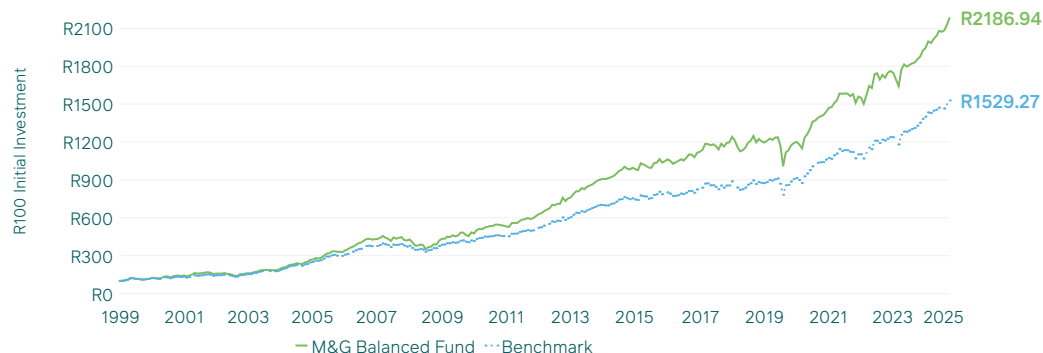


# M&G Balanced Fund

Multi-asset

May 2025

## Since inception cumulative performance, distributions reinvested (A class)



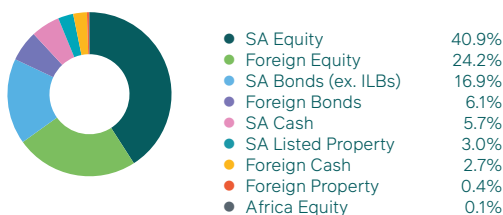
Annualised performance	A class	Benchmark	T class	X class	B class
1 year	17.8%	15.1%	18.1%	17.8%	18.3%
3 years	11.5%	10.9%	11.7%	11.5%	12.0%
5 years	14.0%	12.2%	14.3%	14.0%	14.6%
7 years	9.4%	9.0%	9.7%	9.5%	10.0%
10 years	8.3%	7.3%	8.6%	8.4%	8.9%
20 years	11.5%	9.9%	-	-	12.4%
Since inception	12.7%	11.2%	-	-	-

Returns since inception <sup>1</sup>	A class	Date
Highest annualised return	44.7%	30 Apr 2006
Lowest annualised return	-21.1%	28 Feb 2009

### Top 10 holdings as at 31 Mar 2025

1.	Naspers Ltd/Prosus NV	5.7%
2.	Republic of SA Bond 8.50% 310137 (R2037)	4.4%
3.	Republic of SA Bond 8.875% 280235 (R2035)	3.5%
4.	Standard Bank Group Ltd	3.0%
5.	Republic of SA Bond 8.25% 310332 (R2032)	2.8%
6.	Firststrand Ltd	2.5%
7.	Gold Fields Ltd	2.4%
8.	MTN Group Ltd	2.3%
9.	Absa Group Ltd	2.3%
10.	AngloGold Ashanti Plc	2.2%

### Asset allocation as at 31 May 2025



Risk measures	A class	Benchmark
Monthly volatility (annualised)	10.7%	8.9%
Maximum drawdown over any period	-23.2%	-16.8%
% of positive rolling 12 months	87.9%	90.9%
Information ratio	0.2	n/a
Sortino ratio	0.7	0.7
Sharpe ratio	0.4	0.4

Investment options	A Class	T Class	I Class	X Class	B Class
Minimum lump sum investment	R10 000	R10 000	R10 000	R10 000	R20 million
Minimum monthly debit order	R500 pm	R500 pm	R500 pm	R500 pm	n/a

Annual Management Fees (excl. VAT)	A Class	T Class	I Class	X Class	B Class
M&G <sup>2</sup>	1.00%	0.80%	1.25%	1.00%	0.60%
Financial adviser service fee (if applicable) <sup>3</sup>	n/a	n/a	0.50%	0.50%	n/a

Expenses (incl. VAT)	A Class	T Class	I Class	X Class	B Class
Total Expense Ratio (TER)	1.41%	1.18%	1.70%	1.41%	0.95%
Transaction Costs (TC) <sup>4</sup>	0.09%	0.09%	0.09%	0.09%	0.09%
Total Investment Charges (TIC)	1.50%	1.27%	1.79%	1.50%	1.04%

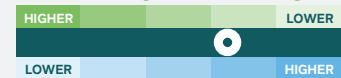
<sup>1</sup> 12-month rolling performance figure<sup>2</sup> The Fund can invest portions of its assets into underlying foreign investments (incl. investments into Africa). This would mainly be achieved by investing into the sub-funds of the M&G (South Africa) Global Funds ICAV and the M&G Africa Equity Fund. These funds will charge an additional asset management fee which is included in the Fund's NAV and the Fund's TER. The Manager receives a marketing and distribution fee in respect of the M&G (South Africa) Global Funds.<sup>3</sup> The Financial Adviser Service Fee, if applicable, is included in M&G's annual management

fee above. An Ongoing Adviser Fee, over and above the Financial Adviser Service Fee, may be negotiated between the Investor and Financial Adviser. Should you agree to an Ongoing Adviser Fee, it will be paid via the regular repurchase of units.

<sup>4</sup> Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market, and FX costs (where applicable).

## Risk profile

◀ Risk of not earning meaningful inflation-beating returns over the long-term



Variability of returns over the short-term ▶

## Fund facts

### Fund objective

To achieve steady long-term growth of capital and income by investing in a diversified combination of domestic and international assets, where the asset allocation is tactically managed.

### Investor profile

A suitable fund for retirement provision and for those individuals looking to tilt their portfolio to value with controlled risk exposure. The recommended investment horizon is 5 years or longer.

### Investment mandate

The Fund conforms to the regulations governing retirement fund investments (Regulation 28). Intended maximum limits: Equity 75%, Listed Property 25% and Foreign 45%.

### Fund managers

Sandile Malinga  
Michael Moyle  
Leonard Krüger

### ASISA category

South African - Multi-Asset - High Equity

### Benchmark

ASISA South African - Multi-Asset - High Equity Category Average

### Inception date

2 August 1999

### Fund size

R29 679 459 932

M&G Balanced Fund

Multi-asset

May 2025

Income Distributions <sup>5</sup>	A Class		T Class		X Class		B Class	
	Total	12m yield	Total	12m yield	Total	12m yield	Total	12m yield
31 December 2024	13.39	cpu 2.89%	14.45	cpu 3.10%	13.25	cpu 2.89%	15.56	cpu 3.30%
30 June 2024	12.77	cpu 2.92%	13.74	cpu 3.13%	12.63	cpu 2.92%	14.77	cpu 3.35%

Fund commentary

Following a volatile April, markets recovered in May, with volatility subsiding as concerns over global 'reciprocal tariffs' eased. Consequently, the US market was among the strongest performers, supported by delays in tariff implementation and a de-escalation of economic tensions between the US and China. US corporate earnings were notably robust, with realised earnings results nearly double analysts' expectations, driven in part by strong performance in the technology sector. Investor sentiment was further buoyed by sustained consumer confidence and a third consecutive month of declining inflation numbers. In the UK, the Bank of England cut its main interest rate by 25bps to 4.25%. Meanwhile, US President Trump and UK Prime Minister Keir Starmer reached a trade deal, the first since Trump announced his tariff plans. European markets also performed well during the month, with all major indices ending the month in positive territory. Anticipation of interest rate cuts by the European Central Bank (ECB) in early June, combined with lower energy prices and Germany's expansionary fiscal policy, contributed to significant investor optimism.

Asian markets were broadly positive, underpinned by strong economic data. However, China was an exception, with factory activity contracting unexpectedly and sentiment dampened by ongoing US-China tensions. Nevertheless, the US and China reached an agreement to temporarily cut reciprocal tariffs, with US tariffs on imports from China reduced to 30% from 145%, and Chinese tariffs on imports from the US cut to 10% from 125%. Japan reported a significant rebound in corporate capital expenditure, recovering from a modest decline in the previous quarter. On the local front, the SARB cut the repo rate by 25 bps to 7.25% due to a more favourable inflation outlook. SA CPI came in at 2.8% y/y in April, slightly up from 2.7% in March. Both the FTSE/JSE All Share Index and FTSE/JSE All Property Index returned 3.1% in May. The FTSE/JSE All Bond Index returned 2.7%, inflation-linked bonds (the Composite ILB Index) posted 0.4%, and cash as measured by the STeFI Composite Index delivered 0.6%. Looking at global market returns (in US\$), the MSCI All Country World Index delivered 5.8%, the Bloomberg Global Aggregate Bond Index returned -0.4%, while the FTSE EPRA/NAREIT Global REIT Index posted 2.7%. The rand strengthened 2.9% against the US dollar, 3.1% against the euro and 2.0% against the pound sterling.

Contributing the most to absolute performance for the month was the fund's exposure to SA equities (excluding property), foreign equities (excluding property) and SA bonds (excluding inflation-linked bonds).

Glossary

12-month yield	A measure of the Fund's income distributions as a percentage of the Fund's net asset value (NAV). This is calculated by summing the income distributions over a rolling 12-month period, then dividing by the sum of the NAV at the end of the period and any capital gains distributed over the same period.
Annualised performance	The average amount of money (total return) earned by an investment each year over a given time period. For periods longer than one year, total returns are expressed as compounded average returns on a yearly basis.
Cumulative performance graph	This illustrates how an initial investment of R100 or N\$100 (for example) placed into the Fund would change over time, taking ongoing fees into account, with all distributions reinvested.
Income distribution	The dividend income and/or interest income that is generated by the underlying Fund investments and that is periodically declared and distributed to investors in the Fund after all annual service fees.
Information ratio	Measures the Fund's active return (Fund return in excess of the benchmark) divided by the amount of risk that the manager takes relative to the benchmark. The higher the information ratio, the higher the active return of the Fund, given the amount of risk taken and the more consistent the manager. This is calculated over a 3-year period.
Intended maximum limits	This indicates the Fund's intended maximum exposure to an asset class. These limits may be reviewed subject to the Fund's Supplemental Deed and/or Regulation 28 for those Funds managed in accordance with Regulation 28 of the Pension Funds Act.
Maximum drawdown	The largest drop in the Fund's cumulative total return from peak to trough over any period.
Monthly volatility (annualised)	Also known as standard deviation. This measures the amount of variation or difference in the monthly returns on an investment. The larger the annualised monthly volatility, the more the monthly returns are likely to vary from the average monthly return (i.e. the more volatile the investment).
Percentage of positive rolling 12 months	The percentage of months, since inception, that the Fund has shown a positive return over a rolling 12-month period.
Regulation 28	The South African retirement fund industry is governed by the Pension Funds Act, No 24 of 1956. Regulation 28 of the Pension Funds Act prescribes the maximum limits in asset classes that an approved retirement fund may invest in.
Sharpe ratio	The Sharpe ratio is used to measure how well the return of an asset compensates the investor for the risk taken. The higher the Sharpe ratio the better the Fund's historical risk-adjusted performance has been. This is calculated by taking the difference between the Fund's annualised return and the risk-free (cash) rate, divided by the standard deviation of the Fund's returns. This is calculated over a 3-year period.
Sortino ratio	This is calculated by taking the difference between the Fund's annualised return and the risk-free (cash) rate, divided by the downside deviation of the Fund's returns i.e. the "bad" volatility. A high Sortino ratio indicates a low risk of large losses occurring in the Fund. This is calculated over a 3-year period.
Total Expense Ratio (TER)	This shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated for the year to the end of the most recent completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.
Transaction Costs (TC)	The percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.
Total Investment Charges (TIC)	The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expenses, these costs (the TER, TC & TIC) should not be deducted from the fund returns.
Unit Classes	M&G's funds are offered in different unit classes to allow different types of investors (individuals and institutions) to invest in the same fund. Different investment minimums and fees apply to different unit classes. A Class: for individuals only. B & D Class: retirement funds and other large institutional investors only. X Class: the special fee class that was made available to investors that were invested in the Dividend Income Feeder Fund. T Class: for investors in tax-free unit trusts. F Class: for Discretionary Fund Managers.

<sup>5</sup> If the income earned in the form of dividends and interest exceeds the total expenses, the Fund will make a distribution (cpu = cents per unit).

Contact us

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Invest now

Application forms

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Disclaimer

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