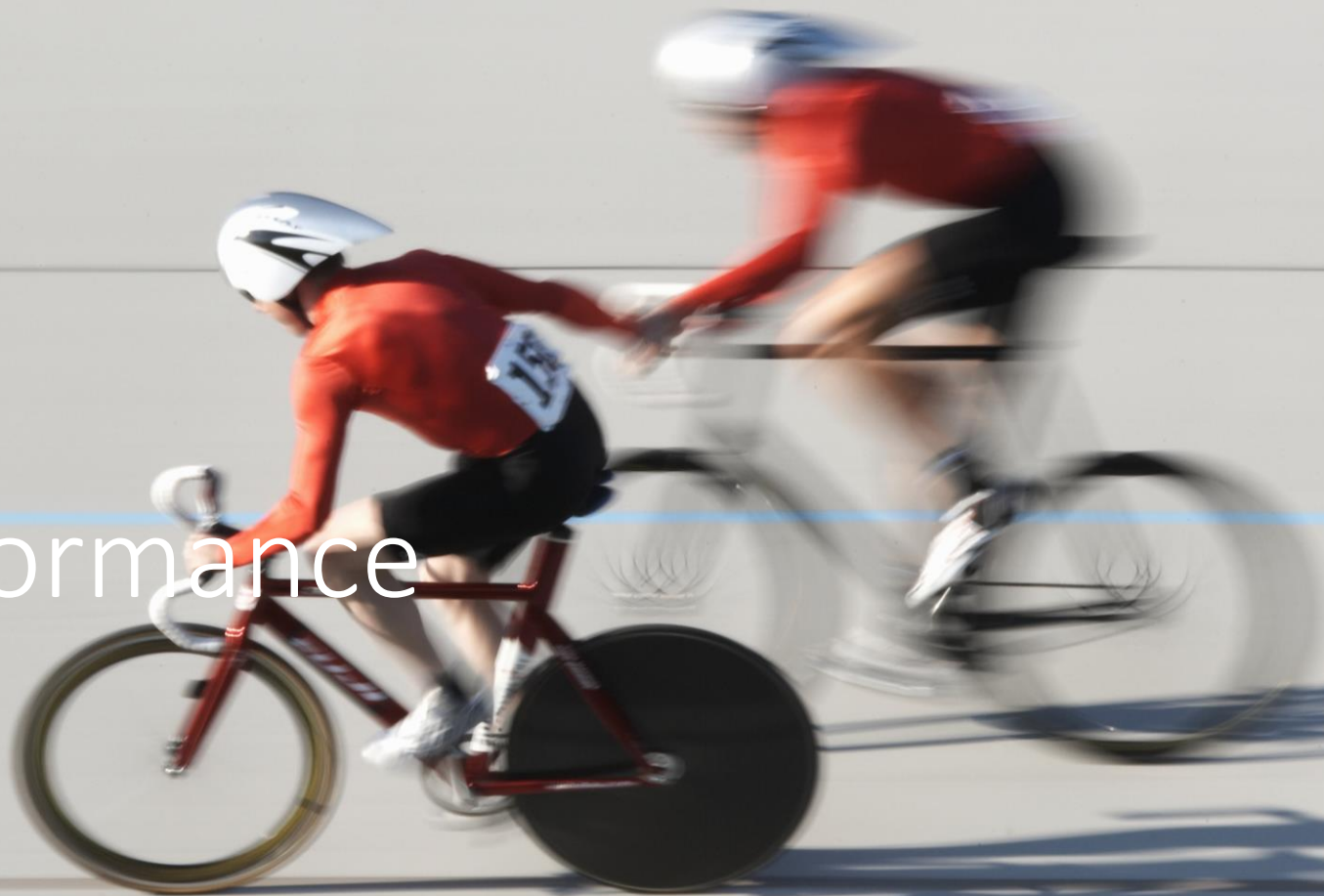
This is a hypothetical example to illustrate the mechanics of the smoothing process. It does not represent any actual version of PruFund.

Performance of markets since 25 Aug 2023



Performance of various indices in GBP over period from 25 Aug 2023 to 22 Nov 2024. The PruFund figure includes any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the IA sector averages are net of fund charges. The value of an investment can go down as well as up. Your clients may get back less than they have paid in. Source: FE Analytics

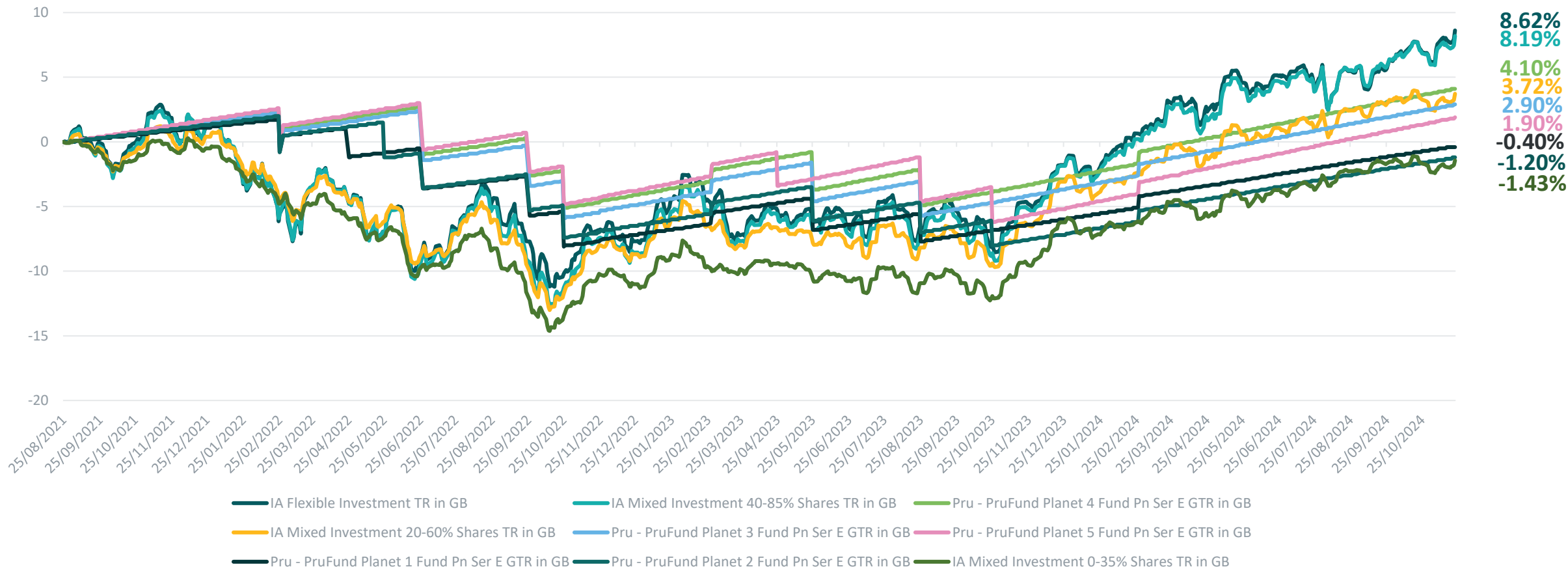
PruFund performance



Aug 2021

Planet range of PruFund launched

25 Aug 2021 – Planet versions launched

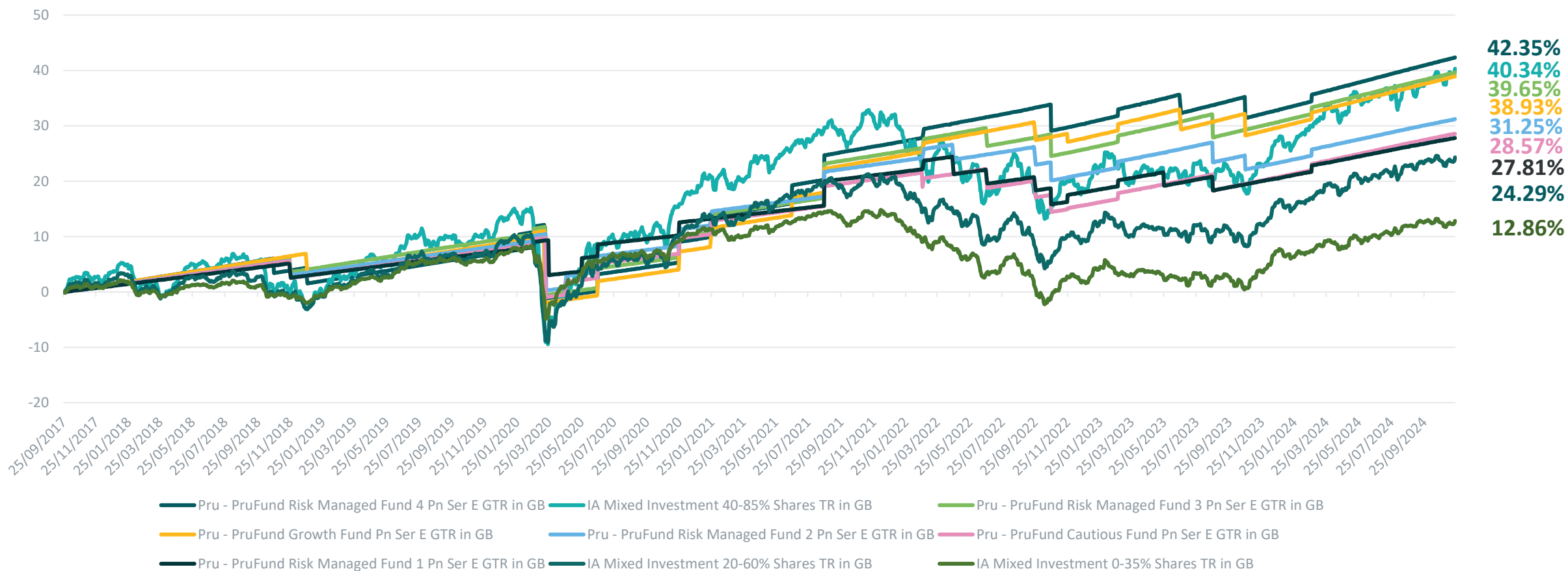


Figures are for PruFund Pn Ser E Planet variants and are for the period from 25 Aug 2021 to 22 Nov 2024. The PruFund figures include fund management charges and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. The Mixed Investment 20-60% Shares and 40-85% Shares represent an equally weighted portfolio of funds that have an ISS ESG rating of 3 stars and above. Some, if not all, of these funds are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

Nov 2017

Retirement Account versions of all PruFunds launched

25 Sept 2017 – Retirement Account versions launched

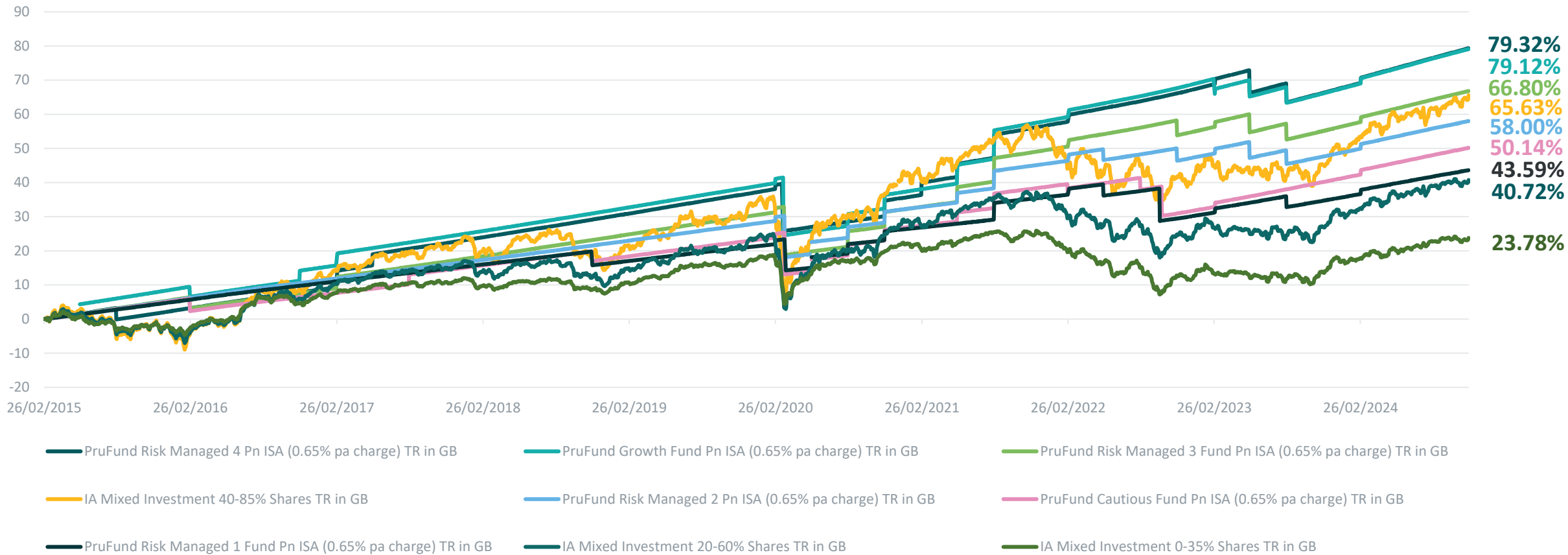


Figures are for PruFund Pn Ser E variants and are for the period from 25 Sept 2017 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the IA sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

Feb 2015

ISA versions of all PruFunds launched

26 Feb 2015 – ISA versions launched

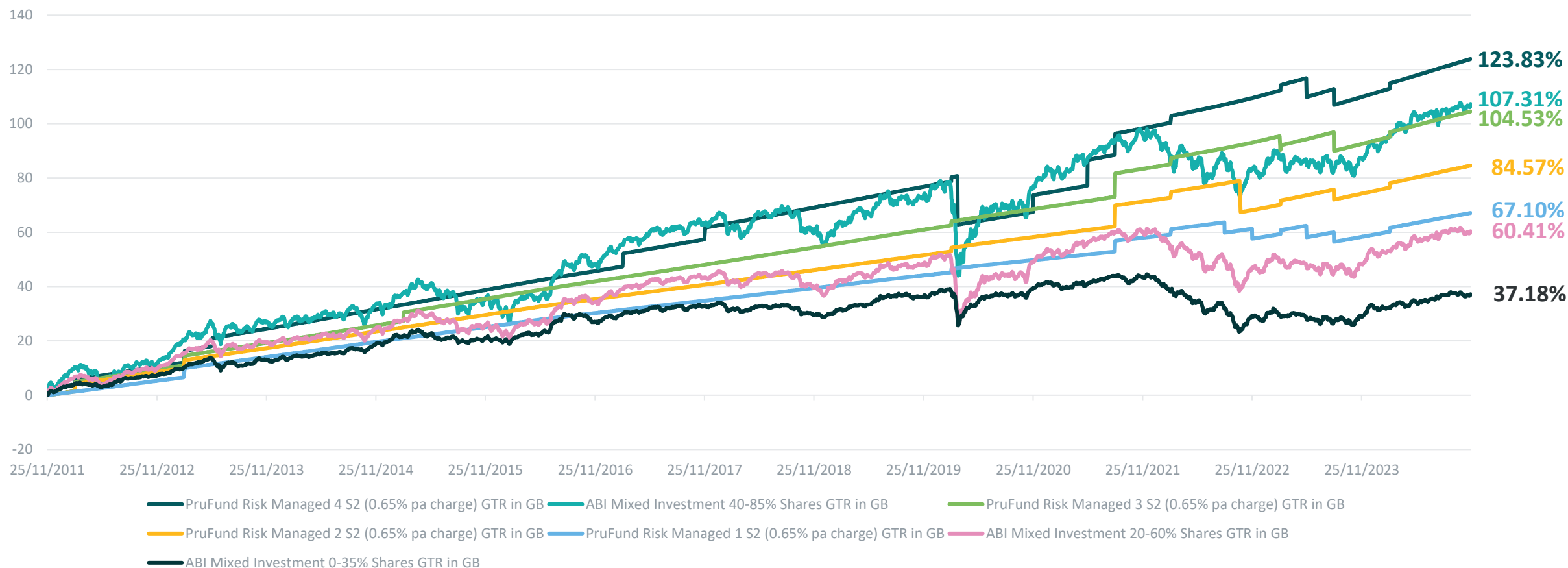


Figures are for PruFund Pn ISA variants and are for the period from 26 Feb 2015 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the IA sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

Nov 2011

Risk Managed PuFund ranged launched in onshore bond and pension versions

25 Nov 2011 – Onshore bond version of Risk Managed PruFund range launched



Figures are for PruFund Risk Managed Funds S2 and are for the period from 25 Nov 2011 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the ABI sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up.** Your clients may get back less than they have paid in. Source: FE Analytics

EGRs – expectation and reality

Investment date	PruFund Risk Managed 1 EGR at outset	PruFund Return after 10 years	ABI Mixed 0-35% Shares return after 10 years
25/11/2011	6.00%	5.36%	3.66%
25/11/2012	5.70%	4.79%	1.88%
25/11/2013	5.60%	4.00%	1.32%
25/11/2014	5.20%	4.07% <small>(as at 22/11/2024)</small>	1.44% <small>(as at 22/11/2024)</small>

Investment date	PruFund Risk Managed 2 EGR at outset	PruFund Return after 10 years	ABI Mixed 20-60% Shares return after 10 years
25/11/2011	6.40%	6.22%	4.82%
25/11/2012	6.00%	5.15%	2.96%
25/11/2013	5.90%	4.71%	2.17%
25/11/2014	6.00%	4.78% <small>(as at 22/11/2024)</small>	2.54% <small>(as at 22/11/2024)</small>

Figures are for PruFund Risk Managed Funds held within PruFund Investment Plan. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

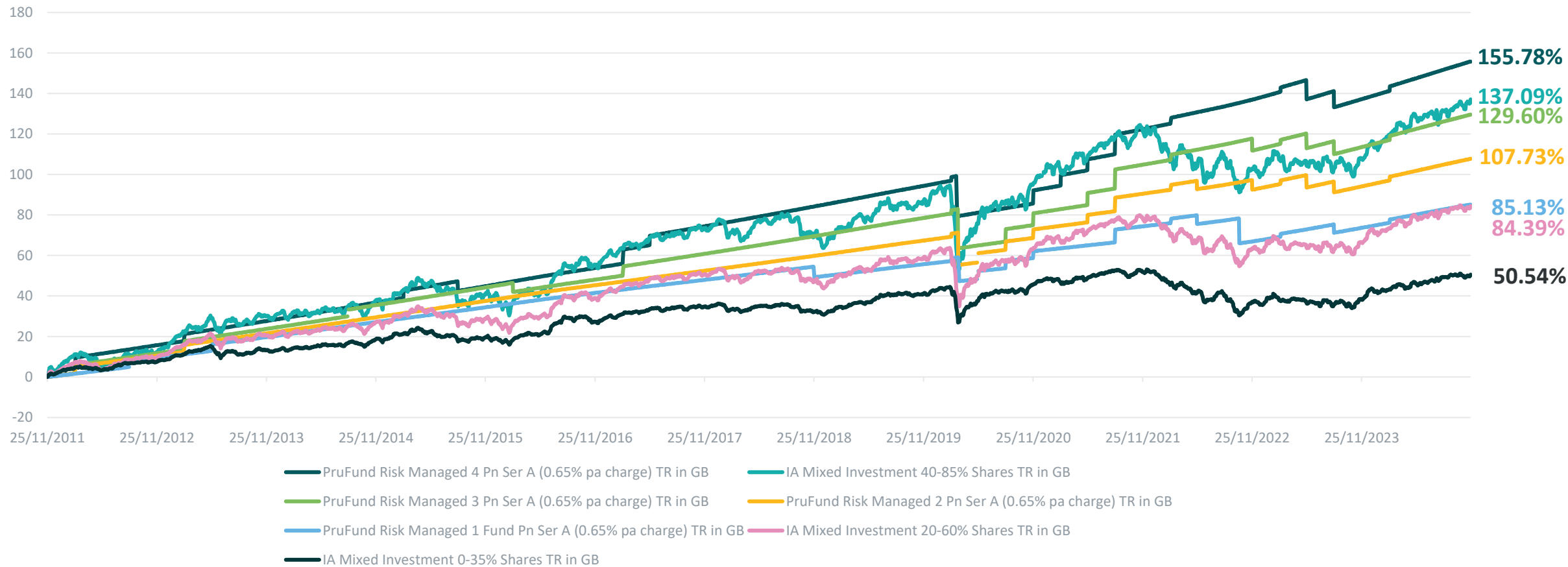
EGRs – expectation and reality

Investment date	PruFund Risk Managed 3 EGR at outset	PruFund Return after 10 years	ABI Mixed 20-60% Shares return after 10 years
25/11/2011	6.60%	6.94%	4.82%
25/11/2012	6.30%	6.52%	2.96%
25/11/2013	6.10%	5.59%	2.17%
25/11/2014	6.20%	5.67% <small>(as at 22/11/2024)</small>	2.54% <small>(as at 22/11/2024)</small>

Investment date	PruFund Risk Managed 4 EGR at outset	PruFund Return after 10 years	ABI Mixed 40-85% Shares return after 10 years
25/11/2011	6.70%	7.78%	6.98%
25/11/2012	6.60%	7.30%	5.09%
25/11/2013	6.40%	6.05%	3.96%
25/11/2014	6.50%	6.14% <small>(as at 22/11/2024)</small>	4.49% <small>(as at 22/11/2024)</small>

Figures are for PruFund Risk Managed Funds held within PruFund Investment Plan. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

25 Nov 2011 – Pension version of Risk Managed PruFund range launched



Figures are for PruFund Risk Managed Funds Ser A and are for the period from 25 Nov 2011 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the IA sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

EGRs – expectation and reality

Investment date	PruFund Risk Managed 1 EGR at outset	PruFund Return after 10 years	IA Mixed 0-35% Shares return after 10 years
25/11/2011	7.40%	6.40%	4.42%
25/11/2012	7.10%	4.99%	2.57%
25/11/2013	6.90%	4.46%	2.09%
25/11/2014	6.40%	4.51% <small>(as at 22/11/2024)</small>	2.47% <small>(as at 22/11/2024)</small>

Investment date	PruFund Risk Managed 2 EGR at outset	PruFund Return after 10 years	IA Mixed 20-60% Shares return after 10 years
25/11/2011	7.80%	7.35%	6.09%
25/11/2012	7.40%	6.39%	4.17%
25/11/2013	7.20%	5.48%	3.34%
25/11/2014	6.90%	5.53% <small>(as at 22/11/2024)</small>	3.83% <small>(as at 22/11/2024)</small>

Figures are for PruFund Risk Managed Funds Ser A. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

EGRs – expectation and reality

Investment date	PruFund Risk Managed 3 EGR at outset	PruFund Return after 10 years	IA Mixed 20-60% Shares return after 10 years
25/11/2011	8.00%	8.13%	6.09%
25/11/2012	7.70%	7.30%	4.17%
25/11/2013	7.50%	6.29%	3.34%
25/11/2014	7.10%	6.10% <small>(as at 22/11/2024)</small>	3.83% <small>(as at 22/11/2024)</small>

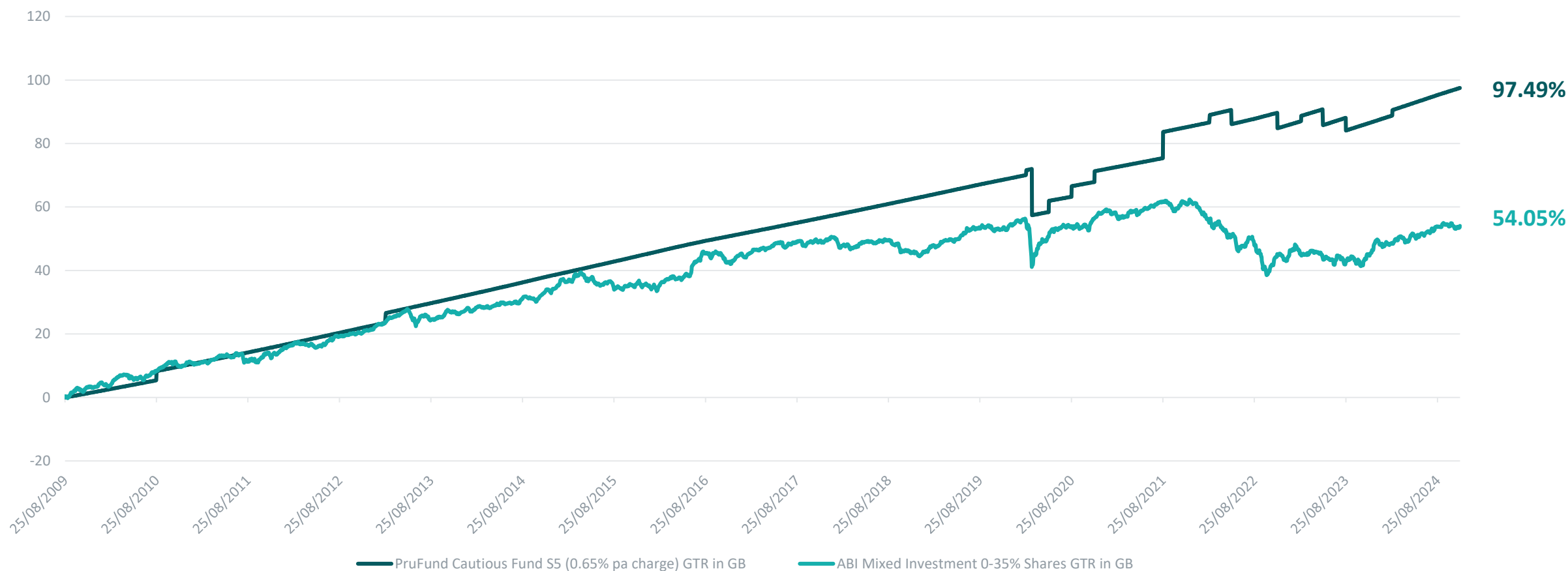
Investment date	PruFund Risk Managed 4 EGR at outset	PruFund Return after 10 years	IA Mixed 40-85% Shares return after 10 years
25/11/2011	8.20%	9.02%	8.37%
25/11/2012	7.90%	8.13%	6.13%
25/11/2013	7.80%	7.08%	4.81%
25/11/2014	7.40%	7.15% <small>(as at 22/11/2024)</small>	5.58% <small>(as at 22/11/2024)</small>

Figures are for PruFund Risk Managed Funds Ser A. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

Aug 2009

PruFund Cautious launched in onshore and offshore bond and pension versions

25 Aug 2009 – Onshore bond version of PruFund Cautious launched



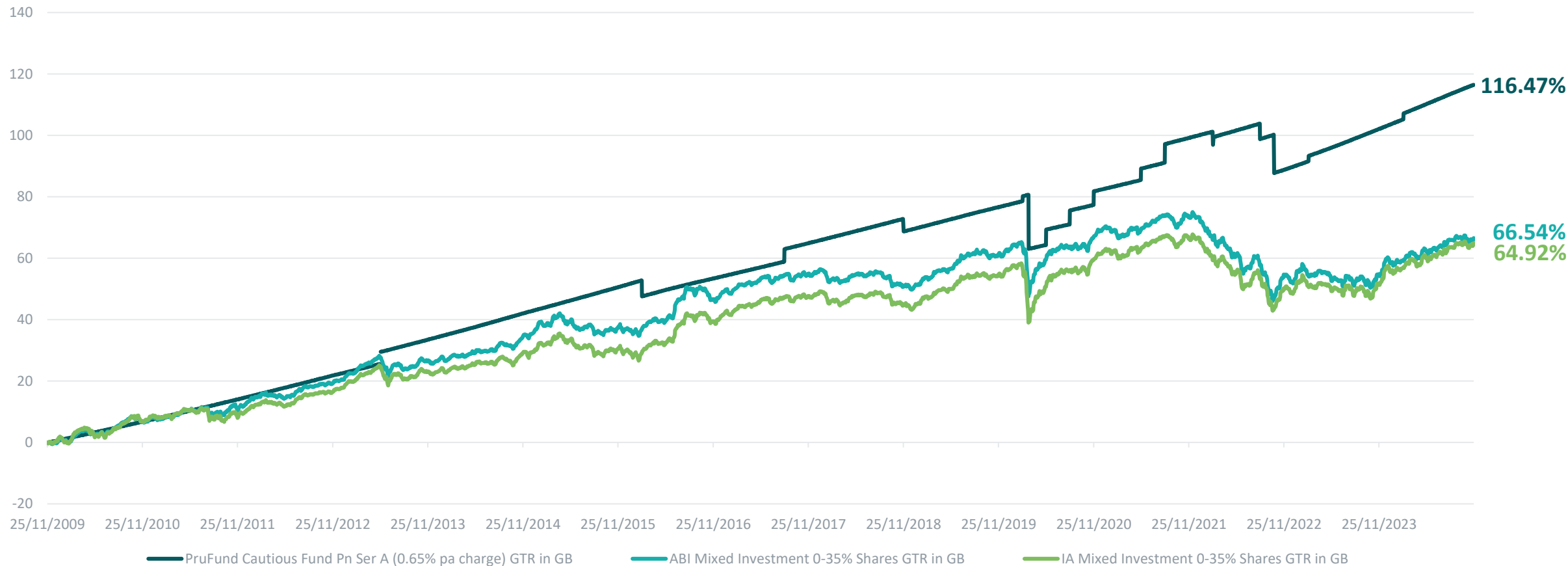
Figures are for PruFund Cautious Fund S5 and are for the period from 25 Aug 2009 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the ABI sector average are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

EGRs – expectation and reality

Investment date	PruFund Cautious EGR at outset	PruFund Return after 10 years	ABI Mixed 0-35% Shares return after 10 years
25/11/2009	6.10%	5.90%	4.00%
25/11/2010	6.10%	5.23%	3.60%
25/11/2011	6.10%	5.49%	3.66%
25/11/2012	5.70%	4.92%	1.88%
25/11/2013	5.70%	4.24%	1.32%
25/11/2014	5.40%	4.33% <small>(as at 22/11/2024)</small>	1.44% <small>(as at 22/11/2024)</small>

Figures are for PruFund Cautious Fund held within PruFund Investment Plan. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

25 Nov 2009 – Pension version of PruFund Cautious launched



Figures are for PruFund Cautious Fund Pn Ser A and are for the period from 25 Nov 2009 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the ABI and IA sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

EGRs – expectation and reality

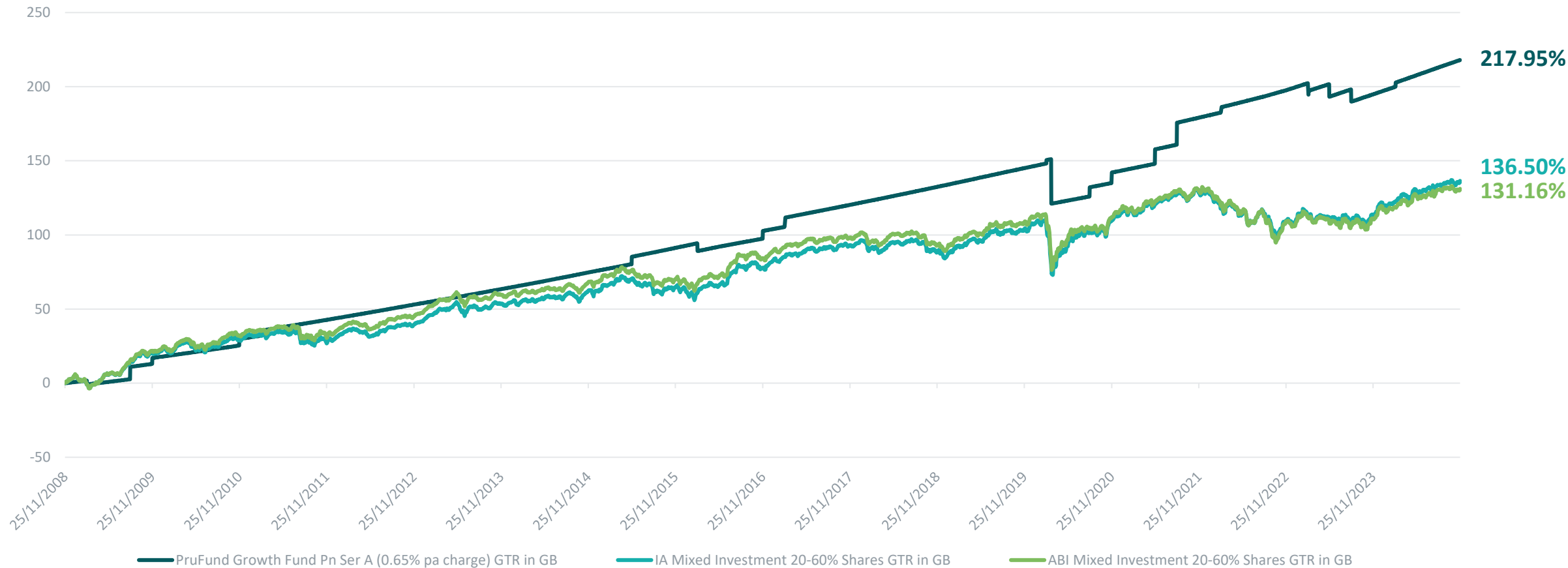
Investment date	PruFund Cautious EGR at outset	PruFund Return after 10 years	ABI Mixed 0-35% Shares return after 10 years	IA Mixed 0-35% Shares return after 10 years
25/11/2009	7.50%	6.54%	4.88%	4.44%
25/11/2010	7.50%	6.15%	4.58%	4.10%
25/11/2011	7.50%	6.42%	4.61%	4.42%
25/11/2012	7.00%	5.16%	2.62%	2.57%
25/11/2013	7.00%	4.91%	2.00%	2.09%
25/11/2014	6.70%	4.99% <small>(as at 22/11/2024)</small>	2.16% <small>(as at 22/11/2024)</small>	2.47% <small>(as at 22/11/2024)</small>

Figures are for PruFund Cautious Fund held within Flexible Retirement Plan. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

Nov 2008

Pension and offshore bond versions of PruFund Growth launched

25 Nov 2008 – Pension version of PruFund Growth launched



Figures are for PruFund Growth Pn Ser A and are for the period from 25 Nov 2008 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the ABI and IA sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

EGRs – expectation and reality

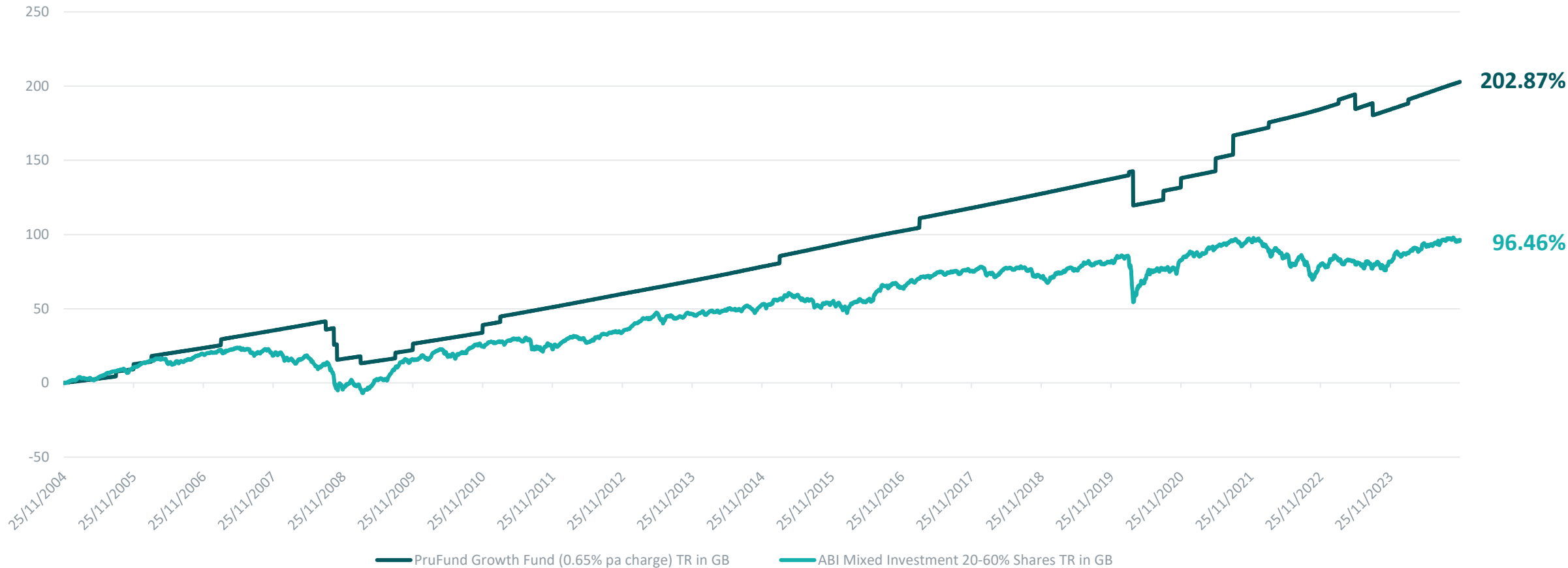
Investment date	PruFund Growth EGR at outset	PruFund Return after 10 years	ABI Mixed 20-60% Shares return after 10 years	IA Mixed 20-60% Shares return after 10 years
25/11/2008	8.00%	9.50%	6.77%	6.30%
25/11/2009	7.90%	8.38%	5.49%	5.19%
25/11/2010	7.90%	7.12%	4.86%	4.84%
25/11/2011	7.90%	7.63%	5.83%	5.96%
25/11/2012	7.50%	7.57%	3.73%	4.08%
25/11/2013	7.50%	6.77%	2.80%	3.27%
25/11/2014	7.30%	6.86% <small>(as at 22/11/2024)</small>	3.24% <small>(as at 22/11/2024)</small>	3.78% <small>(as at 22/11/2024)</small>

Figures are for PruFund Growth Fund held within Flexible Retirement Plan. The PruFund figures include any additional investment expenses, but not any fund management, product or advice charges, so the amount an investor would get back would be less than shown here. Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up. Source: Prudential and FE Analytics

Nov 2004

PruFund Growth launched as onshore bond only

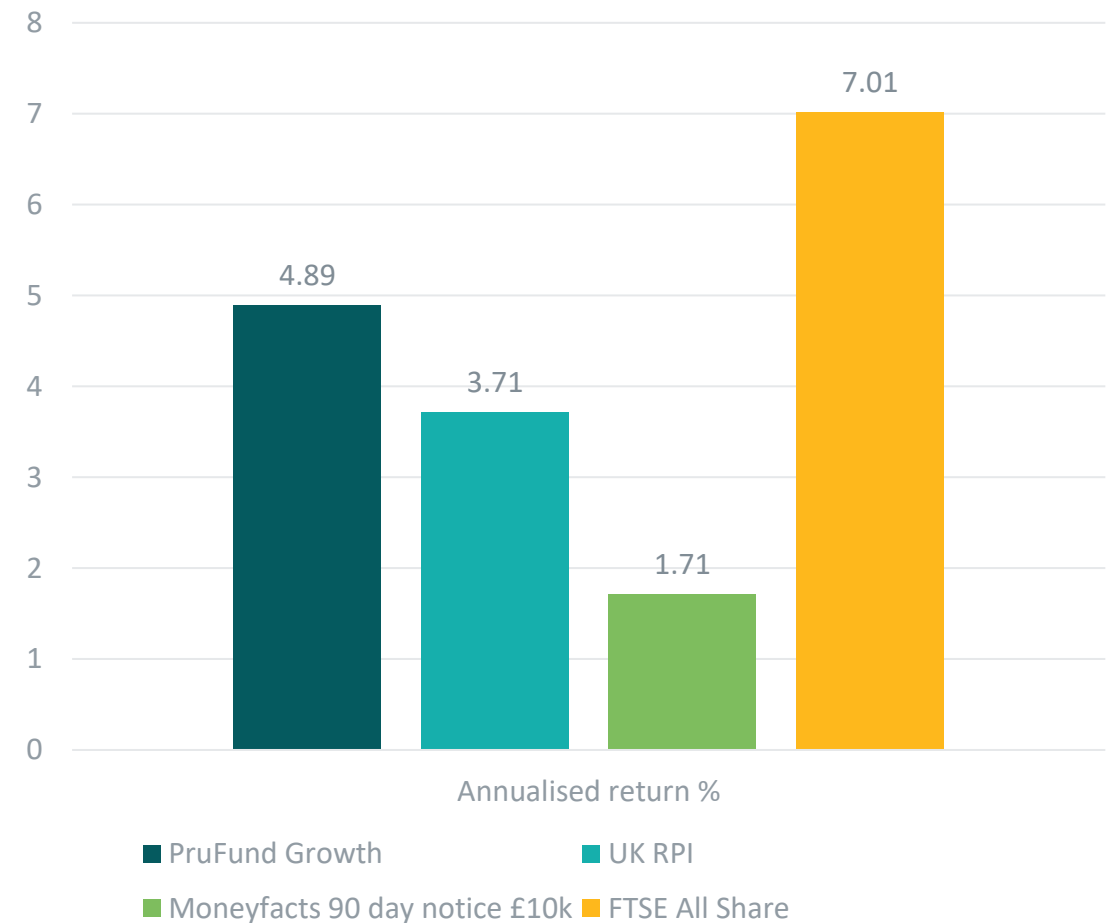
25 Nov 2004 – Onshore bond version of PruFund Growth launched



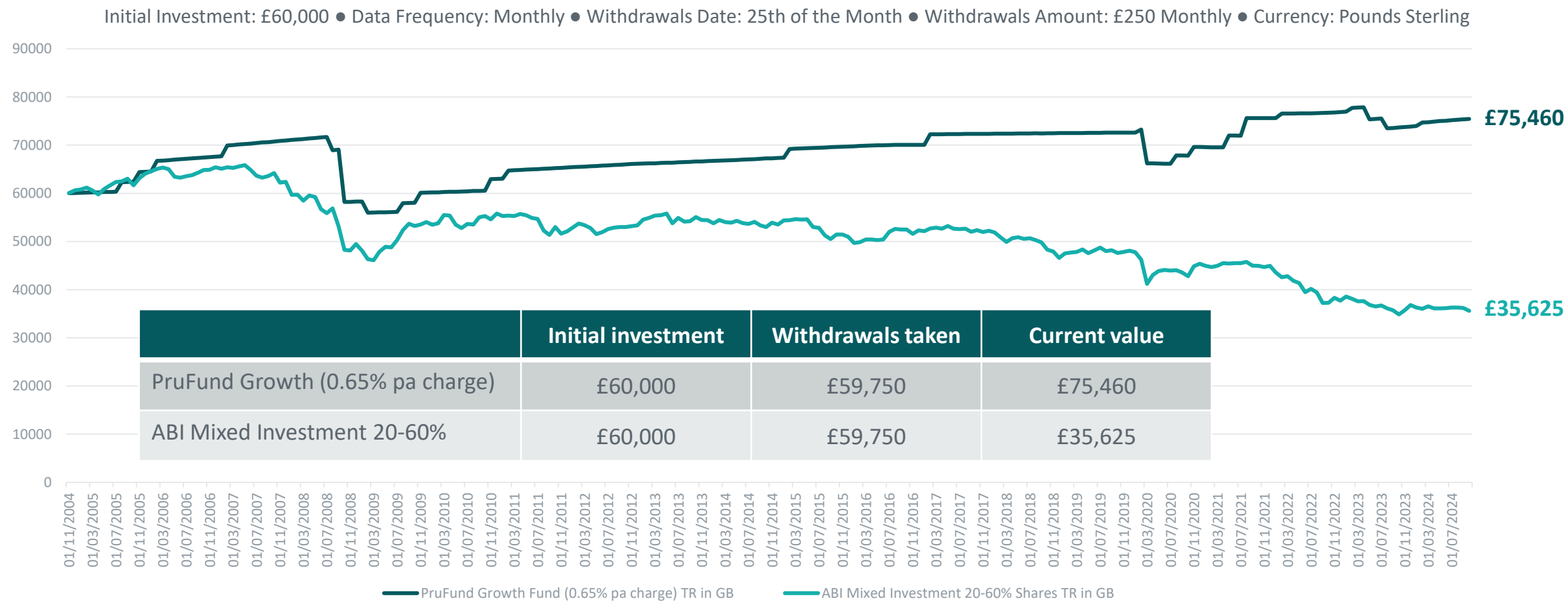
Figures are for PruFund Growth Fund and are for the period from 25 Nov 2004 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the ABI sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

The “original accumulators”

- 52 customers who invested up to and including 25 Nov 2004
- 21 of them have never taken a withdrawal
- Those 21 invested a total of approx. £608,000
- The current value is approx. £1,580,000
- This equates to an average net return of 4.89% pa after all charges and basic rate tax



The original “income takers”



Figures are for PruFund Growth Fund and are for the period from 25 Nov 2004 to 22 Nov 2024. The PruFund figures include a representative fund management charge of 0.65% pa and any additional investment expenses, but not any product or advice charges, so the amount an investor would get back would be less than shown here. Some, if not all, of the funds comprising the ABI sector averages are net of fund charges. Past performance is not a reliable indicator of future performance. **The value of an investment can go down as well as up. Your clients may get back less than they have paid in.** Source: FE Analytics

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Past performance is not a reliable indicator of future performance. The rate of growth of funds and any income from them cannot be guaranteed. The value of an investment can go down as well as up and your client could get back less than they have put in. PruFund funds aim to grow your client's money while smoothing their investment journey.

The PruFund range of funds all invest in Prudential's With-Profits Fund, which is one of the largest with-profits funds in the UK. However, there are differences across the range of PruFund funds in their objectives and mix of assets, and how PruFund delivers returns to investors when compared to other With-Profits business, which means the returns received by investors will vary by fund choice.

Prudential set Expected Growth Rates (EGR); these are the annualised rates your client's investment would normally grow at. The EGRs reflect our view of how we think each PruFund fund will perform over the long-term (up to 15 years). Each PruFund fund has its own EGR and your client's investments into a PruFund will normally grow daily by the relevant EGR. Although we take a long-term view, we do review the rates every three months to allow for any changes, which may mean a change in EGR on a quarterly basis, up or down. While the EGR reflects our long term view, we need to check that the fund is performing as expected - if not we may need to make an adjustment to your client's fund value, either up or down. There are limits which set out when an adjustment would be required. The value of your client's investment in a PruFund fund is based on the Smoothed Price, this is the unit price, which grows daily by the EGR. We compare the Smoothed Price against the Unsmoothed Price – which reflects the value of underlying assets. If these move too far away from one another we need to adjust the Smoothed Price to narrow the gap. This could be a price increase or a price decrease. In certain circumstances we might need to suspend the smoothing process for one or more of the PruFund funds.

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