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M&G Global Macro Bond Fund

Interim Long Report and unaudited Financial Statements
for the six months ended 30 April 2018

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M&G Global Macro Bond Fund

Authorised Corporate Director's Report

The Authorised Corporate Director (ACD) of M&G Global Macro Bond Fund presents its Interim Long Report and unaudited Financial Statements for the six months ended 30 April 2018.

Please note that we have included an explanation of key investment terminology in the 'Glossary' (at the back of this report).

Company information

This Open-Ended Investment Company (OEIC) is an Investment Company with Variable Capital (ICVC) incorporated under the Open-Ended Investment Companies Regulations 2001. It is authorised and regulated by the Financial Conduct Authority (FCA) under the Financial Services and Markets Act 2000. The Company is a UCITS (Undertakings for Collective Investment in Transferable Securities) scheme as defined in the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA.

The Company was authorised on 26 January 2009 and the fund was launched on 1 May 2009.

The Company's principal activity is to carry on business as an OEIC.

A shareholder is not liable for the debts of the Company and will never be liable to make any further payment to the Company after paying the purchase price of the shares.

Fund manager

Jim Leaviss is employed by M&G Limited which is an associate of M&G Securities Limited.

ACD

M&G Securities Limited,
Laurence Pountney Hill, London EC4R 0HH, UK
Telephone: 0800 390 390 (UK only)

(Authorised and regulated by the Financial Conduct Authority. M&G Securities Limited is a member of the Investment Association and of the Tax Incentivised Savings Association.)

Directors of the ACD

G N Cotton, N M Donnelly, P R Jelfs, G W MacDowall, L J Mumford
W J Nott resigned with effect from 31 December 2017.

Investment manager

M&G Investment Management Limited,
Laurence Pountney Hill, London EC4R 0HH, UK
Telephone: +44 (0)20 7626 4588

(Authorised and regulated by the Financial Conduct Authority)

Registrar

DST Financial Services Europe Ltd,
DST House, St. Nicholas Lane, Basildon, Essex SS15 5FS, UK
(Authorised and regulated by the Financial Conduct Authority)

Depository

National Westminster Bank Plc, Trustee & Depositary Services,
Drummond House, 1 Redheughs Avenue, Edinburgh EH12 9RH, UK
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Independent auditor

Ernst & Young LLP
Atria One, 144 Morrison Street, Edinburgh EH3 8EX, UK

Important information

On 4 May 2018, Sterling Class 'J' Income and 'J-H' Income shares were launched.

M&G Global Macro Bond Fund

Authorised Corporate Director's Report

Investor information

The Prospectus, Instrument of Incorporation, Key Investor Information Documents, the latest Annual or Interim Investment Report and Financial Statements as well as a list of purchases and sales are available free of charge on request from the following addresses. The Instrument of Incorporation can also be inspected at our offices or at the office of the Depositary.

Customer services and administration for UK clients:

M&G Securities Limited,
PO Box 9039, Chelmsford CM99 2XG, UK

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

Telephone: 0800 390 390 (UK only)

For security purposes and to improve the quality of our service, we may record and monitor telephone calls. You will require your M&G client reference. Failure to provide this will affect your ability to transact with us.

Customer services and administration for non-UK clients:

M&G Securities Limited,
c/o RBC I&TS, 14, Porte de France, L-4360 Esch-sur-Alzette,
Grand Duchy of Luxembourg

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

Telephone: +352 2605 9944

Email: csmandg@rbc.com

For security purposes and to improve the quality of our service, we may record and monitor telephone calls. You will require your M&G client reference. Failure to provide this will affect your ability to transact with us.

Austrian paying and information agent:

Société Générale, Vienna Branch,
Prinz Eugen-Strasse 8-10/5/Top 11, 1040 Wien, Austria

Belgian financial agent:

Société Générale Private Banking NV,
Kortrijksesteenweg 302, 9000 Gent, Belgium

Danish representative agent:

Nordea Bank Danmark A/S,
Client Relations DK, Investor Services & Solutions,
Postbox 850, Reg.no.6428. HH. 6.1., 0900 København C, Denmark

French centralising agent:

RBC Investor Services, Bank France S.A.,
105 rue Réaumur, 75002 Paris, France

German information agent:

M&G International Investments Limited,
mainBuilding, Taunusanlage 19, 60325 Frankfurt am Main, Germany

Greek paying agent and distributor:

Eurobank Ergasias S.A.,
8, Othonos Street, 10557 Athens, Greece

Irish facilities agent:

Société Générale S.A., Dublin Branch,
3rd Floor IFSC House – The IFSC, Dublin 1, Ireland

Italian paying agents:

Allfunds Bank, S.A.,
Via Santa Margherita 7, 20121 Milano, Italy

Banca Monte dei Paschi di Siena S.p.A.,
Piazza Salimbeni 3, 53100 Siena, Italy

Banca Sella Holding S.p.A.,
Piazza Gaudenzio Sella 1, 13900 Biella, Italy

BNP PARIBAS Securities Services,
Piazza Lina Bo Bardi 3, 20124 Milano, Italy

CACEIS Bank Luxembourg, Milan Branch,
Piazza Cavour 2, 20121 Milano, Italy

RBC Investor Services Bank S.A., Milan Branch
Via Vittor Pisani 26, 20124 Milano, Italy

State Street Bank S.p.A.,
Via Ferrante Aporti 10, 20125 Milano, Italy

Société Générale Securities Services S.A.,
Via Benigno Crespi 19A - MAC 2, 20159 Milano, Italy

Luxembourg paying and information agent:

Société Générale Bank & Trust S.A.,
Centre opérationnel, 28-32, place de la Gare, 1616 Luxembourg,
Grand Duchy of Luxembourg

Portuguese distributor:

Best - Banco Electrónico de Serviço Total, S.A.,
Praça Marquês de Pombal, no. 3 - 3º, 1250-161 Lisboa, Portugal

Spanish representative:

Allfunds Bank, S.A.,
Calle Estafeta, No 6 Complejo Plaza de la Fuente,
La Moraleja 28109, Alcobendas, Madrid, Spain

Swedish paying agent:

Nordea Bank AB (publ),
Smålandsgatan 17, 105 71 Stockholm, Sweden

Swiss paying agent and representative:

Société Générale, Paris, Zurich Branch,
Talacker 50, 8021 Zurich, Switzerland

M&G Global Macro Bond Fund

Authorised Corporate Director's Report

Authorised Corporate Director's Responsibilities

The Authorised Corporate Director (ACD) is required to prepare annual and interim long reports for the Company. The ACD must ensure that the financial statements, contained in this report, for the fund are prepared in accordance with the Investment Association Statement of Recommended Practice for Financial Statements of UK Authorised Funds (SORP) and UK Financial Reporting Standards, and give a true and fair view of the net revenue or expenses and net capital gains or losses for the accounting period, and the financial position at the end of that period.

The ACD is required to keep proper accounting records, and to manage the Company in accordance with the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA, the Instrument of Incorporation and the Prospectus, and to take reasonable steps for the prevention and detection of fraud or other irregularities.

Directors' statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes sourcebook, as issued and amended by the Financial Conduct Authority.

G W MACDOWALL }
L J MUMFORD } Directors

14 June 2018

M&G Global Macro Bond Fund

Authorised Corporate Director's Report

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M&G Global Macro Bond Fund

Authorised Corporate Director's Report

Investment objective

The fund's objective is to maximise long term total return (the combination of income and growth of capital).

Investment policy

The fund invests mainly in debt instruments on a global basis which include, but are not limited to, variable rate securities, fixed interest securities, sovereign debt and corporate debt. The fund's exposure to debt instruments may be gained through the use of derivatives. The fund may also invest in other assets including collective investment schemes, money market instruments, cash and near cash, deposits, other transferable securities and derivatives.

Investment approach

The M&G Global Macro Bond Fund is a flexible global bond fund. Its investment approach is driven primarily by the fund manager's views on macroeconomic factors such as economic growth, interest rates and inflation. This assessment determines the asset classes in which he believes the fund should invest in order to achieve its objective. It also influences the portfolio's mix of interest rate risk, credit risk and currency exposure, as well as the subsequent holdings. These factors drive the fund's long-term performance. With the active management of the fund's currency exposures being one of these drivers, its returns will include a higher degree of currency risk than domestic fixed income funds.

Risk profile

The fund is a flexible bond fund which invests in a range of fixed income securities from anywhere in the world and in any currency. The fund is therefore subject to the price volatility of global bond markets and fluctuations in currency exchange rates.

There are no restrictions on the amount of government bonds, investment grade bonds or high yield bonds that can be held within the portfolio. While government and investment grade bonds are generally highly liquid assets that are normally traded with relative ease, high yield corporate bonds are higher risk assets that could potentially experience a degree of illiquidity in times of market distress.

The fund's exposure to fixed income securities may be gained through the use of derivatives. In association with the use of derivatives, including those instruments not traded through an exchange, collateral is deposited, in order to mitigate the risk that a counterparty may default on its obligations or become insolvent.

Portfolio diversification is key in managing liquidity and default risks as well as reducing market risk. The fund's risks are measured and managed as an integral part of the investment process.

The following table shows the risk number associated with the fund and is based on Sterling Class 'A' shares.



The above number:

- is based on the rate at which the value of the fund has moved up and down in the past and is based on historical data so may not be a reliable indicator of the future risk profile of the fund.
- is not guaranteed and may change over time and the lowest risk number does not mean risk free.
- has not changed during this period.

Investment review

As at 1 May 2018, for the six months ended 30 April 2018

Performance against objective

Between 1 November 2017 (the start of the review period) and 1 May 2018, the M&G Global Macro Bond Fund delivered mixed performances across the different share classes. The returns of the fund's sterling, euro, and Swiss franc unhedged share classes, for example, were dampened by a decline in value of the US dollar against sterling, euros and Swiss francs, respectively, over this period. This effect on performance resulted as the fund maintained a sizeable exposure to the US currency. However, the fund's US dollar share classes recorded modestly positive returns. This helped most of the fund's hedged share classes to hold up better than their unhedged counterparts (the hedged share classes seek to closely replicate the performance of the fund's US dollar share classes). The sterling and euro hedged share classes registered modest declines, while the fund's two Singapore dollar hedged share classes delivered a small gain and a marginal decline. However, the fund's two Swiss franc hedged share classes registered negative returns and underperformed the Swiss franc unhedged share classes.

Over five years or since launch of the share class (if less than five years old), the fund has achieved its objective of maximising long-term total return.*

* For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Fund performance' section of this report.

Investment performance

Expected and actual rising interest rates due to firmer inflation remained key themes for global investors during the six months to 30 April 2018. In the important US market, the Federal Reserve confirmed two interest rate increases of 0.25 percentage points each. The moves added to the gradual steps taken by the US central bank in recent years to lift rates, against the backdrop of strengthening economic growth and inflation.

M&G Global Macro Bond Fund

Authorised Corporate Director's Report

Investment review

Investment performance (continued)

Improving economic growth was also evident in the eurozone, but the European Central Bank (ECB) held interest rates unchanged. However, expectations remained in financial markets that the significant economic stimulus policies operated by the ECB for some time would soon be scaled back. These measures are largely designed to keep interest rates low.

In the UK, the annual inflation rate, as measured by the Consumer Prices Index (CPI), stayed above the 2% target set by the Bank of England (BoE). Sterling's marked decline since the UK's Brexit referendum vote was largely behind the trend, as a lower-valued currency pushes up import costs. To counter rising consumer prices, central banks often raise interest rates, and the BoE confirmed a quarter of a percentage point rate rise in the opening month of the review period.

In the bond markets, actual or anticipated increases in inflation or interest rates typically dampen sentiment towards government bonds. The effects of US interest rate moves can even be felt internationally, given the size and influence of the US market within a global context. (Bonds are loans in the form of a security, usually issued by a government – government bonds – or company – corporate bonds; they normally pay a fixed rate of interest over a given time period, at the end of which the initial amount borrowed is repaid.) Indeed, government bond prices generally declined in the US and Germany.

Among corporate bonds, declines were also recorded in most segments of the US and European markets. Later in the review period, sentiment towards corporate bonds and in international stockmarkets was adversely affected by concerns of a trade war developing between the US and China. In March, President Trump confirmed proposals to introduce trade tariffs on selected imports from China, and the Beijing government subsequently responded with its own proposals for tariffs on some US goods. Measures to restrict free trade can be harmful for export volumes and, therefore, the revenues of exporting companies. This partly influenced corporate bonds to give back some of their gains from earlier in the period.

Bond investors continued to weigh up the prospect and implications of higher interest rates and inflation as the review period drew to a close. Against this backdrop, we continued to favour positioning the fund with a large allocation to bonds that are less sensitive to anticipated (or actual) rises in interest rates, a strategy known as holding low or short duration.

We also maintained the portfolio's global diversification across bond markets throughout the period. This helped the fund's performance to benefit from those areas of the bond markets that generated gains, but it was countered by exposures to areas that declined. In addition, the fund maintained a sizeable exposure to the US dollar, which declined in value against some key currencies during the period, including sterling and the euro. The latter consideration detracted from the returns of the fund's unhedged sterling and euro share classes.

Investment activities

Through the fund's flexible investment approach, we look to allocate its assets based on where we believe the most attractive relative value can be found in the global bond markets. Towards the end of the review period, for example, we began to consider that US government bonds (also known as Treasuries) began to offer better value, after their prices had generally fallen since the start of 2018. During March and April, therefore, we increased the fund's allocation to US Treasuries, believing that the backdrop of rising US interest rates had started to be priced in to their valuation levels.

In the US market, our preferred holdings also continued to include index-linked government bonds amid the background of strengthening inflation. (These are bonds where both the value of the loan and the interest payments are adjusted in line with inflation over the life of the security.) Known as US Treasury Inflation-Protected Securities (TIPS), these bonds performed well relative to conventional US government bonds during the review period.

Elsewhere, our fund positioning themes continued to include a cautious approach to their exposure to corporate bonds. This largely reflected our view that valuations in the corporate bond markets looked less attractive after a period of solid performance. While we maintained an allocation to corporate bond issuers with high credit ratings, we avoided exposure to companies whose creditworthiness is lower rated.

Within the corporate bond market, our preferred sectors continued to include financial companies and banks that have high credit rankings, with bonds known as floating rate notes (FRNs) being among our favoured investments. In our view, the attraction of FRNs is helped by the way these bonds pay a variable interest rate that is adjusted in line with movements in a reference interest rate. This not only minimises the impact of rising rates on investors, but also potentially allows them to benefit from higher rates.

The fund's flexible approach also allows us to allocate assets in the emerging bond markets. In our assessment, some decent relative value could be found among this area on a selective basis, partly as such assets can offer a higher return for taking on higher degrees of risk. Within this theme, for example, we added bonds from the governments of Brazil and Colombia, while a position in the Czech Republic was sold. At the end of the period, our other preferred allocations in the emerging markets continued to include bonds from the governments of South Africa and Indonesia.

Outlook

The prospect of central banks reducing their economic stimulus activities and weighing up whether to raise interest rates remains a key theme in the global bond markets. In this environment, we continue to hold low duration in the fund. However, among our recent transaction activity we added US government bonds to the portfolio to take advantage of their lower price levels. As a result, the fund's duration increased modestly during the review period.

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Authorised Corporate Director's Report

Investment review

Outlook (continued)

Within the fund's overall government bond allocation, we are also keeping an exposure to index-linked securities in the US, given the backdrop of firmer inflation. Elsewhere, we maintained a relatively low allocation to corporate bonds at the end of the period, although we still favour holding corporate securities as useful contributors to returns when valuations are appealing. Given this approach, we continue to hold corporate bond positions on a selective basis and, as always, will monitor all areas of the market for better buying opportunities.

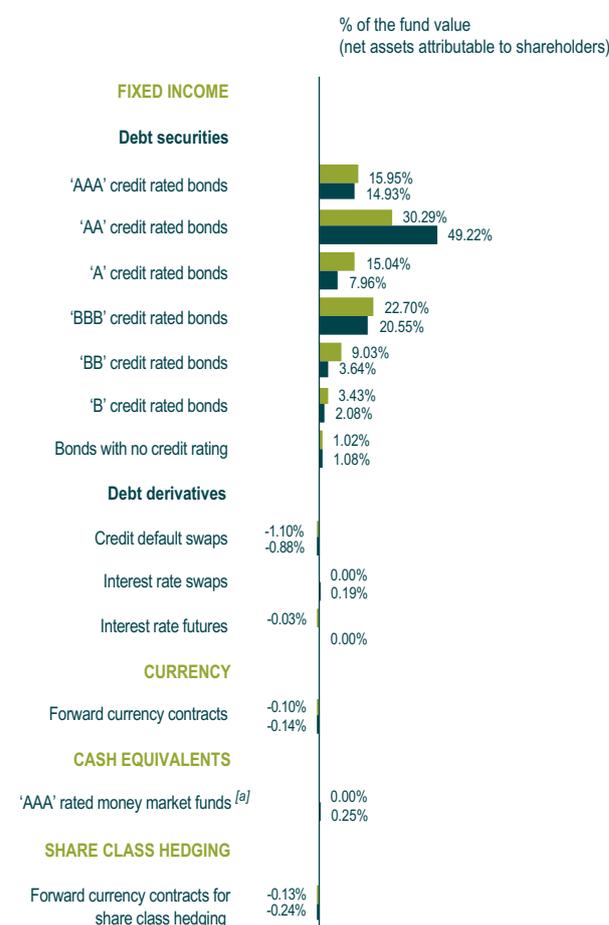
We also favour maintaining an allocation to emerging market bonds, which we think should be supported by the decent global economic growth outlook. Relevantly, however, potentially adverse factors also need to be considered in the outlook for emerging markets, such as deteriorating relations between the West and Russia, and tariff introductions in the US and elsewhere. On the other hand, firmer commodity prices, notably for oil, can be beneficial for commodity producers in emerging economies. Overall, we will continue to seek what we consider the best relative value in the international bond and currency markets amid the prevailing economic conditions, while avoiding areas where our outlook is less favourable.

Jim Leaviss
Fund manager

An employee of M&G Limited which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Classification of investments



^[a] Uncommitted surplus cash is placed into 'AAA' rated money market funds with the aim of reducing counterparty risk.

30 April 2018
31 October 2017

Source: M&G

M&G Global Macro Bond Fund

Authorised Corporate Director's Report

Investments

Portfolio statement

as at Holding	30.04.18 \$'000	30.04.18 %	31.10.17 %
FIXED INCOME	2,087,402	96.33	98.77
Debt securities	2,111,890	97.46	99.46
'AAA' credit rated bonds	345,559	15.95	14.93
AUD25,000,000 Australia (Commonwealth of) 3% 2047	17,780	0.82	
€5,000,000 Barings CLO Ltd. 2017-I FRN 2030	6,071	0.28	
DKK200,000,000 Denmark (Kingdom of) 3% 2021	36,266	1.67	
£4,363,828 Dukinfield FRN 2052	6,060	0.28	
INR400,000,000 European Bank for Reconstruction and Development 6% 2020	5,935	0.27	
\$40,000,000 European Bank for Reconstruction and Development FRN 2020	39,998	1.85	
AUD25,000,000 European Investment Bank 5% 2022	20,621	0.95	
£146,264 First Flexible No.5 FRN 2034	198	0.01	
€100,000,000 Germany (Federal Republic of) 0.5% 2025	123,350	5.69	
INR500,000,000 International Bank for Reconstruction & Development 5.75% 2019	7,387	0.34	
INR630,000,000 International Finance 6.45% 2018	9,410	0.44	
INR615,000,000 International Finance 7.8% 2019	9,315	0.43	
\$2,041,162 Paragon Mortgages No.12 FRN 2038	1,960	0.09	
£1,475,249 Paragon Mortgages No.14 FRN 2039	1,971	0.09	
\$8,605,587 Paragon Mortgages No.14 FRN 2039 A2C	8,316	0.39	
£5,000,000 Santander UK FRN 2020	6,877	0.32	
SGD30,000,000 Singapore (Republic of) 2.5% 2019	22,816	1.05	
£5,260,770 THRONES 2015-1 FRN 2050	7,267	0.34	
£4,586,665 Trinity Square FRN 2051	6,365	0.29	
£5,452,187 Warwick Finance Residential Mortgage FRN 2049	7,596	0.35	
'AA' credit rated bonds	656,400	30.29	49.22
NZD5,000,000 New Zealand (Govt. of) 2.5% IL 2035	3,934	0.18	
€8,955,180 Paragon Mortgages No.13 FRN 2039 A2B	10,463	0.48	
\$3,085,042 Paragon Mortgages No.13 FRN 2041 A2C	2,960	0.14	
£11,886,000 Towd Point Mortgage Funding FRN 2046	16,435	0.76	
£15,000,000 Treasury 2% 2020	21,143	0.98	
\$166,000,000 US Treasury 0.125% 2021	171,862	7.93	
\$125,000,000 US Treasury 0.625% IL 2024	132,839	6.13	
\$100,000,000 US Treasury 1.25% 2019	98,867	4.56	
\$40,000,000 US Treasury 2.375% 2020	39,766	1.83	
\$80,000,000 US Treasury 2.75% 2023	79,581	3.67	
\$80,000,000 US Treasury 2.75% 2028	78,550	3.63	
'A' credit rated bonds	325,856	15.04	7.96
\$7,838,000 ABN AMRO Bank FRN 2021	7,848	0.36	
£603,000 Anglian Water Services 4.125% IL 2020	1,530	0.07	
€11,742,000 Anheuser-Busch Inbev FRN 2024	14,139	0.65	
\$8,000,000 Bank of America FRN 2019	8,053	0.37	
€4,000,000 Bank of America FRN 2022	4,885	0.23	
£10,000,000 Canadian Imperial Bank of Commerce FRN 2022	13,824	0.64	
CLP12,000,000,000 Chile (Republic of) 5.5% 2020	20,626	0.95	
\$15,000,000 Crédit Agricole London FRN 2019	15,083	0.70	
\$6,450,000 Crédit Agricole London FRN 2020	6,537	0.30	
\$5,000,000 General Electric Capital FRN 2026	4,825	0.22	
£3,127,880 Greene King Finance FRN 2033	4,257	0.20	
\$9,000,000 HSBC Holdings FRN 2022	9,282	0.43	

Portfolio statement (continued)

as at Holding	30.04.18 \$'000	30.04.18 %	31.10.17 %
'A' credit rated bonds (continued)			
\$3,955,000 HSBC Holdings Var. Rate Perp. (6%)	3,916	0.18	
\$10,000,000 IBM Credit FRN 2021	10,011	0.46	
ILS75,000,000 Israel (Govt. of) 2.25% 2019	21,378	0.99	
€987,355 Ludgate Funding FRN 2061	1,147	0.05	
MYR82,000,000 Malaysia (Govt. of) 3.882% 2022	20,878	0.96	
MXN1,000,000,000 Mexican Bonos 7.5% 2027	53,544	2.47	
\$4,041,347 Mitchells & Butlers Finance FRN 2030	3,718	0.17	
£1,580,000 National Grid 1.25% IL 2021	2,698	0.12	
£7,628,000 National Grid Electricity Transmission 2.983% IL 2018	16,693	0.77	
£2,395,000 National Grid Electricity Transmission 3.806% IL 2020	5,791	0.27	
£275,500 Nationwide Building Society 3.875% IL 2021	1,243	0.06	
PEN42,000,000 Peru (Republic of) 6.95% 2031	14,657	0.68	
£800,000 Rabobank 2.25% IL 2022	1,679	0.08	
€5,000,000 Rabobank FRN 2020	6,081	0.28	
£3,098,754 RMAC 2006-Ns4 FRN 2044 A3A	4,145	0.19	
\$4,146,110 RMAC 2007-Ns1 FRN 2044 A2B	4,042	0.19	
€6,166,584 Silverback Finance 3.1261% 2037	7,657	0.35	
\$10,000,000 UBS Jersey FRN 2022	10,302	0.48	
\$5,000,000 UBS Stamford FRN 2019	5,019	0.23	
\$5,000,000 Wells Fargo & Company FRN 2020	5,030	0.23	
\$10,000,000 Wells Fargo & Company FRN 2021	10,244	0.47	
\$5,000,000 Wells Fargo & Company FRN 2023	5,094	0.24	
'BBB' credit rated bonds	491,889	22.70	20.55
\$5,000,000 American Express FRN 2018	5,001	0.23	
\$8,000,000 American Tower Trust 3.07% 2048	7,825	0.36	
€15,000,000 AT&T FRN 2023	18,517	0.85	
€12,000,000 Bank of America FRN 2018	14,518	0.67	
\$10,000,000 Barclays Bank 0% 2023	10,283	0.47	
\$20,000,000 Barclays Bank FRN 2021	20,875	0.96	
\$6,649,000 BNP Paribas 4.625% 2027	6,635	0.31	
COP22,600,000,000 Bogota Distrio Capital 9.75% 2028	8,848	0.41	
\$8,000,000 Capital One Financial FRN 2022	8,023	0.37	
\$6,000,000 Citigroup 3.5% 2023	5,865	0.27	
\$5,000,000 Citigroup FRN 2020	5,107	0.24	
\$15,000,000 Citigroup FRN 2023	15,400	0.71	
\$8,000,000 Citigroup FRN 2024	8,098	0.37	
\$2,987,000 Citigroup FRN 2036	2,592	0.12	
COP70,000,000,000 Colombia (Republic of) 6% 2028	24,129	1.11	
\$11,035,000 Crédit Agricole London FRN 2022	11,294	0.52	
\$5,000,000 Credit Suisse Group Funding 3.75% 2025	4,827	0.22	
\$2,800,000 Diamond 1 Finance 4.42% 2021	2,851	0.13	
€4,936,000 Fairfax Financial Holdings 2.75% 2028	6,004	0.28	
£517,507 First Flexible No.5 FRN 2034	723	0.03	
\$10,000,000 Ford Motor Credit FRN 2019	10,076	0.47	
\$10,000,000 General Motors Financial FRN 2020	10,184	0.47	
€2,000,000 Goldman Sachs Group FRN 2019	2,438	0.11	
\$10,000,000 Goldman Sachs Group FRN 2023	10,384	0.48	
\$2,000,000 Goldman Sachs Group FRN 2027	2,105	0.10	
\$4,000,000 HCA 5.25% 2025	4,039	0.19	
\$3,101,000 HSBC Holdings 4.375% 2026	3,068	0.14	
IDR270,000,000,000 Indonesia (Republic of) 8.25% 2036	20,785	0.96	
IDR317,000,000,000 Indonesia (Republic of) 9% 2029	25,811	1.19	
€10,000,000 Italy (Republic of) 2.35% IL 2019	14,462	0.67	
€17,000,000 Lloyds Bank FRN 2024	20,638	0.95	
£7,000,000 Mexico (United Mexican States) 5.625% 2114	10,196	0.47	
£1,500,000 Mitchells & Butlers Finance FRN 2033	1,766	0.08	
\$10,000,000 Morgan Stanley FRN 2020	10,136	0.47	

M&G Global Macro Bond Fund

Authorised Corporate Director's Report

Investments

Portfolio statement (continued)				
as at Holding	30.04.18 \$'000	30.04.18 %	31.10.17 %	
'BBB' credit rated bonds (continued)				
\$2,000,000 Morgan Stanley FRN 2023	2,050	0.09		
\$5,000,000 Morgan Stanley FRN 2024	5,083	0.23		
€3,605,000 Nationwide Building Society Var. Rate 2026 (1.5%)	4,366	0.20		
€10,000,000 Portugal (Republic of) 2.875% 2026	13,543	0.63		
\$6,000,000 Portugal (Republic of) 5.125% 2024	6,353	0.29		
€9,400,000 Romania (Republic of) 3.875% 2035	12,051	0.56		
RON40,000,000 Romania (Republic of) 5.95% 2021	11,071	0.51		
£5,000,000 Royal Bank of Scotland FRN 2020	6,876	0.32		
\$10,000,000 Royal Bank of Scotland FRN 2023	10,116	0.47		
RUB1,880,000,000 Russia (Federation of) 8.15% 2027	31,860	1.47		
\$5,000,000 Société Générale 5% 2024	5,103	0.24		
€5,200,000 Société Générale FRN 2024	6,346	0.29		
THB570,000,000 Thailand (Kingdom of) 1.25% IL 2028	17,883	0.83		
£3,148,000 Thames Water Utilities Cayman 2.375% 2023	4,224	0.19		
UYU106,000,000 Uruguay (Republic of) 4.375% 2028	6,655	0.31		
UYU276,961,000 Uruguay (Republic of) 8.5% 2028	9,251	0.43		
\$6,000,000 Verizon Communications 4.522% 2048	5,555	0.26		
	195,759	9.03	3.64	
'BB' credit rated bonds				
€3,000,000 Ball Corporation 4.375% 2023	4,101	0.19		
\$4,154,000 Barclays Bank 4.836% 2028	4,025	0.19		
\$2,069,000 Bolivia (Plurinational State of) 4.5% 2028	1,925	0.09		
BRL125,000,000 Brazil (Federal Republic of) 10% 2025	37,254	1.72		
\$2,500,000 Brazil (Federal Republic of) 5.625% 2047	2,362	0.11		
\$3,000,000 Citigroup Var. Rate Perp. (5.9%)	3,064	0.14		
€4,500,000 Crown European Holdings 3.375% 2025	5,623	0.26		
DOP175,000,000 Dominican Republic 10.5% 2023	3,803	0.17		
\$5,000,000 Dominican Republic 6.85% 2045	5,181	0.24		
DOP106,400,000 Dominican Republic 8.9% 2023	2,220	0.10		
\$2,000,000 Energy Transfer Equity 5.875% 2024	2,034	0.09		
\$5,000,000 Honduras (Republic of) 7.5% 2024	5,425	0.25		
\$3,415,000 Inretail Pharma 5.375% 2023	3,435	0.16		
€3,300,000 OI European Group 3.125% 2024	4,083	0.19		
\$1,556,000 Paraguay (Republic of) 4.7% 2027	1,560	0.07		
\$3,333,000 Paraguay (Republic of) 5.6% 2048	3,320	0.15		
\$2,500,000 Paraguay (Republic of) 6.1% 2044	2,675	0.12		
\$15,000,000 Petrobras Global Finance 7.25% 2044	14,961	0.69		
\$1,988,000 Petrobras Global Finance 7.375% 2027	2,140	0.10		
€2,712,000 QuintilesIMS 3.25% 2025	3,329	0.16		
\$2,000,000 Shea Homes Funding 6.125% 2025	2,007	0.09		
ZAR700,000,000 South Africa (Republic of) 8.75% 2048	54,545	2.52		
\$3,000,000 Southwestern Energy 7.75% 2027	3,083	0.14		
£200,000 Tesco 3.322% IL 2025	522	0.02		
TRY90,000,000 Turkey (Republic of) 11% 2027	20,716	0.96		
\$2,351,000 Vrio Finco 1 LLC / Vrio Finco 2 6.25% 2023	2,366	0.11		
	74,339	3.43	2.08	
'B' credit rated bonds				
€5,000,000 Argentina (Republic of) 3.875% 2022	6,176	0.29		
\$7,500,000 Argentina (Republic of) 4.625% 2023	7,163	0.33		
\$5,182,000 Argentina (Republic of) 5.875% 2028	4,774	0.22		

Portfolio statement (continued)

as at Holding	30.04.18 \$'000	30.04.18 %	31.10.17 %
'B' credit rated bonds (continued)			
\$3,764,000 Argentina (Republic of) 6.875% 2048	3,372	0.15	
€16,513,244 Argentina (Republic of) Var. Rate 2033 (7.82%)	22,007	1.01	
\$4,166,000 Buenos Aires (Province of) 7.875% 2027	4,239	0.20	
\$3,500,000 Community Health Systems 5.125% 2021	3,129	0.14	
\$2,500,000 Jamaica (Govt. of) 8% 2039	2,951	0.14	
€3,000,000 Matterhorn Telecom 3.875% 2022	3,675	0.17	
€3,000,000 Numericable Group 5.375% 2022	3,711	0.17	
\$3,984,000 Numericable-SFR 7.375% 2026	3,817	0.18	
\$5,000,000 Royal Bank of Scotland Var. Rate Perp (7.5%)	5,239	0.24	
\$4,000,000 Sri Lanka (Republic of) 6.85% 2025	4,086	0.19	
	22,088	1.02	1.08
Bonds with no credit rating			
£2,000,000 Admiral 5.5% 2024	3,073	0.14	
€3,580,000 Cote d'Ivoire 5.125% 2025	4,572	0.21	
€2,500,000 Eirles Two FRN 2020	0	0.00	
£3,823,373 Finsbury Square FRN 2065	5,262	0.24	
\$2,920,856 Home Partners of America Trust FRN 2016	2,930	0.14	
£3,703,000 Skipton Building Society 1.75% 2022	5,030	0.23	
£767,500 Tesco Personal Finance 1% IL 2019	1,221	0.06	
	(24,488)	(1.13)	(0.69)
Debt derivatives			
Credit default swaps			
\$50,000,000 Markit CDX Emerging Market Series 28 5 Year Dec 2022	436	0.02	
\$74,250,000 Markit CDX North American High Yield Series 28 5 Year Jun 2022	(6,203)	(0.29)	
\$50,000,000 Markit CDX North American Investment Grade Series 29 5 Year Dec 2022	(1,072)	(0.05)	
\$30,000,000 Markit iTraxx Australia Series 25 5 Year Jun 2021	(651)	(0.03)	
€50,000,000 Markit iTraxx Europe Series 28 5 Year Dec 2022	(1,580)	(0.07)	
€40,000,000 Markit iTraxx Europe Sub Fin Series 28 5 Year Dec 2022	(26)	0.00	
€50,000,000 Markit iTraxx Europe Xover Series 27 5 Year Jun 2022	(7,625)	(0.35)	
€50,000,000 Markit iTraxx Europe Xover Series 28 5 Year Dec 2022	(7,232)	(0.33)	
€(10,000,000) Telecom Italia Dec 2021	68	0.00	
	0	0.00	0.19
Interest rate swaps			
Interest rate futures			
(373) Euro Bund Futures June 2018	(634)	(0.03)	
(155) Euro Schatz Futures June 2018	(18)	0.00	
(300) US Treasury 10 year Note CBT Futures June 2018	49	0.00	
	(2,236)	(0.10)	(0.14)
CURRENCY			
Forward currency contracts			
AUD(90,067,877) Sold for \$69,258,144 (expires 02.05.18)	1,261	0.06	
BRL113,000,000 Bought for \$32,439,490 (expires 02.05.18)	246	0.01	
BRL(113,000,000) Sold for \$33,381,245 (expires 02.05.18)	696	0.03	
BRL(56,500,000) Sold for \$16,102,087 (expires 30.05.18)	(196)	(0.01)	
€(54,042,549) Sold for \$65,418,074 (expires 30.05.18)	(75)	0.00	
¥17,700,000,000 Bought for £116,858,849 (expires 02.05.18)	1,595	0.07	
¥2,510,000,000 Bought for NZD32,141,577 (expires 02.05.18)	308	0.02	

M&G Global Macro Bond Fund

Authorised Corporate Director's Report

Investments

Portfolio statement (continued)			
as at Holding	30.04.18 \$'000	30.04.18 %	31.10.17 %
Forward currency contracts (continued)			
¥5,230,000,000 Bought for AUD64,056,242 (expires 02.05.18)	(496)	(0.02)	
¥4,900,000,000 Bought for \$46,677,780 (expires 02.05.18)	(1,835)	(0.08)	
¥4,850,000,000 Bought for €37,393,121 (expires 30.05.18)	(852)	(0.04)	
MXN(325,250,000) Sold for \$17,107,166 (expires 02.05.18)	(288)	(0.01)	
NZD(33,485,880) Sold for \$24,295,345 (expires 02.05.18)	684	0.03	
£(47,013,842) Sold for \$64,814,505 (expires 30.05.18)	209	0.01	
RUB2,000,000,000 Bought for \$31,891,311 (expires 03.05.18)	(82)	0.00	
RUB(2,000,000,000) Sold for \$32,936,793 (expires 03.05.18)	1,127	0.05	
RUB(1,000,000,000) Sold for \$15,878,057 (expires 30.05.18)	26	0.00	
SEK295,000,000 Bought for €28,676,274 (expires 02.05.18)	(722)	(0.03)	
CHF109,500,000 Bought for \$114,478,438 (expires 02.05.18)	(3,833)	(0.18)	
CNY290,000,000 Bought for \$45,825,893 (expires 02.05.18)	(120)	(0.01)	
CNY(290,000,000) Sold for \$45,784,654 (expires 02.05.18)	79	0.00	
CNY(290,000,000) Sold for \$45,694,477 (expires 30.05.18)	32	0.00	
Portfolio of investments	2,085,166	96.23	98.63
CASH EQUIVALENTS	0	0.00	0.25
'AAA' rated money market funds ^[a]	0	0.00	0.25
SHARE CLASS HEDGING	(2,861)	(0.13)	(0.24)
Forward currency contracts for share class hedging	(2,861)	(0.13)	(0.24)
€278,014,411 Bought for \$339,317,795 (expires 30.05.18)	(2,399)	(0.11)	
€(8,493,494) Sold for \$10,376,485 (expires 30.05.18)	83	0.00	
£25,763,264 Bought for \$35,952,405 (expires 30.05.18)	(549)	(0.02)	
£(399,323) Sold for \$557,921 (expires 30.05.18)	9	0.00	
SGD191,280 Bought for \$143,965 (expires 30.05.18)	1	0.00	
SGD(4,333) Sold for \$3,267 (expires 30.05.18)	0	0.00	
CHF950,252 Bought for \$968,144 (expires 30.05.18)	(6)	0.00	
CHF(42,435) Sold for \$43,242 (expires 30.05.18)	0	0.00	
Total portfolio	2,082,305	96.10	98.64
Net other assets / (liabilities)	84,507	3.90	1.36
Net assets attributable to shareholders	2,166,812	100.00	100.00

All securities are on an official stock exchange listing except where referenced.

[a] Uncommitted surplus cash is placed into 'AAA' rated money market funds with the aim of reducing counterparty risk.

Portfolio transactions

for the six months to 30 April	2018 \$'000	2017 \$'000
Portfolio transactions		
Total purchases	844,238	868,780
Total sales	1,068,370	657,505

Purchases and sales exclude the cost and proceeds of 'AAA' rated money market funds.

M&G Global Macro Bond Fund

Financial highlights

Fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

The following chart and tables show the performance for two of the fund's share classes – Sterling Class 'A' (Accumulation) shares and Sterling Class 'I' (Accumulation) shares.

We show performance for these two share classes because:

- The performance of the Sterling Class 'A' (Accumulation) share is what most individuals investing directly with M&G have received. It has the highest ongoing charge of all the sterling share classes. Performance is shown after deduction of this charge. All UK investors in the fund therefore received this performance or better.
- The performance of the Sterling Class 'I' (Accumulation) share is the most appropriate to compare with the average performance of the fund's comparative sector. It is the share class used by the Investment Association in the calculation of the comparative sector's average performance. This share class is available for direct investment with M&G subject to minimum investment criteria, or via third parties who may charge additional fees. The performance shown takes the deduction of the ongoing charge for this share class into account but it does not take account of charges applied by any other party through which you may have invested.

The fund is available for investment in different share classes, each with varying levels of charges and minimum investments; please refer to the Prospectus for M&G Global Macro Bond Fund, which is available free of charge either from our website at www.mandg.co.uk/prospectuses or by calling M&G Customer Relations.

Fund level performance

Fund net asset value			
as at	30.04.18 \$'000	31.10.17 \$'000	31.10.16 \$'000
Fund net asset value (NAV)	2,166,812	2,335,573	1,882,678

Performance since launch

To give an indication of how the fund has performed since launch, the chart below shows total return of Sterling Class 'A' (Accumulation) shares and Sterling Class 'I' (Accumulation) shares.



The fund's Sterling Class 'I' (Accumulation) shares were launched on 16 December 2011. Performance data shown prior to this date is that of the fund's Sterling Class 'A' (Accumulation) shares.

M&G Global Macro Bond Fund

Financial highlights

Fund performance

To give an indication of the performance of the fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested.

Long-term performance by share class ^[a]				
	Six months 01.11.17 % ^[b]	Three years 01.05.15 % p.a.	Five years 01.05.13 % p.a.	Since launch % p.a.
Euro ^[c]				
Class 'A'	-3.0	-1.0	+2.6	+4.0 ^[d]
Class 'A-H'	-1.1	-1.1	-0.5	+1.5 ^[d]
Class 'B'	-3.2	-1.5	+2.1	+3.5 ^[d]
Class 'B-H'	-1.3	-1.5	-1.0	+1.0 ^[d]
Class 'C'	-2.7	-0.4	+3.2	+4.6 ^[d]
Class 'C-H'	-0.8	-0.5	+0.0	+2.1 ^[d]
Singapore dollar ^[c]				
Class 'A-H'	-0.1	n/a	n/a	+1.9 ^[e]
Class 'C-H'	+0.2	n/a	n/a	+2.5 ^[e]
Sterling ^[f]				
Class 'A'	-2.6	+4.8	+3.1	+5.3 ^[g]
Class 'A-H'	-0.6	n/a	n/a	+1.0 ^[e]
Class 'I'	-2.3	+5.3	+3.7	+5.1 ^[d]
Class 'I-H'	-0.2	n/a	n/a	+1.6 ^[e]
Class 'R'	-2.5	+5.0	+3.4	+4.5 ^[h]
Class 'R-H'	-0.4	n/a	n/a	+1.2 ^[e]
Class 'X'	-2.6	+4.8	+3.1	+5.3 ^[i]
Class 'X-H'	-0.5	n/a	n/a	+1.0 ^[e]
Swiss franc ^[c]				
Class 'A'	-0.4	+3.4	+2.1	+2.5 ^[j]
Class 'A-H'	-1.3	-1.6	-1.0	+0.4 ^[j]
Class 'C'	-0.1	+4.1	+2.7	+3.1 ^[j]
Class 'C-H'	-1.0	-1.0	-0.5	+0.9 ^[j]
US dollar ^[c]				
Class 'A'	+0.3	+1.2	+0.7	+4.8 ^[k]
Class 'C'	+0.6	+1.8	+1.3	+3.3 ^[d]

^[a] On 1 May 2009 the M&G Global Macro Bond Fund de-merged from M&G Investment Funds (4) to become the M&G Global Macro Bond Fund.

^[b] Absolute basis.

^[c] Price to price with gross income reinvested.

^[d] 16 December 2011, the launch date of the share class.

^[e] 7 August 2015, the launch date of the share class.

^[f] Price to price with income reinvested.

^[g] 15 October 1999, the end of the initial offer period of the predecessor unit trust.

^[h] 3 August 2012, the launch date of the share class.

^[i] 15 October 1999. All performance data prior to 1 October 2002 (the launch date of the share class) has been calculated by reference to a conversion factor due to a change of the nominated share class.

^[j] 28 September 2012, the launch date of the share class.

^[k] 1 May 2009, the launch date of the share class.

Operating charges and portfolio transaction costs

We explain below the payments made to meet the ongoing costs of investing and managing the fund, comprising operating charges and portfolio transaction costs.

Operating charges

Operating charges include payments made to M&G and to providers independent of M&G:

- **Investment management:** Charge paid to M&G for investment management of the fund (also known as Annual Management Charge).
- **Administration:** Charge paid to M&G for administration services in addition to investment management – any surplus from this charge will be retained by M&G.
- **Share class hedging:** Charge paid to M&G for currency hedging services to minimise exchange rate risk for the share class.
- **Oversight and other independent services:** Charges paid to providers independent of M&G for services which include depositary, custody and audit.
- **Ongoing charges from underlying funds:** Ongoing charges on holdings in underlying funds that are not rebated.

The operating charges paid by each share class of the fund are shown in the following performance tables. Operating charges do not include portfolio transaction costs or any entry and exit charges (also known as initial and redemption charges). The charging structures of share classes may differ, and therefore the operating charges may differ.

Operating charges are the same as the ongoing charges shown in the Key Investor Information Document, other than where an estimate has been used for the ongoing charge because a material change has made the operating charges unreliable as an estimate of future charges.

For this fund there is no difference between operating charges and ongoing charges figures, unless disclosed under the specific share class performance table.

M&G Global Macro Bond Fund

Financial highlights

Fund performance

Operating charges and portfolio transaction costs

Portfolio transaction costs

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange and method of execution. They are made up of direct and indirect portfolio transaction costs:

- **Direct portfolio transaction costs:** Broker execution commission and taxes.
- **Indirect portfolio transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

Investments are bought or sold by a fund when changes are made to the investment portfolio and in response to net flows of money into or out of the fund from investors buying and selling shares in the fund.

To protect existing investors, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive. As the fund invests wholly in fixed interest securities no direct portfolio transaction costs are applicable. To give an indication of the indirect portfolio dealing costs the table below shows the average portfolio dealing spread.

Further information on this process is in the Prospectus, which is available free of charge on request either from our website at www.mandg.co.uk/prospectuses or by calling M&G Customer Relations.

Portfolio transaction costs				
as at	30.04.18	31.10.17	31.10.16	Average ^[a]
Indirect portfolio transaction costs	%	%	%	%
Average portfolio dealing spread	0.26	0.21	0.32	0.26

^[a] Average of first three columns.

Specific share class performance

The following tables show the performance of each share class. All 'Performance and charges' percentages represent an annual rate except for the 'Return after operating charges' which is calculated as a percentage of the opening net asset value per share (NAV). 'Dilution adjustments' are only in respect of direct portfolio transaction costs.

Euro Class 'A' Income share performance

The share class was launched on 12 July 2013.

	Six months to 30.04.18	Year to 31.10.17	Year to 31.10.16
Change in NAV per share	Euro ¢	Euro ¢	Euro ¢
Opening NAV	1,243.09	1,317.90	1,290.81
Return before operating charges and after direct portfolio transaction costs	(29.91)	(25.69)	68.68
Operating charges	(8.46)	(18.45)	(18.37)
Return after operating charges	(38.37)	(44.14)	50.31
Distributions	(16.52)	(30.67)	(23.22)
Closing NAV	1,188.20	1,243.09	1,317.90
Direct portfolio transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	-3.09	-3.35	+3.90
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	1.40	1.40	1.40
Other information			
Closing NAV (\$'000)	46,536	52,277	34,364
Closing NAV percentage of total fund NAV (%)	2.15	2.24	1.83
Number of shares	3,237,987	3,613,040	2,381,029
Highest share price (Euro ¢)	1,249.56	1,368.53	1,340.54
Lowest share price (Euro ¢)	1,181.59	1,227.77	1,224.37

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Euro Class 'A' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 Euro €	Year to 31.10.17 Euro €	Year to 31.10.16 Euro €
Change in NAV per share			
Opening NAV	1,321.19	1,367.84	1,316.15
Return before operating charges and after direct portfolio transaction costs	(31.70)	(27.31)	70.50
Operating charges	(9.01)	(19.34)	(18.81)
Return after operating charges	(40.71)	(46.65)	51.69
Distributions	(8.90)	(13.27)	(18.86)
Retained distributions	8.90	13.27	18.86
Closing NAV	1,280.48	1,321.19	1,367.84
Direct portfolio transaction costs	Euro €	Euro €	Euro €
Costs before dilution adjustments	0.01	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.01	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	-3.08	-3.41	+3.93
Distribution yield	1.80	0.74	1.12
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	259,714	335,584	303,322
Closing NAV percentage of total fund NAV (%)	11.99	14.37	16.11
Number of shares	16,768,614	21,822,349	20,249,564
Highest share price (Euro €)	1,328.05	1,425.84	1,382.30
Lowest share price (Euro €)	1,264.14	1,297.97	1,252.45

Euro Class 'A-H' Income share performance

The share class was launched on 12 July 2013.

	Six months to 30.04.18 Euro €	Year to 31.10.17 Euro €	Year to 31.10.16 Euro €
Change in NAV per share			
Opening NAV	1,042.72	1,062.01	1,060.31
Return before operating charges and after direct portfolio transaction costs	0.99	21.04	35.84
Operating charges	(7.57)	(15.15)	(15.30)
Return after operating charges	(6.58)	5.89	20.54
Distributions	(14.37)	(25.18)	(18.84)
Closing NAV	1,021.77	1,042.72	1,062.01
Direct portfolio transaction costs	Euro €	Euro €	Euro €
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.43
Return after operating charges	-0.63	+0.55	+1.94
Distribution yield ^[c]	3.28	2.17	2.53
Effect on yield of charges offset against capital	1.42	1.42	1.42
Other information			
Closing NAV (\$'000)	68,565	8,429	7,886
Closing NAV percentage of total fund NAV (%)	3.17	0.36	0.42
Number of shares	5,547,844	694,534	678,084
Highest share price (Euro €)	1,063.91	1,075.65	1,103.78
Lowest share price (Euro €)	1,028.24	1,040.52	1,027.13

Euro Class 'A-H' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 Euro €	Year to 31.10.17 Euro €	Year to 31.10.16 Euro €
Change in NAV per share			
Opening NAV	1,107.94	1,102.04	1,081.22
Return before operating charges and after direct portfolio transaction costs	0.77	21.71	36.74
Operating charges	(7.90)	(15.81)	(15.92)
Return after operating charges	(7.13)	5.90	20.82
Distributions	(7.64)	(10.65)	(15.31)
Retained distributions	7.64	10.65	15.31
Closing NAV	1,100.81	1,107.94	1,102.04
Direct portfolio transaction costs	Euro €	Euro €	Euro €
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.43
Return after operating charges	-0.64	+0.54	+1.93
Distribution yield	1.81	0.73	1.13
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	165,049	228,986	224,322
Closing NAV percentage of total fund NAV (%)	7.62	9.80	11.92
Number of shares	12,395,760	17,756,496	18,587,475
Highest share price (Euro €)	1,130.42	1,136.79	1,130.06
Lowest share price (Euro €)	1,099.80	1,079.66	1,047.38

Euro Class 'B' Income share performance

The share class was launched on 11 September 2015.

	Six months to 30.04.18 Euro €	Year to 31.10.17 Euro €	Year to 31.10.16 Euro €
Change in NAV per share			
Opening NAV	969.89	1,033.36	1,013.47
Return before operating charges and after direct portfolio transaction costs	(23.36)	(19.94)	53.91
Operating charges	(8.94)	(19.54)	(19.49)
Return after operating charges	(32.30)	(39.48)	34.42
Distributions	(12.87)	(23.99)	(14.53)
Closing NAV	924.72	969.89	1,033.36
Direct portfolio transaction costs	Euro €	Euro €	Euro €
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.91	1.91	1.92
Return after operating charges	-3.33	-3.82	+3.40
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	1.90	1.90	1.90
Other information			
Closing NAV (\$'000)	1,964	1,543	419
Closing NAV percentage of total fund NAV (%)	0.09	0.07	0.02
Number of shares	175,600	136,670	37,028
Highest share price (Euro €)	974.80	1,072.12	1,051.49
Lowest share price (Euro €)	920.68	958.43	961.10

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Euro Class 'B' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 Euro ¢	Year to 31.10.17 Euro ¢	Year to 31.10.16 Euro ¢
Change in NAV per share			
Opening NAV	1,282.54	1,334.51	1,290.53
Return before operating charges and after direct portfolio transaction costs	(30.75)	(26.49)	68.94
Operating charges	(11.84)	(25.48)	(24.96)
Return after operating charges	(42.59)	(51.97)	43.98
Distributions	(5.61)	(6.38)	(11.99)
Retained distributions	5.61	6.38	11.99
Closing NAV	1,239.95	1,282.54	1,334.51
Direct portfolio transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	0.01	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.01	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.91	1.91	1.92
Return after operating charges	-3.32	-3.89	+3.41
Distribution yield	1.29	0.24	0.62
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	52,398	60,265	55,199
Closing NAV percentage of total fund NAV (%)	2.42	2.58	2.93
Number of shares	3,493,706	4,036,986	3,777,057
Highest share price (Euro ¢)	1,289.08	1,388.40	1,348.74
Lowest share price (Euro ¢)	1,225.59	1,260.70	1,226.32

Euro Class 'B-H' Income share performance

The share class was launched on 11 September 2015.

	Six months to 30.04.18 Euro ¢	Year to 31.10.17 Euro ¢	Year to 31.10.16 Euro ¢
Change in NAV per share			
Opening NAV	966.86	990.07	989.95
Return before operating charges and after direct portfolio transaction costs	0.77	19.63	33.35
Operating charges	(9.30)	(19.33)	(19.28)
Return after operating charges	(8.53)	0.30	14.07
Distributions	(13.33)	(23.51)	(13.95)
Closing NAV	945.00	966.86	990.07
Direct portfolio transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.93	1.93	1.93
Return after operating charges	-0.88	+0.03	+1.42
Distribution yield ^[c]	3.28	2.17	2.53
Effect on yield of charges offset against capital	1.92	1.92	1.92
Other information			
Closing NAV (\$'000)	975	824	124
Closing NAV percentage of total fund NAV (%)	0.04	0.03	0.01
Number of shares	85,344	73,183	11,462
Highest share price (Euro ¢)	985.33	998.15	1,028.75
Lowest share price (Euro ¢)	951.05	968.48	957.89

Euro Class 'B-H' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 Euro ¢	Year to 31.10.17 Euro ¢	Year to 31.10.16 Euro ¢
Change in NAV per share			
Opening NAV	1,075.97	1,075.46	1,060.44
Return before operating charges and after direct portfolio transaction costs	0.63	21.25	35.74
Operating charges	(10.38)	(20.74)	(20.72)
Return after operating charges	(9.75)	0.51	15.02
Distributions	(4.75)	(4.99)	(9.60)
Retained distributions	4.75	4.99	9.60
Closing NAV	1,066.22	1,075.97	1,075.46
Direct portfolio transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.93	1.93	1.94
Return after operating charges	-0.91	+0.05	+1.42
Distribution yield	1.30	0.22	0.60
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	5,891	6,272	7,009
Closing NAV percentage of total fund NAV (%)	0.27	0.27	0.37
Number of shares	456,812	500,785	595,137
Highest share price (Euro ¢)	1,096.38	1,104.85	1,105.62
Lowest share price (Euro ¢)	1,065.27	1,052.62	1,026.26

Euro Class 'C' Income share performance

The share class was launched on 8 August 2014.

	Six months to 30.04.18 Euro ¢	Year to 31.10.17 Euro ¢	Year to 31.10.16 Euro ¢
Change in NAV per share			
Opening NAV	1,287.42	1,356.71	1,326.67
Return before operating charges and after direct portfolio transaction costs	(30.98)	(26.66)	70.58
Operating charges	(5.05)	(10.97)	(10.82)
Return after operating charges	(36.03)	(37.63)	59.76
Distributions	(17.14)	(31.66)	(29.72)
Closing NAV	1,234.25	1,287.42	1,356.71
Direct portfolio transaction costs	Euro ¢	Euro ¢	Euro ¢
Costs before dilution adjustments	0.01	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.01	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.81	0.81	0.81
Return after operating charges	-2.80	-2.77	+4.50
Distribution yield ^[c]	3.21	2.14	2.53
Effect on yield of charges offset against capital	0.80	0.80	0.80
Other information			
Closing NAV (\$'000)	3,505	4,597	2,964
Closing NAV percentage of total fund NAV (%)	0.17	0.20	0.16
Number of shares	234,776	306,794	199,527
Highest share price (Euro ¢)	1,294.26	1,410.30	1,379.95
Lowest share price (Euro ¢)	1,225.63	1,270.70	1,258.77

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Euro Class 'C' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 Euro ¢	Year to 31.10.17 Euro ¢	Year to 31.10.16 Euro ¢
Change in NAV per share			
Opening NAV	1,368.46	1,408.29	1,346.94
Return before operating charges and after direct portfolio transaction costs	(32.82)	(28.33)	72.46
Operating charges	(5.38)	(11.50)	(11.11)
Return after operating charges	(38.20)	(39.83)	61.35
Distributions	(13.11)	(22.03)	(27.54)
Retained distributions	13.11	22.03	27.54
Closing NAV	1,330.26	1,368.46	1,408.29

	Euro ¢	Euro ¢	Euro ¢
Direct portfolio transaction costs			
Costs before dilution adjustments	0.01	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.01	0.00	0.01

	%	%	%
Performance and charges			
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.81	0.81	0.81
Return after operating charges	-2.79	-2.83	+4.55
Distribution yield	2.40	1.34	1.72
Effect on yield of charges offset against capital	0.00	0.00	0.00

Other information

Closing NAV (\$'000)	189,365	195,065	176,172
Closing NAV percentage of total fund NAV (%)	8.74	8.35	9.36
Number of shares	11,769,076	12,246,513	11,423,286
Highest share price (Euro ¢)	1,375.73	1,471.96	1,423.04
Lowest share price (Euro ¢)	1,311.40	1,343.50	1,283.96

Euro Class 'C-H' Income share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 Euro ¢	Year to 31.10.17 Euro ¢	Year to 31.10.16 Euro ¢
Change in NAV per share			
Opening NAV	1,095.02	1,108.70	1,104.76
Return before operating charges and after direct portfolio transaction costs	0.70	22.04	37.93
Operating charges	(4.56)	(9.33)	(9.37)
Return after operating charges	(3.86)	12.71	28.56
Distributions	(15.14)	(26.39)	(24.62)
Closing NAV	1,076.02	1,095.02	1,108.70

	Euro ¢	Euro ¢	Euro ¢
Direct portfolio transaction costs			
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01

	%	%	%
Performance and charges			
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.83	0.83	0.83
Return after operating charges	-0.35	+1.15	+2.58
Distribution yield ^[c]	3.28	2.17	2.53
Effect on yield of charges offset against capital	0.82	0.82	0.80

Other information

Closing NAV (\$'000)	31,888	26,107	4,731
Closing NAV percentage of total fund NAV (%)	1.47	1.12	0.25
Number of shares	2,450,099	2,048,345	389,685
Highest share price (Euro ¢)	1,118.70	1,128.62	1,152.09
Lowest share price (Euro ¢)	1,082.80	1,087.27	1,070.69

Euro Class 'C-H' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 Euro ¢	Year to 31.10.17 Euro ¢	Year to 31.10.16 Euro ¢
Change in NAV per share			
Opening NAV	1,148.22	1,135.26	1,107.55
Return before operating charges and after direct portfolio transaction costs	0.68	22.53	37.05
Operating charges	(4.80)	(9.57)	(9.34)
Return after operating charges	(4.12)	12.96	27.71
Distributions	(11.30)	(17.87)	(22.40)
Retained distributions	11.30	17.87	22.40
Closing NAV	1,144.10	1,148.22	1,135.26

	Euro ¢	Euro ¢	Euro ¢
Direct portfolio transaction costs			
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01

	%	%	%
Performance and charges			
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.83	0.83	0.83
Return after operating charges	-0.36	+1.14	+2.50
Distribution yield	2.43	1.34	1.71
Effect on yield of charges offset against capital	0.00	0.00	0.00

Other information

Closing NAV (\$'000)	51,226	43,816	33,653
Closing NAV percentage of total fund NAV (%)	2.36	1.88	1.79
Number of shares	3,701,754	3,278,506	2,706,890
Highest share price (Euro ¢)	1,173.58	1,177.12	1,160.78
Lowest share price (Euro ¢)	1,142.97	1,113.31	1,074.31

Singapore dollar Class 'A-H' Income share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 Singapore ¢	Year to 31.10.17 Singapore ¢	Year to 31.10.16 Singapore ¢
Change in NAV per share			
Opening NAV	1,006.33	1,009.06	989.55
Return before operating charges and after direct portfolio transaction costs	10.74	35.90	51.78
Operating charges	(7.22)	(14.49)	(14.42)
Return after operating charges	3.52	21.41	37.36
Distributions	(14.01)	(24.14)	(17.85)
Closing NAV	995.84	1,006.33	1,009.06

	Singapore ¢	Singapore ¢	Singapore ¢
Direct portfolio transaction costs			
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01

	%	%	%
Performance and charges			
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.43
Return after operating charges	+0.35	+2.12	+3.78
Distribution yield ^[c]	3.25	2.15	2.54
Effect on yield of charges offset against capital	1.42	1.42	1.42

Other information

Closing NAV (\$'000)	34	33	33
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	4,501	4,501	4,501
Highest share price (Singapore ¢)	1,032.11	1,036.07	1,039.54
Lowest share price (Singapore ¢)	1,001.99	990.69	963.35

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Singapore dollar Class 'A-H' Accumulation share performance

The share class was launched on 7 August 2015.

Change in NAV per share	Six months to 30.04.18 Singapore ¢	Year to 31.10.17 Singapore ¢	Year to 31.10.16 Singapore ¢
Opening NAV	1,050.69	1,028.40	991.53
Return before operating charges and after direct portfolio transaction costs	11.27	37.18	51.39
Operating charges	(7.56)	(14.89)	(14.52)
Return after operating charges	3.71	22.29	36.87
Distributions	(7.33)	(10.08)	(14.21)
Retained distributions	7.33	10.08	14.21
Closing NAV	1,054.40	1,050.69	1,028.40
Direct portfolio transaction costs	Singapore ¢	Singapore ¢	Singapore ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.43
Return after operating charges	+0.35	+2.17	+3.72
Distribution yield	1.80	0.72	1.11
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	36	35	33
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	4,500	4,500	4,500
Highest share price (Singapore ¢)	1,078.52	1,075.96	1,046.87
Lowest share price (Singapore ¢)	1,049.57	1,009.76	965.06

Singapore dollar Class 'C-H' Income share performance

The share class was launched on 7 August 2015.

Change in NAV per share	Six months to 30.04.18 Singapore ¢	Year to 31.10.17 Singapore ¢	Year to 31.10.16 Singapore ¢
Opening NAV	1,013.85	1,010.61	989.47
Return before operating charges and after direct portfolio transaction costs	10.67	35.94	51.81
Operating charges	(4.23)	(8.45)	(8.37)
Return after operating charges	6.44	27.49	43.44
Distributions	(14.12)	(24.25)	(22.30)
Closing NAV	1,006.17	1,013.85	1,010.61
Direct portfolio transaction costs	Singapore ¢	Singapore ¢	Singapore ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.83	0.83	0.83
Return after operating charges	+0.64	+2.72	+4.39
Distribution yield ^[c]	3.25	2.15	2.53
Effect on yield of charges offset against capital	0.82	0.82	0.82
Other information			
Closing NAV (\$'000)	34	34	33
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	4,502	4,502	4,502
Highest share price (Singapore ¢)	1,041.25	1,042.98	1,041.05
Lowest share price (Singapore ¢)	1,012.31	992.94	964.59

Singapore dollar Class 'C-H' Accumulation share performance

The share class was launched on 7 August 2015.

Change in NAV per share	Six months to 30.04.18 Singapore ¢	Year to 31.10.17 Singapore ¢	Year to 31.10.16 Singapore ¢
Opening NAV	1,064.71	1,036.06	992.85
Return before operating charges and after direct portfolio transaction costs	11.27	37.39	51.66
Operating charges	(4.44)	(8.74)	(8.45)
Return after operating charges	6.83	28.65	43.21
Distributions	(10.62)	(16.49)	(20.35)
Retained distributions	10.62	16.49	20.35
Closing NAV	1,071.54	1,064.71	1,036.06
Direct portfolio transaction costs	Singapore ¢	Singapore ¢	Singapore ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.83	0.83	0.83
Return after operating charges	+0.64	+2.77	+4.35
Distribution yield	2.41	1.32	1.71
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	36	35	33
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	4,501	4,501	4,501
Highest share price (Singapore ¢)	1,094.77	1,089.36	1,053.30
Lowest share price (Singapore ¢)	1,063.70	1,017.93	967.72

Sterling Class 'A' Income share performance

The share class was launched on 15 October 1999.

Change in NAV per share	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Opening NAV	86.13	93.30	72.91
Return before operating charges and after direct portfolio transaction costs	(2.00)	(3.81)	23.06
Operating charges	(0.59)	(1.26)	(1.15)
Return after operating charges	(2.59)	(5.07)	21.91
Distributions	(1.14)	(2.10)	(1.52)
Closing NAV	82.40	86.13	93.30
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	-3.01	-5.43	+30.04
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	1.40	1.40	1.40
Other information			
Closing NAV (\$'000)	17,302	18,354	19,419
Closing NAV percentage of total fund NAV (%)	0.80	0.79	1.04
Number of shares	15,298,142	16,119,821	17,098,436
Highest share price (UK p)	87.11	93.42	94.30
Lowest share price (UK p)	80.61	85.32	72.21

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Sterling Class 'A' Accumulation share performance

The share class was launched on 15 October 1999.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	129.16	136.70	105.24
Return before operating charges and after direct portfolio transaction costs	(2.99)	(5.60)	33.47
Operating charges	(0.88)	(1.87)	(1.67)
Return after operating charges	(3.87)	(7.47)	31.80
Distributions	(0.87)	(1.28)	(1.70)
Retained distributions	0.87	1.21	1.36
Closing NAV	125.29	129.16	136.70
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	-3.00	-5.46	+30.22
Distribution yield	1.80	0.74	1.12
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	31,475	39,031	43,499
Closing NAV percentage of total fund NAV (%)	1.45	1.67	2.32
Number of shares	18,304,023	22,860,213	26,142,132
Highest share price (UK p)	130.63	136.95	137.45
Lowest share price (UK p)	121.68	127.24	104.24

Sterling Class 'A-H' Income share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	99.08	99.90	98.78
Return before operating charges and after direct portfolio transaction costs	0.61	2.97	4.35
Operating charges	(0.71)	(1.41)	(1.44)
Return after operating charges	(0.10)	1.56	2.91
Distributions	(1.38)	(2.38)	(1.79)
Closing NAV	97.60	99.08	99.90
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.44
Return after operating charges	-0.10	+1.56	+2.95
Distribution yield ^[c]	3.35	2.14	2.53
Effect on yield of charges offset against capital	1.42	1.42	1.42
Other information			
Closing NAV (\$'000)	38	37	66
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	28,064	28,064	54,380
Highest share price (UK p)	101.35	102.08	103.22
Lowest share price (UK p)	98.23	98.05	95.73

Sterling Class 'A-H' Accumulation share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	103.07	101.59	98.93
Return before operating charges and after direct portfolio transaction costs	0.61	3.02	4.40
Operating charges	(0.74)	(1.49)	(1.45)
Return after operating charges	(0.13)	1.53	2.95
Distributions	(0.71)	(0.98)	(1.46)
Retained distributions	0.71	0.93	1.17
Closing NAV	102.94	103.07	101.59
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.43
Return after operating charges	-0.13	+1.51	+2.98
Distribution yield	1.85	0.73	1.10
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	197	190	25
Closing NAV percentage of total fund NAV (%)	0.01	0.01	0.00
Number of shares	139,505	139,505	20,000
Highest share price (UK p)	105.48	105.61	103.84
Lowest share price (UK p)	102.84	99.71	95.94

Sterling Class 'I' Income share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	128.72	138.60	108.11
Return before operating charges and after direct portfolio transaction costs	(3.00)	(5.67)	34.24
Operating charges	(0.51)	(1.08)	(0.98)
Return after operating charges	(3.51)	(6.75)	33.26
Distributions	(1.71)	(3.13)	(2.77)
Closing NAV	123.50	128.72	138.60
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.81	0.81	0.81
Return after operating charges	-2.73	-4.87	+30.76
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	0.80	0.80	0.80
Other information			
Closing NAV (\$'000)	578,441	607,401	407,407
Closing NAV percentage of total fund NAV (%)	26.70	26.01	21.64
Number of shares	341,245,711	356,988,998	241,501,133
Highest share price (UK p)	130.20	138.94	140.07
Lowest share price (UK p)	120.80	127.39	107.15

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Sterling Class 'I' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	141.01	148.41	113.70
Return before operating charges and after direct portfolio transaction costs	(3.26)	(6.11)	36.28
Operating charges	(0.56)	(1.17)	(1.04)
Return after operating charges	(3.82)	(7.28)	35.24
Distributions	(1.35)	(2.24)	(2.62)
Retained distributions	1.35	2.12	2.09
Closing NAV	137.19	141.01	148.41
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.81	0.81	0.81
Return after operating charges	-2.71	-4.91	+30.99
Distribution yield	2.40	1.34	1.72
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	532,977	569,644	424,479
Closing NAV percentage of total fund NAV (%)	24.60	24.39	22.55
Number of shares	283,050,700	305,597,282	234,991,502
Highest share price (UK p)	142.64	148.81	149.22
Lowest share price (UK p)	133.21	138.82	112.69

Sterling Class 'I-H' Income share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	99.79	100.06	98.76
Return before operating charges and after direct portfolio transaction costs	0.61	2.94	4.28
Operating charges	(0.42)	(0.82)	(0.78)
Return after operating charges	0.19	2.12	3.50
Distributions	(1.39)	(2.39)	(2.20)
Closing NAV	98.59	99.79	100.06
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.83	0.83	0.84
Return after operating charges	+0.19	+2.11	+3.54
Distribution yield ^[c]	3.34	2.14	2.53
Effect on yield of charges offset against capital	0.82	0.82	0.82
Other information			
Closing NAV (\$'000)	15,751	13,545	22,646
Closing NAV percentage of total fund NAV (%)	0.73	0.58	1.20
Number of shares	11,640,521	10,267,780	18,593,687
Highest share price (UK p)	102.22	102.71	103.35
Lowest share price (UK p)	99.20	98.23	95.88

Sterling Class 'I-H' Accumulation share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	104.33	102.17	99.04
Return before operating charges and after direct portfolio transaction costs	0.64	3.12	4.33
Operating charges	(0.44)	(0.87)	(0.80)
Return after operating charges	0.20	2.25	3.53
Distributions	(1.03)	(1.62)	(2.02)
Retained distributions	1.03	1.53	1.62
Closing NAV	104.53	104.33	102.17
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.83	0.83	0.84
Return after operating charges	+0.19	+2.20	+3.56
Distribution yield	2.48	1.32	1.72
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	18,383	5,905	1,004
Closing NAV percentage of total fund NAV (%)	0.85	0.25	0.05
Number of shares	12,813,507	4,281,827	807,030
Highest share price (UK p)	106.98	106.80	104.18
Lowest share price (UK p)	104.21	100.34	96.14

Sterling Class 'R' Income share performance

The share class was launched on 3 August 2012.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	123.41	133.36	104.13
Return before operating charges and after direct portfolio transaction costs	(2.87)	(5.46)	32.95
Operating charges	(0.69)	(1.49)	(1.35)
Return after operating charges	(3.56)	(6.95)	31.60
Distributions	(1.64)	(3.00)	(2.37)
Closing NAV	118.21	123.41	133.36
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.16	1.16	1.17
Return after operating charges	-2.88	-5.21	+30.35
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	1.15	1.15	1.15
Other information			
Closing NAV (\$'000)	994	992	926
Closing NAV percentage of total fund NAV (%)	0.05	0.04	0.05
Number of shares	612,392	607,935	570,688
Highest share price (UK p)	124.83	133.59	134.77
Lowest share price (UK p)	115.63	122.20	103.16

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Sterling Class 'R' Accumulation share performance

The share class was launched on 3 August 2012.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	132.26	139.66	107.30
Return before operating charges and after direct portfolio transaction costs	(3.06)	(5.74)	34.17
Operating charges	(0.75)	(1.57)	(1.40)
Return after operating charges	(3.81)	(7.31)	32.77
Distributions	(1.05)	(1.64)	(2.04)
Retained distributions	1.05	1.55	1.63
Closing NAV	128.45	132.26	139.66
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.16	1.16	1.16
Return after operating charges	-2.88	-5.23	+30.54
Distribution yield	2.05	0.99	1.37
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	2,241	1,912	1,787
Closing NAV percentage of total fund NAV (%)	0.10	0.08	0.09
Number of shares	1,271,010	1,093,522	1,051,389
Highest share price (UK p)	133.77	139.96	140.43
Lowest share price (UK p)	124.74	130.26	106.31

Sterling Class 'R-H' Income share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	99.42	100.03	98.77
Return before operating charges and after direct portfolio transaction costs	0.60	2.96	4.46
Operating charges	(0.59)	(1.18)	(1.19)
Return after operating charges	0.01	1.78	3.27
Distributions	(1.38)	(2.39)	(2.01)
Closing NAV	98.05	99.42	100.03
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.18	1.18	1.18
Return after operating charges	+0.01	+1.78	+3.31
Distribution yield ^[c]	3.33	2.13	2.53
Effect on yield of charges offset against capital	1.17	1.17	1.17
Other information			
Closing NAV (\$'000)	50	26	24
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	37,279	20,025	20,025
Highest share price (UK p)	101.75	102.38	103.31
Lowest share price (UK p)	98.67	98.18	95.82

Sterling Class 'R-H' Accumulation share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	103.52	101.80	98.97
Return before operating charges and after direct portfolio transaction costs	0.63	3.00	4.36
Operating charges	(0.62)	(1.21)	(1.19)
Return after operating charges	0.01	1.79	3.17
Distributions	(0.85)	(1.25)	(1.71)
Retained distributions	0.85	1.18	1.37
Closing NAV	103.53	103.52	101.80
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.18	1.18	1.18
Return after operating charges	+0.01	+1.76	+3.20
Distribution yield	2.11	0.98	1.35
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	102	56	25
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	72,096	41,020	20,020
Highest share price (UK p)	106.03	106.02	103.86
Lowest share price (UK p)	103.39	99.92	95.97

Sterling Class 'X' Income share performance

The share class was launched on 1 October 2002.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	86.49	93.69	73.21
Return before operating charges and after direct portfolio transaction costs	(2.00)	(3.82)	23.15
Operating charges	(0.59)	(1.27)	(1.15)
Return after operating charges	(2.59)	(5.09)	22.00
Distributions	(1.15)	(2.11)	(1.52)
Closing NAV	82.75	86.49	93.69
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	-2.99	-5.43	+30.05
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	1.40	1.40	1.41
Other information			
Closing NAV (\$'000)	2,933	3,033	4,745
Closing NAV percentage of total fund NAV (%)	0.14	0.13	0.25
Number of shares	2,582,316	2,652,494	4,160,749
Highest share price (UK p)	87.47	93.81	94.69
Lowest share price (UK p)	80.95	85.67	72.51

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Sterling Class 'X' Accumulation share performance

The share class was launched on 1 October 2002.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	129.10	136.63	105.19
Return before operating charges and after direct portfolio transaction costs	(2.99)	(5.60)	33.45
Operating charges	(0.88)	(1.86)	(1.67)
Return after operating charges	(3.87)	(7.46)	31.78
Distributions	(0.87)	(1.28)	(1.69)
Retained distributions	0.87	1.21	1.35
Closing NAV	125.23	129.10	136.63
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	-3.00	-5.46	+30.21
Distribution yield	1.80	0.74	1.12
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	3,771	3,894	7,183
Closing NAV percentage of total fund NAV (%)	0.17	0.17	0.38
Number of shares	2,194,151	2,281,827	4,318,928
Highest share price (UK p)	130.57	136.87	137.39
Lowest share price (UK p)	121.62	127.19	104.18

Sterling Class 'X-H' Income share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	99.21	100.01	98.77
Return before operating charges and after direct portfolio transaction costs	0.60	3.01	4.50
Operating charges	(0.71)	(1.43)	(1.44)
Return after operating charges	(0.11)	1.58	3.06
Distributions	(1.38)	(2.38)	(1.82)
Closing NAV	97.72	99.21	100.01
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.43
Return after operating charges	-0.11	+1.58	+3.10
Distribution yield ^[c]	3.35	2.13	2.53
Effect on yield of charges offset against capital	1.42	1.42	1.42
Other information			
Closing NAV (\$'000)	27	26	24
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	20,015	20,015	20,015
Highest share price (UK p)	101.46	102.18	103.28
Lowest share price (UK p)	98.35	98.13	95.79

Sterling Class 'X-H' Accumulation share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 UK p	Year to 31.10.17 UK p	Year to 31.10.16 UK p
Change in NAV per share			
Opening NAV	103.12	101.59	98.93
Return before operating charges and after direct portfolio transaction costs	0.65	3.04	4.40
Operating charges	(0.74)	(1.46)	(1.45)
Return after operating charges	(0.09)	1.58	2.95
Distributions	(0.71)	(0.99)	(1.46)
Retained distributions	0.71	0.93	1.17
Closing NAV	103.03	103.12	101.59
Direct portfolio transaction costs	UK p	UK p	UK p
Costs before dilution adjustments	0.00	0.00	0.00
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.00
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.42	1.43	1.43
Return after operating charges	-0.09	+1.56	+2.98
Distribution yield	1.85	0.73	1.10
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	28	27	25
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	20,010	20,010	20,010
Highest share price (UK p)	105.56	105.63	103.84
Lowest share price (UK p)	102.93	99.71	95.94

Swiss franc Class 'A' Accumulation share performance

The share class was launched on 28 September 2012.

	Six months to 30.04.18 Swiss ¢	Year to 31.10.17 Swiss ¢	Year to 31.10.16 Swiss ¢
Change in NAV per share			
Opening NAV	1,144.72	1,104.69	1,069.22
Return before operating charges and after direct portfolio transaction costs	6.28	55.88	50.73
Operating charges	(7.85)	(15.85)	(15.26)
Return after operating charges	(1.57)	40.03	35.47
Distributions	(7.83)	(10.95)	(15.37)
Retained distributions	7.83	10.95	15.37
Closing NAV	1,143.15	1,144.72	1,104.69
Direct portfolio transaction costs	Swiss ¢	Swiss ¢	Swiss ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	-0.14	+3.62	+3.32
Distribution yield	1.80	0.73	1.12
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	377	702	71
Closing NAV percentage of total fund NAV (%)	0.02	0.03	0.00
Number of shares	32,652	61,252	6,366
Highest share price (Swiss ¢)	1,149.99	1,148.58	1,115.26
Lowest share price (Swiss ¢)	1,088.93	1,087.09	1,026.83

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

Swiss franc Class 'A-H' Accumulation share performance

The share class was launched on 28 September 2012.

Change in NAV per share	Six months to 30.04.18 Swiss ¢	Year to 31.10.17 Swiss ¢	Year to 31.10.16 Swiss ¢
Opening NAV	1,036.58	1,034.67	1,021.35
Return before operating charges and after direct portfolio transaction costs	(2.01)	16.72	28.02
Operating charges	(7.41)	(14.81)	(14.70)
Return after operating charges	(9.42)	1.91	13.32
Distributions	(7.18)	(10.00)	(14.36)
Retained distributions	7.18	10.00	14.36
Closing NAV	1,027.16	1,036.58	1,034.67
Direct portfolio transaction costs	Swiss ¢	Swiss ¢	Swiss ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.43	1.43	1.43
Return after operating charges	-0.91	+0.18	+1.30
Distribution yield	1.83	0.73	1.10
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	107	47	89
Closing NAV percentage of total fund NAV (%)	0.00	0.00	0.00
Number of shares	10,263	4,499	8,499
Highest share price (Swiss ¢)	1,056.24	1,064.36	1,063.68
Lowest share price (Swiss ¢)	1,026.18	1,012.68	987.24

Swiss franc Class 'C' Accumulation share performance

The share class was launched on 28 September 2012.

Change in NAV per share	Six months to 30.04.18 Swiss ¢	Year to 31.10.17 Swiss ¢	Year to 31.10.16 Swiss ¢
Opening NAV	1,179.92	1,131.85	1,088.87
Return before operating charges and after direct portfolio transaction costs	6.58	57.40	51.96
Operating charges	(4.68)	(9.33)	(8.98)
Return after operating charges	1.90	48.07	42.98
Distributions	(11.49)	(18.14)	(22.31)
Retained distributions	11.49	18.14	22.31
Closing NAV	1,181.82	1,179.92	1,131.85
Direct portfolio transaction costs	Swiss ¢	Swiss ¢	Swiss ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.81	0.81	0.81
Return after operating charges	+0.16	+4.25	+3.95
Distribution yield	2.40	1.34	1.73
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	10,939	10,827	10,650
Closing NAV percentage of total fund NAV (%)	0.50	0.46	0.57
Number of shares	915,986	915,886	930,491
Highest share price (Swiss ¢)	1,185.37	1,183.82	1,142.56
Lowest share price (Swiss ¢)	1,124.42	1,117.82	1,047.52

Swiss franc Class 'C-H' Accumulation share performance

The share class was launched on 28 September 2012.

Change in NAV per share	Six months to 30.04.18 Swiss ¢	Year to 31.10.17 Swiss ¢	Year to 31.10.16 Swiss ¢
Opening NAV	1,062.73	1,054.52	1,034.73
Return before operating charges and after direct portfolio transaction costs	(2.13)	17.12	28.51
Operating charges	(4.40)	(8.91)	(8.72)
Return after operating charges	(6.53)	8.21	19.79
Distributions	(10.50)	(16.65)	(20.85)
Retained distributions	10.50	16.65	20.85
Closing NAV	1,056.20	1,062.73	1,054.52
Direct portfolio transaction costs	Swiss ¢	Swiss ¢	Swiss ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.83	0.83	0.83
Return after operating charges	-0.61	+0.78	+1.91
Distribution yield	2.45	1.34	1.71
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	812	1,179	267
Closing NAV percentage of total fund NAV (%)	0.04	0.05	0.01
Number of shares	76,098	110,766	25,070
Highest share price (Swiss ¢)	1,084.63	1,090.37	1,080.61
Lowest share price (Swiss ¢)	1,055.13	1,033.43	1,001.41

US dollar Class 'A' Income share performance

The share class was launched on 7 August 2015.

Change in NAV per share	Six months to 30.04.18 US ¢	Year to 31.10.17 US ¢	Year to 31.10.16 US ¢
Opening NAV	1,457.21	1,453.51	1,432.22
Return before operating charges and after direct portfolio transaction costs	20.96	59.01	67.79
Operating charges	(10.33)	(20.59)	(20.52)
Return after operating charges	10.63	38.42	47.27
Distributions	(20.41)	(34.72)	(25.98)
Closing NAV	1,447.43	1,457.21	1,453.51
Direct portfolio transaction costs	US ¢	US ¢	US ¢
Costs before dilution adjustments	0.01	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.01	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.41
Return after operating charges	+0.73	+2.64	+3.30
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	1.40	1.40	1.40
Other information			
Closing NAV (\$'000)	648	653	687
Closing NAV percentage of total fund NAV (%)	0.03	0.03	0.04
Number of shares	44,803	44,803	47,255
Highest share price (US ¢)	1,496.57	1,498.99	1,499.56
Lowest share price (US ¢)	1,455.73	1,428.05	1,390.37

M&G Global Macro Bond Fund

Financial highlights

Specific share class performance

US dollar Class 'A' Accumulation share performance

The share class was launched on 1 May 2009.

	Six months to 30.04.18 US ¢	Year to 31.10.17 US ¢	Year to 31.10.16 US ¢
Change in NAV per share			
Opening NAV	1,521.76	1,482.27	1,434.92
Return before operating charges and after direct portfolio transaction costs	21.70	60.70	68.02
Operating charges	(10.80)	(21.21)	(20.67)
Return after operating charges	10.90	39.49	47.35
Distributions	(10.79)	(14.72)	(20.81)
Retained distributions	10.79	14.72	20.81
Closing NAV	1,532.66	1,521.76	1,482.27
Direct portfolio transaction costs	US ¢	US ¢	US ¢
Costs before dilution adjustments	0.01	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.01	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	1.41	1.41	1.42
Return after operating charges	+0.72	+2.66	+3.30
Distribution yield	1.80	0.74	1.12
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	56,520	81,009	83,568
Closing NAV percentage of total fund NAV (%)	2.61	3.47	4.44
Number of shares	3,687,706	5,323,384	5,637,858
Highest share price (US ¢)	1,564.96	1,557.06	1,508.86
Lowest share price (US ¢)	1,520.20	1,456.29	1,392.94

US dollar Class 'C' Income share performance

The share class was launched on 7 August 2015.

	Six months to 30.04.18 US ¢	Year to 31.10.17 US ¢	Year to 31.10.16 US ¢
Change in NAV per share			
Opening NAV	1,164.18	1,154.23	1,135.54
Return before operating charges and after direct portfolio transaction costs	16.74	47.11	53.67
Operating charges	(4.77)	(9.49)	(9.28)
Return after operating charges	11.97	37.62	44.39
Distributions	(16.33)	(27.67)	(25.70)
Closing NAV	1,159.82	1,164.18	1,154.23
Direct portfolio transaction costs	US ¢	US ¢	US ¢
Costs before dilution adjustments	0.00	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.00	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.81	0.81	0.81
Return after operating charges	+1.03	+3.26	+3.91
Distribution yield ^[c]	3.21	2.14	2.52
Effect on yield of charges offset against capital	0.80	0.80	0.80
Other information			
Closing NAV (\$'000)	4,759	3,415	15
Closing NAV percentage of total fund NAV (%)	0.22	0.15	0.00
Number of shares	410,355	293,319	1,304
Highest share price (US ¢)	1,197.43	1,196.51	1,190.64
Lowest share price (US ¢)	1,163.13	1,134.89	1,102.88

US dollar Class 'C' Accumulation share performance

The share class was launched on 16 December 2011.

	Six months to 30.04.18 US ¢	Year to 31.10.17 US ¢	Year to 31.10.16 US ¢
Change in NAV per share			
Opening NAV	1,222.92	1,184.03	1,139.35
Return before operating charges and after direct portfolio transaction costs	17.43	48.72	54.35
Operating charges	(5.01)	(9.83)	(9.67)
Return after operating charges	12.42	38.89	44.68
Distributions	(12.34)	(19.00)	(23.50)
Retained distributions	12.34	19.00	23.50
Closing NAV	1,235.34	1,222.92	1,184.03
Direct portfolio transaction costs	US ¢	US ¢	US ¢
Costs before dilution adjustments	0.01	0.00	0.01
Dilution adjustments ^[a]	0.00	0.00	0.00
Total direct portfolio transaction costs	0.01	0.00	0.01
Performance and charges	%	%	%
Direct portfolio transaction costs ^[b]	0.00	0.00	0.00
Operating charges	0.81	0.81	0.81
Return after operating charges	+1.02	+3.28	+3.92
Distribution yield	2.40	1.35	1.72
Effect on yield of charges offset against capital	0.00	0.00	0.00
Other information			
Closing NAV (\$'000)	10,724	9,766	3,750
Closing NAV percentage of total fund NAV (%)	0.49	0.42	0.20
Number of shares	868,084	798,599	316,721
Highest share price (US ¢)	1,259.86	1,250.19	1,203.20
Lowest share price (US ¢)	1,221.80	1,164.16	1,107.54

^[a] In respect of direct portfolio transaction costs.

^[b] As a percentage of average net asset value.

^[c] Following the change in charging structure, you may see variances between the comparative and current year figures.

M&G Global Macro Bond Fund

Financial statements and notes

Financial statements

Statement of total return

for the six months to 30 April	2018		2017	
	\$'000	\$'000	\$'000	\$'000
Income				
Net capital gains / (losses)		10,316		9,056
Revenue	33,026		25,480	
Expenses	(11,862)		(10,707)	
Net revenue / (expense) before taxation	21,164		14,773	
Taxation	(613)		(293)	
Net revenue / (expense) after taxation		20,551		14,480
Total return before distributions		30,867		23,536
Distributions		(23,744)		(16,620)
Change in net assets attributable to shareholders from investment activities		7,123		6,916

Statement of change in net assets attributable to shareholders

for the six months to 30 April	2018		2017	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		2,335,573		1,882,678
Amounts received on issue of shares	233,091		412,306	
Amounts paid on cancellation of shares	(421,662)		(130,233)	
		(188,571)		282,073
Dilution adjustments		264		490
Change in net assets attributable to shareholders from investment activities (see above)		7,123		6,916
Retained distributions on Accumulation shares		12,423		9,838
Closing net assets attributable to shareholders		2,166,812		2,181,995

The opening net assets attributable to shareholders for 2018 differs to the closing position in 2017 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Balance sheet

as at	30 April 2018	31 October 2017
	\$'000	\$'000
Assets		
Fixed assets		
Investments	2,118,799	2,342,527
Current assets		
Debtors	106,046	13,329
Cash and bank balances	4,857	26,012
Total assets	2,229,702	2,381,868
Liabilities		
Investment liabilities	(36,494)	(38,692)
Creditors		
Bank overdrafts	(701)	0
Overdrawn positions at futures clearing houses and collateral manager	(641)	(144)
Distribution payable	(5,641)	(3,974)
Other creditors	(19,413)	(3,485)
Total liabilities	(62,890)	(46,295)
Net assets attributable to shareholders	2,166,812	2,335,573

Notes to the financial statements

Accounting policies

The interim financial statements have been prepared on the same basis as the audited annual financial statements for the year ended 31 October 2017. They are prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Association in May 2014.

Distribution policy

In determining the amount available for distribution to Income shares, the annual management charge, administration charge and share class hedging charge are offset against capital, increasing the amount available for distribution whilst restraining capital performance to an equivalent extent.

M&G Global Macro Bond Fund

Other regulatory disclosures

Swiss investor information

For funds registered in Switzerland we are required by FINMA to disclose the Total Expense Ratio (TER).

For this fund the TERs are the same as the operating charges disclosed in the fund's financial highlights section under 'Performance and charges'.

Glossary

Accumulation shares: A type of share where distributions are automatically reinvested and reflected in the value of the shares.

Accumulation units: A type of unit where distributions are automatically reinvested and reflected in the value of the units.

Asset: Anything having commercial or exchange value that is owned by a business, institution or individual.

Asset allocation: Apportioning a portfolio's assets according to risk tolerance and investment goals.

Asset class: Category of assets, such as cash, company shares, fixed income securities and their sub-categories, as well as tangible assets such as real estate.

Bond: A loan in the form of a security, usually issued by a government or company, which normally pays a fixed rate of interest over a given time period, at the end of which the initial amount borrowed is repaid.

Bond issue: A set of fixed income securities offered for sale to the public by a company or government. If the bonds are sold for the first time, it is called a 'new issue'.

Bottom-up selection: Selecting stocks based on the attractiveness of a company.

Bunds: Fixed income securities issued by the German government.

Capital: Refers to the financial assets, or resources, that a company has to fund its business operations.

Capital growth: Occurs when the current value of an investment is greater than the initial amount invested.

Capital return: The term for the gain or loss derived from an investment over a particular period. Capital return includes capital gain or loss only and excludes income (in the form of interest or dividend payments).

Cash equivalents: Deposits or investments with similar characteristics to cash.

Comparative sector: A group of funds with similar investment objectives and/or types of investment, as classified by bodies such as the Investment Association (IA) or Morningstar™. Sector definitions are mostly based on the main assets a fund should invest in, and may also have a geographic focus. Sectors can be the basis for comparing the different characteristics of similar funds, such as their performance or charging structure.

Consumer Prices Index (CPI): An index used to measure inflation, which is the rate of change in prices for a basket of goods and services. The contents of the basket are meant to be representative of products and services we typically spend our money on.

Convertible bonds: Fixed income securities that can be exchanged for predetermined amounts of company shares at certain times during their life.

Corporate bonds: Fixed income securities issued by a company. They are also known as bonds and can offer higher interest payments than bonds issued by governments as they are often considered more risky.

Coupon: The interest paid by the government or company that has raised a loan by selling bonds.

Credit: The borrowing capacity of an individual, company or government. More narrowly, the term is often used as a synonym for fixed income securities issued by companies.

Credit default swaps (CDS): Are a type of derivative, namely financial instruments whose value, and price, are dependent on one or more underlying assets. CDS are insurance-like contracts that allow investors to transfer the risk of a fixed income security defaulting to another investor.

Credit rating: An independent assessment of a borrower's ability to repay its debts. A high rating indicates that the credit rating agency considers the issuer to be at low risk of default; likewise, a low rating indicates high risk of default. Standard & Poor's, Fitch and Moody's are the three most prominent credit rating agencies. Default means that a company or government is unable to meet interest payments or repay the initial investment amount at the end of a security's life.

Credit rating agency: A company that analyses the financial strength of issuers of fixed income securities and attaches a rating to their debt. Examples include Standard & Poor's and Moody's.

Credit risk: Risk that a financial obligation will not be paid and a loss will result for the lender.

Credit selection: The process of evaluating a fixed income security, also called a bond, in order to ascertain the ability of the borrower to meet its debt obligations. This research seeks to identify the appropriate level of default risk associated with investing in that particular bond.

Credit spread: The difference between the yield of a corporate bond, a fixed income security issued by a company, and a government bond of the same life span. Yield refers to the income received from an investment and is expressed as a percentage of the investment's current market value.

Default: When a borrower does not maintain interest payments or repay the amount borrowed when due.

Default risk: Risk that a debtholder will not receive interest and full repayment of the loan when due.

Derivatives: Financial instruments whose value, and price, are dependent on one or more underlying assets. Derivatives can be used to gain exposure to, or to help protect against, expected changes in the value of the underlying investments. Derivatives may be traded on a regulated exchange or traded over the counter.

Developed economy/market: Well-established economies with a high degree of industrialisation, standard of living and security.

Dilution adjustments: The dilution adjustment is used to protect ongoing investors against the transaction charges incurred in investing or divesting in respect of creations and cancellations. The dilution adjustment is made up of the direct and indirect transaction charges. In the financial statements the direct transaction charges as a percentage of average NAV will be disclosed. This percentage will take account of those direct transaction charges that have been recovered through the dilution adjustment leaving a percentage that just represents the costs incurred in portfolio management.

Distribution: Distributions represent a share in the income of the fund and are paid out to Income shareholders or reinvested for Accumulation shareholders at set times of the year (monthly, quarterly, half-yearly or annually). They may either be in the form of interest distributions or dividend distributions.

Distribution yield: Expresses the amount that is expected to be distributed by the fund over the next 12 months as a percentage of the share price as at a certain date. It is based on the expected gross income less the ongoing charges.

Glossary

Diversification: The practice of investing in a variety of assets. This is a risk management technique where, in a well-diversified portfolio, any loss from an individual holding should be offset by gains in other holdings, thereby lessening the impact on the overall portfolio.

Dividend: Dividends represent a share in the profits of a company and are paid out to the company's shareholders at set times of the year.

Duration: A measure of the sensitivity of a fixed income security, also called a bond, or bond fund to changes in interest rates. The longer a bond or bond fund's duration, the more sensitive it is to interest rate movements.

Duration risk: The longer a fixed income security, also called a bond, or bond fund's duration, the more sensitive and therefore at risk it is to changes in interest rates.

Emerging economy or market: Economies in the process of rapid growth and increasing industrialisation. Investments in emerging markets are generally considered to be riskier than those in developed markets.

Equities: Shares of ownership in a company.

Exchange traded: Usually refers to investments traded on an exchange, such as company shares on a stock exchange.

Ex-dividend, ex-distribution or XD date: The date on which declared distributions officially belong to underlying investors.

Exposure: The proportion of a fund invested in a particular share/fixed income security, sector/region, usually expressed as a percentage of the overall portfolio.

Fixed income security: A loan in the form of a security, usually issued by a government or company, which normally pays a fixed rate of interest over a given time period, at the end of which the initial amount borrowed is repaid. Also referred to as a bond.

Floating rate notes (FRNs): Securities whose interest (income) payments are periodically adjusted depending on the change in a reference interest rate.

Foreign exchange: The exchange of one currency for another, or the conversion of one currency into another currency. Foreign exchange also refers to the global market where currencies are traded virtually around the clock. The term foreign exchange is usually abbreviated as 'forex' and occasionally as 'FX'.

Foreign exchange (FX) strategy: Currencies can be an asset class in its own right, along with company shares, fixed income securities, property and cash. Foreign exchange strategy can therefore be a source of investment returns.

Forward contract: A contract between two parties to buy or sell a particular commodity or financial instrument at a pre-determined price at a future date. Examples include forward currency contracts.

Fundamentals (company): A basic principle, rule, law, or the like, that serves as the groundwork of a system. A company's fundamentals pertain specifically to that company, and are factors such as its business model, earnings, balance sheet and debt.

Fundamentals (economic): A basic principle, rule, law, or the like, that serves as the groundwork of a system. Economic fundamentals are factors such as inflation, employment, economic growth.

Futures: A futures contract is a contract between two parties to buy or sell a particular commodity or financial instrument at a pre-determined price at a future date. Futures are traded on a regulated exchange.

Gilts: Fixed income securities issued by the UK government.

Government bonds: Fixed income securities issued by governments, that normally pay a fixed rate of interest over a given time period, at the end of which the initial investment is repaid.

Hedging: A method of reducing unnecessary or unintended risk.

High water mark (HWM): The highest level that a fund's NAV (net asset value) has reached at the end of any 12-month accounting period.

High yield bonds: Fixed income securities issued by companies with a low credit rating from a recognised credit rating agency. They are considered to be at higher risk of default than better quality, ie higher-rated fixed income securities but have the potential for higher rewards. Default means that a company or government is unable to meet interest payments or repay the initial investment amount at the end of a security's life.

Historic yield: The historic yield reflects distributions declared over the past 12 months as a percentage of the share price, as at the date shown.

Income yield: Refers to the income received from an investment and is usually expressed annually as a percentage based on the investment's cost, its current market value or face value.

Index: An index represents a particular market or a portion of it, serving as a performance indicator for that market.

Income shares: A type of share where distributions are paid out as cash on the payment date.

Income units: A type of unit where distributions are paid out as cash on the payment date.

Index tracking: A fund management strategy that aims to match the returns from a particular index.

Index-linked bonds: Fixed income securities where both the value of the loan and the interest payments are adjusted in line with inflation over the life of the security. Also referred to as inflation-linked bonds.

Inflation: The rate of increase in the cost of living. Inflation is usually quoted as an annual percentage, comparing the average price this month with the same month a year earlier.

Inflation risk: The risk that inflation will reduce the return of an investment in real terms.

Initial public offering (IPO): The first sale of shares by a private company to the public.

Interest rate risk: The risk that a fixed income investment will lose value if interest rates rise.

Interest rate swap: An agreement between two parties to swap a fixed interest payment with a variable interest payment over a specified period of time.

Investment Association (IA): The UK trade body that represents fund managers. It works with investment managers, liaising with government on matters of taxation and regulation, and also aims to help investors understand the industry and the investment options available to them.

Glossary

Issuer: An entity that sells securities, such as fixed income securities and company shares.

Investment grade bonds: Fixed income securities issued by a company with a medium or high credit rating from a recognised credit rating agency. They are considered to be at lower risk from default than those issued by companies with lower credit ratings. Default means that a company or government is unable to meet interest payments or repay the initial investment amount at the end of a security's life.

Issuer: An entity that sells securities, such as fixed income securities and company shares.

Leverage: When referring to a company, leverage is the level of a company's debt in relation to its assets. A company with significantly more debt than capital is considered to be leveraged. It can also refer to a fund that borrows money or uses derivatives to magnify an investment position.

Liquidity: A company is considered highly liquid if it has plenty of cash at its disposal. A company's shares are considered highly liquid if they can be easily bought or sold since large amounts are regularly traded.

Long position: Refers to ownership of a security held in the expectation that the security will rise in value.

Macroeconomic: Refers to the performance and behaviour of an economy at the regional or national level. Macroeconomic factors such as economic output, unemployment, inflation and investment are key indicators of economic performance. Sometimes abbreviated to 'macro'.

Maturity: The length of time until the initial investment amount of a fixed income security is due to be repaid to the holder of the security.

Modified duration: A measure of the sensitivity of a fixed income security, called a bond, or bond fund to changes in interest rates. The longer a bond or bond fund's duration, the more sensitive it is to interest rate movements.

Monetary easing: When central banks lower interest rates or buy securities on the open market to increase the money in circulation.

Monetary policy: A central bank's regulation of money in circulation and interest rates.

Monetary tightening: When central banks raise interest rates or sell securities on the open market to decrease the money in circulation.

Morningstar™: A provider of independent investment research, including performance statistics and independent fund ratings.

Near cash: Deposits or investments with similar characteristics to cash.

Net asset value (NAV): A fund's net asset value is calculated by taking the current value of the fund's assets and subtracting its liabilities.

Ongoing Charge Figure: The Ongoing Charge Figure includes charges for the following items: management of the fund (also known as Annual Management Charge), administration services, services provided by external parties which include depository, custody and audit, as well as incorporating the ongoing charge figure from funds held in the portfolio (taking into account any rebates).

Open-ended investment company (OEIC): A type of managed fund, whose value is directly linked to the value of the fund's underlying investments.

Options: Financial contracts that offer the right, but not the obligation, to buy or sell an asset at a given price on or before a given date in the future.

Over-the-counter (OTC): Whereby financial assets are traded directly between two parties. This is in contrast to exchange trading, which is carried out through exchanges set up specifically for the purpose of trading. OTC is also known as off-exchange trading.

Overweight: If a fund is 'overweight' a stock, it holds a larger proportion of that stock than the comparable index or sector.

Payment date: The date on which distributions will be paid by the fund to investors, usually the last business day of the month.

Physical assets: An item of value that has tangible existence, for example, cash, equipment, inventory or real estate. Physical assets can also refer to securities, such as company shares or fixed income securities.

Portfolio transaction cost: The cost of trading, such as brokerage, clearing, exchange fees and bid-offer spread as well as taxes such as stamp duty.

Preference shares: Preference shares are a loan to a company that may be traded in the same way as ordinary shares, but generally have a higher yield and pay dividends on fixed dates. Preference shares have varying characteristics as to the treatment of the principal and the dividend payment, which includes ranking them above ordinary shares when it comes to dividend payments.

Principal: The face value of a fixed income security, which is the amount due back to the investor by the borrower when the security reaches the end of its life.

Private placement: An offer of sale of securities to a relatively small number of investors selected by the company, generally investment banks, mutual funds, insurance companies or pension funds.

Property Expense Ratio (PER): Property expenses are the operating expenses that relate to the management of the property assets in the portfolio. These include: insurance and rates, rent review and lease renewal costs and maintenance and repairs, but not improvements. They depend on the level of activity taking place within the fund. The Property Expense Ratio is the ratio of property expenses to the fund's net asset value.

Real yield: The return of an investment, adjusted for changes in prices in an economy.

Retail Prices Index (RPI): A UK inflation index that measures the rate of change in prices for a basket of goods and services in the UK, including mortgage payments and council tax.

Risk: The chance that an investment's return will be different to what is expected. Risk includes the possibility of losing some or all of the original investment.

Risk management: The term used to describe the activities the fund manager undertakes to limit the risk of a loss in a fund.

Risk premium: The difference between the return from a risk-free asset, such as a high-quality government bond or cash, and the return from an investment in any other asset. The risk premium can be considered the 'price' or 'pay-off' for taking on increased risk. A higher risk premium implies higher risk.

Risk-free asset: An asset that notionally carries no risk of non-payment by the borrower such as a high-quality fixed income security issued by a government or cash.

Glossary

Risk/reward ratio: A ratio comparing the expected returns of an investment with the amount of risk undertaken.

Safe-haven assets: Refers to assets that investors perceive to be relatively safe from suffering a loss in times of market turmoil.

Security: Financial term for a paper asset – usually a share in a company or a fixed income security also known as a bond.

Share class: Each M&G fund has different share classes, such as A, R and I. Each has a different level of charges and minimum investment. Details on charges and minimum investments can be found in the Key Investor Information Documents.

Share class hedging: Activities undertaken in respect of hedged shares to mitigate the impact on performance of exchange rate movements between the fund's currency exposure and the investor's chosen currency.

Short position: A way for a fund manager to express his or her view that the market might fall in value.

Short selling: This often refers to the practice whereby an investor sells an asset they do not own. The investor borrows the asset from someone who does own it and pays a fee. The investor must eventually return the borrowed asset by buying it in the open market. If the asset has fallen in price, the investor buys it for less than they sold it for, thus making a profit. The contrary may also occur.

Short-dated corporate bonds: Fixed income securities issued by companies and repaid over relatively short periods.

Short-dated government bonds: Fixed income securities issued by governments and repaid over relatively short periods.

Sovereign debt: Debt of a government. Also referred to as government bonds.

Sub-investment grade bonds: Fixed income securities issued by a company with a low rating from a recognised credit rating agency. They are considered to be at higher risk from default than those issued by companies with higher credit ratings. Default means that a company or government is unable to meet interest payments or repay the initial investment amount at the end of a security's life.

Top-down investing: An investment approach that analyses economic factors, ie surveys the 'big picture', before selecting which companies to invest in. The top-down investor will look at which industries are likely to generate the best returns in certain economic conditions and limit the search to that area.

Total return: The term for the gain or loss derived from an investment over a particular period. Total return includes income (in the form of interest or dividend payments) and capital gains.

Treasuries: Fixed income securities issued by the US government.

Triple A or AAA rated: The highest possible rating a fixed income security, also called a bond, can be assigned by credit rating agencies. Bonds that are rated AAA are perceived to have the lowest risk of default. Default means that a company or government is unable to meet interest payments or repay the initial investment amount at the end of a security's life.

UCITS: Stands for Undertakings for Collective Investment in Transferable Securities. This is the European regulatory framework for an investment vehicle that can be marketed across the European Union and is designed to enhance the single market in financial assets while maintaining high levels of investor protection.

Unconstrained: The term used to describe the mandate of a fund whereby the manager has the freedom to invest according to his or her own strategy, not being obliged to allocate capital according to the weightings of any index, for example.

Underlying value: The fundamental value of a company, reflecting both tangible and intangible assets, rather than the current market value.

Underlying yield: Refers to the income received by a managed fund, and is usually expressed annually as a percentage based on the fund's current value.

Underweight: If a portfolio is 'underweight' a stock, it holds a smaller proportion of that stock than the comparable index or sector.

Unit trust: A type of managed fund, whose value is directly linked to the value of the fund's underlying investments.

Unit/share type: Type of units/shares held by investors in a trust or fund (unit/share types differ by features such as whether income is to be paid out as cash or reinvested on the payment date).

Valuation: The worth of an asset or company based on its current price.

Volatile: When the value of a particular share, market or sector swings up and down fairly frequently and/or significantly, it is considered volatile.

Volatility: The degree to which a given security, fund, or index rapidly changes. It is calculated as the degree of deviation from the norm for that type of investment over a given time period. The higher the volatility, the riskier the security tends to be.

Warrant: A security issued by a company that gives the holder the right to buy shares in that company at a specified price and within a certain timeframe.

Yield: This refers to either the interest received from a fixed income security or to the dividends received from a share. It is usually expressed as a percentage based on the investment's costs, its current market value or its face value. Dividends represent a share in the profits of the company and are paid out to a company's shareholders at set times of the year.

Yield (equity): Refers to the dividends received by a holder of company shares and is usually expressed annually as a percentage based on the investment's cost, its current market value or face value. Dividends represent a share in the profits of the company and are paid out to a company's shareholders at set times of the year.

Yield (bonds): This refers to the interest received from a fixed income security and is usually expressed annually as a percentage based on the investment's cost, its current market value or its face value.

Yield (income): Refers to the income received from an investment and is usually expressed annually as a percentage based on the investment's cost, its current market value or face value.

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