M&G Global Emerging Markets Fund - Euro Class A

Fund Factsheet as at 31 May 2018

M&G INVESTMENTS

Fund description

The fund aims to deliver income and capital growth over the long term (five years or more) by investing at least 70% of the fund in shares of companies from across the emerging markets. It can also invest in companies that conduct the majority of their business activities in such countries. Investments are chosen based purely on a company's individual merits. The fund manager focuses on firms that are run for the benefit of their shareholders and whose future profitability, in his opinion, is not fully appreciated by other investors. He has an investment horizon of three to five years and selects stocks with different drivers of profitability to construct a diversified portfolio that has the potential to cope in a variety of market conditions.

Risks associated with this fund

For any past performance shown, please note that past performance is not a guide to future performance.

The value of investments and the income from them will rise and fall. This will cause the fund price, as well as any income paid by the fund, to fall as well as rise. There is no guarantee the fund will achieve its objective, and you may not get back the amount you originally invested.

Changes in currency exchange rates will affect the value of your investment.

The fund will invest in emerging markets which are generally smaller, more sensitive to economic and political factors, and where investments are less easily bought and sold. In exceptional circumstances, the fund may encounter difficulties when selling or collecting income from these investments, which could cause the fund to incur a loss. In extreme circumstances, it could lead to the temporary suspension of dealing in shares in the fund.

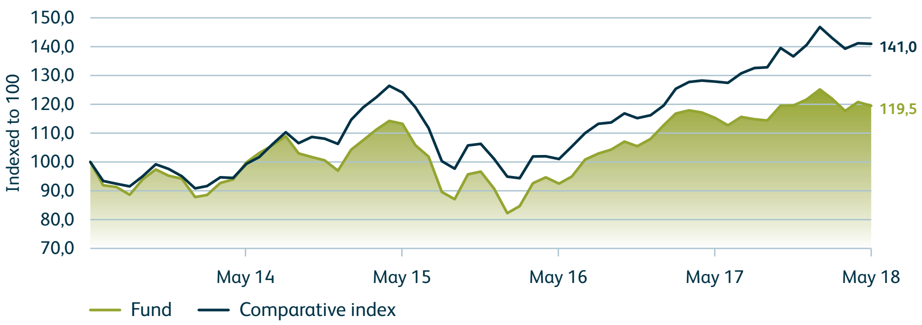
Further risk factors that apply to the fund can be found in the fund's Key Investor Information Document (KIID).

Single year performance (5 years)

From To	01.06.17 31.05.18	01.06.16 31.05.17	01.06.15 31.05.16	01.06.14 31.05.15	01.06.13 31.05.14
Fund	3,7%	24,6%	-18,3%	13,4%	-0,1%

Annual performance 2017: 12,7%

Performance over 5 years



Past performance is not a guide to future performance.

Things you should know

The fund invests mainly in company shares and is therefore more likely to be subject to sudden and large falls in value than funds that invest in bonds and/or cash. As a result, you could lose the total value of your initial investment.

Key information

Fund manager	Matthew Vaight
Fund manager tenure from	5 February 2009
Deputy fund manager	Alastair Bruce, Alice de Charmoy
Launch date	5 February 2009
Launch of share class	5 February 2009
Fund size (millions)	€2.116,76
Fund type	OEIC, incorporated in the UK
Comparative index	MSCI Emerging Markets Index
Comparative sector	Morningstar Global Emerging Markets Equity sector
Number of companies	67
Share type	Acc & Inc

Please see the glossary for an explanation of terms used.

Charges

Entry charge	4,00%
Ongoing charge	2,00%

Fund ratings

Overall Morningstar rating	★★
Morningstar Analyst rating	Bronze

Source of Morningstar ratings: Morningstar, as at 30 April 2018

Ratings should not be taken as a recommendation.

Largest holdings (%)

	Fund	Index	Relative weight
Samsung Electronics	7,1	4,9	2,1
Taiwan Semiconductor	4,2	3,5	0,7
Baidu	3,4	1,3	2,2
Shinhan Financial	2,9	0,3	2,5
China Construction Bank Corp	2,7	1,6	1,1
Sasol	2,3	0,4	1,9
Sberbank of Russia Pjsc	2,2	0,7	1,5
Hana	2,2	0,2	2,0
Lukoil Pjsc	2,2	0,5	1,6
CNOOC	2,1	0,6	1,6

Industry breakdown (%)

	Fund	Index	Relative weight
Financials	29,9	23,0	6,8
Information technology	28,7	28,7	0,0
Energy	10,1	7,4	2,8
Consumer discretionary	8,4	9,4	-1,0
Industrials	8,2	5,1	3,0
Materials	5,6	7,5	-1,8
Utilities	2,5	2,4	0,1
Consumer staples	1,9	6,5	-4,5
Real estate	1,6	2,8	-1,2
Telecommunications	1,4	4,4	-3,0
Healthcare	0,0	2,9	-2,9
Cash and near cash	1,6	0,0	1,6

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Country breakdown (%)

	Fund	Index	Relative weight
China / Hong Kong	30,7	31,7	-1,0
South Korea	16,2	15,4	0,8
Taiwan	13,7	11,6	2,0
South Africa	7,7	6,4	1,3
Brazil	7,1	6,2	0,8
Russia	5,9	3,5	2,4
UK	4,1	0,0	4,1
Mexico	3,2	2,7	0,5
Other	9,9	22,5	-12,6
Cash	1,6	0,0	1,6

Capitalisation breakdown (%)

	Fund	Index	Relative weight
Mega cap (> $50bn)	21,7	31,0	-9,4
Large cap ($10 - $50bn)	35,9	44,6	-8,7
Mid cap ($2 - $10bn)	28,1	23,2	4,9
Small cap (< $2bn)	12,7	1,1	11,6
Cash	1,6	0,0	1,6

Fund codes and charges

Share class	ISIN	Bloomberg	Annual management charge	Ongoing charge	Minimum initial investment	Minimum top up investment
Euro A Inc	GB00BK6MC818	MGGEEAI LN	1,75%	1,99%	€ 1.000	€ 75
Euro A Acc	GB00B3FFXZ60	MGGEMAE LN	1,75%	2,00%	€1.000	€75
Euro A-H Acc	GB00BYZCNJ86	MGGEEAH LN	1,75%	2,02%	€ 1.000	€ 75
Euro C Inc	GB00BK6MC925	MGGEECI LN	0,75%	0,99%	€ 500.000	€ 50.000
Euro C Acc	GB00B3FFY088	MGGEMEC LN	0,75%	0,99%	€500.000	€50.000
Euro C-H Acc	GB00BYZCNK91	MGGEECH LN	0,75%	1,01%	€ 500.000	€ 50.000

The ongoing charge figures disclosed above include direct costs to the fund, such as the annual management charge (AMC), administration charge and custodian charge, but does not include portfolio transaction costs. They are based on expenses for the period ending 31 January 2018.

Please note that not all of the share classes listed above might be available in your country.

Please see the Important Information for Investors document and the relevant Key Investor Information Document for more information on the risks associated with this fund and which share classes are available for which product and which investor type.

Important information

Cash and near cash may be held on deposit and/or in the Northern Trust Cash Funds (a range of collective investment schemes) and/or in short-dated government bonds.

The M&G Global Emerging Markets Fund is a sub-fund of M&G Investment Funds (7).

Please note that the fund does not have an official benchmark (i.e. none stated in the prospectus), therefore, the fund's returns are shown versus the comparative index (MSCI Emerging Markets Index).

The Synthetic Risk and Reward Indicator for the Fund's Euro Class A shares is 6. This is within a scale of 1-7. Please refer the relevant Key Investor Information Document for further details.

Source of performance data: Morningstar, Inc., as at 31 May 2018, Euro Class A shares, net income reinvested, price to price basis. Performance stats are quoted gross of Italian tax on capital gains. Past performance is not a guide to future performance. All other statistics from M&G internal sources, as at 31 May 2018 unless indicated otherwise.

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Glossary

This glossary provides an explanation of terms used in this factsheet and in our literature.

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

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.

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

Capitalisation: The total market value of all of a company's outstanding shares.

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.

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 security's life.

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, and a bond is a fixed income security.

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

Dividend: 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.

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.

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.

Episode: A phase during which investors allow their emotions to affect their decision making, which can cause financial markets to move irrationally.

Equities: Shares of ownership in a company.

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.

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

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.

Hard currency (bonds): Refers to bonds denominated in a highly traded, relatively stable international currency, rather than in the bond issuer's local currency. Bonds issued in a more stable hard currency, such as the US dollar, can be more attractive to investors where there are concerns that the local currency could lose value over time, eroding the value of bonds and their income.

Hedging: A method of reducing unnecessary or unintended risk.

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 security's life.

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

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.

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.

Local currency (bonds): Refers to bonds denominated in the currency of the issuer's country, rather than in a highly traded international currency, such as the US dollar. The value of local currency bonds tends to fluctuate more than bonds issued in a hard currency, as these currencies tend to be less stable.

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

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

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

Net: The proportion of a fund invested in, for example, different sectors. Derivatives are included. The latter are financial instruments whose value, and price, are dependent on one or more underlying assets.

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.

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.

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

Physical: The fund's exposure excluding derivatives, which are financial instruments whose value, and price, is dependent on one or more underlying securities.

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

Securitise / Securitisation: The creation and issuance of tradable securities, such as bonds, that are backed by the income generated by an illiquid asset or group of assets. By pooling a collection of illiquid assets, such as mortgages, securities backed by the mortgages' income payments can be packaged and sold to a wider range of investors.

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

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.

Swap: A swap is a derivative contract where two parties agree to exchange separate streams of cashflows. A common type of swap is an interest rate swap to hedge against interest rate risk.

Synthetic inflation-linked bonds: Refers to securities created using a combination of assets to simulate the characteristics of inflation-linked bonds. By buying inflation-linked government bonds and selling protection against companies defaulting on their debts, using credit default swaps, the combined synthetic investment will behave similarly to a physical inflation-linked bond, had one had been issued. Synthetic inflation-linked bonds are usually created where a company does not have any inflation-linked bonds in issue.

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.

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

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.

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 a company and are paid out to the company's shareholders at set times of the year.