

M&G (Lux) Investment Funds 1

Annual Report and audited Financial Statements
for the year ended 31 March 2019

M&G (Lux) Investment Funds 1 is a Société d'investissement à capital variable (SICAV) under Luxembourg Law



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M&G (Lux) Investment Funds 1

Management and administration

The Board of Directors of M&G (Lux) Investment Funds 1 (the 'Board' or its 'Directors') presents its Annual Report and audited Financial Statements for the year ended 31 March 2019.

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

Company information

M&G (Lux) Investment Funds 1 (the 'Company') is an Open-Ended Investment Company incorporated under the laws of Luxembourg as a Société d'investissement à capital variable (SICAV) in accordance with the provision of part 1 of the UCI Law of 17 December 2010, as amended.

The Company is authorised and regulated by the 'Commission de Surveillance du Secteur Financier' ('CSSF') under the laws of the Grand-Duchy of Luxembourg. The Company was incorporated on 29 November 2016 and is a UCITS (Undertaking for Collective Investment in Transferable Securities) scheme under part 1 of the law dated 17 December 2010 on undertakings for Collective Investment, as amended.

The Company is an umbrella fund designed to offer investors access to a variety of investment strategies through a range of separate funds. Each fund represents a separate portfolio of assets.

The Company's principal activity is to carry on business as a SICAV. The Company is structured as an umbrella fund, and different funds may be established by the Board from time to time with the approval of the CSSF.

Under Luxembourg law, the Company is itself a legal entity, and the assets and liabilities of each fund are segregated from one another and invested in accordance with the investment objectives and investment policies applicable to each fund. Shareholders are not liable for the debts of the respective fund. A Shareholder is not liable to make any further payment to the respective fund after payment has been made in full for the purchase of shares.

Each Fund may offer more than one class of shares. Each share class may have different features with respect to its criteria for subscription (including eligibility requirements), redemption, minimum holding, fee structure, currency, hedging policy and distribution policy (further information on share classes is fully described in the Company's Prospectus).

Board of Directors of M&G (Lux) Investment Funds 1 (the 'Board')

G N Cotton, P R Jelfs, L J Mumford, S Van Dootingh*, Y Wagner*

* Independent Director

Funds, fund managers and launch dates

At the financial year end 31 March 2019, the following funds are available for investment. Please note the fund managers are employed by M&G Limited.

M&G (Lux) Absolute Return Bond Fund

Launched: 21 December 2016

Co-fund managers: Jim Leaviss and Wolfgang Bauer

M&G (Lux) Asian Fund

Launched: 26 October 2018

Fund Manager: Alastair Bruce

M&G (Lux) Conservative Allocation Fund

Launched: 16 January 2018

Co-fund managers: Juan Nevado and Craig Moran

M&G (Lux) Dynamic Allocation Fund

Launched: 16 January 2018

Co-fund managers: Juan Nevado and Craig Moran

M&G (Lux) Emerging Markets Bond Fund

Launched: 17 September 2018

Fund manager: Claudia Calich

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Launched: 22 May 2017

Fund manager: Claudia Calich

M&G (Lux) Emerging Markets Income Opportunities Fund

Launched: 22 May 2017

Co-fund managers: Michael Bourke and Charles de Quinsonas

M&G (Lux) Episode Macro Fund

Launched: 26 October 2018

Co-fund managers: David Fishwick and Eric Lonergan

M&G (Lux) Euro Corporate Bond Fund

Launched: 9 November 2018

Fund manager: Stefan Isaacs

M&G (Lux) European Inflation Linked Corporate Bond Fund

Launched: 16 March 2018

Fund manager: Wolfgang Bauer

M&G (Lux) European Strategic Value Fund

Launched: 18 September 2018

Fund manager: Richard Halle

M&G (Lux) Floating Rate High Yield Solution

Launched: 24 August 2017

Co-fund managers: Stefan Isaacs and James Tomlins

M&G (Lux) Global Convertibles Fund

Launched: 9 November 2018

Fund manager: Léonard Vinville

M&G (Lux) Investment Funds 1

Management and administration

Company information (continued)

M&G (Lux) Global Corporate Bond Fund

Launched: 7 December 2018

Fund manager: Ben Lord

M&G (Lux) Global Dividend Fund

Launched: 18 September 2018

Fund manager: Stuart Rhodes

M&G (Lux) Global Emerging Markets Fund

Launched: 26 October 2018

Fund manager: Michael Bourke

M&G (Lux) Global Floating Rate High Yield Fund

Launched: 13 September 2018

Fund manager: James Tomlins

M&G (Lux) Global High Yield Bond Fund

Launched: 9 November 2018

Co-fund managers: Stefan Isaacs and James Tomlins

M&G (Lux) Global High Yield ESG Bond Fund

Launched: 5 October 2017

Co-fund managers: James Tomlins and Stefan Isaacs

M&G (Lux) Global Listed Infrastructure Fund

Launched: 5 October 2017

Fund manager: Alex Araujo

M&G (Lux) Global Macro Bond Fund

Launched: 26 October 2018

Fund manager: Jim Leaviss

M&G (Lux) Global Recovery Fund

Launched: 18 July 2018

Fund manager: David Williams

M&G (Lux) Global Select Fund

Launched: 9 November 2018

Fund manager: John William Olsen

M&G (Lux) Global Target Return Fund

Launched: 21 December 2016

Fund manager: Tristan Hanson

M&G (Lux) Global Themes Fund

Launched: 19 March 2019

Fund manager: Alex Araujo

M&G (Lux) Income Allocation Fund

Launched: 16 January 2018

Fund manager: Steven Andrew

M&G (Lux) Japan Fund

Launched: 26 October 2018

Fund manager: Johan du Preez

M&G (Lux) Japan Smaller Companies Fund

Launched: 26 October 2018

Fund manager: Johan du Preez

M&G (Lux) Multi Asset 2023 Fund

Launched: 14 December 2017

Fund manager: Craig Moran

M&G (Lux) North American Dividend Fund

Launched: 9 November 2018

Fund manager: John Weavers

M&G (Lux) North American Value Fund

Launched: 9 November 2018

Fund manager: Daniel White

M&G (Lux) Optimal Income Fund

Launched: 5 September 2018

Fund manager: Richard Woolnough

M&G (Lux) Pan European Dividend Fund

Launched: 7 December 2018

Fund manager: Phil Cliff

M&G (Lux) Pan European Select Fund

Launched: 9 November 2018

Fund manager: John William Olsen

M&G (Lux) Positive Impact Fund

Launched: 29 November 2018

Fund manager: John William Olsen

M&G (Lux) Short Dated Corporate Bond Fund

Launched: 26 October 2018

Fund manager: Matthew Russell

M&G (Lux) Sustainable Allocation Fund

Launched: 29 November 2018

Fund manager: Maria Municchi

Management company

M&G Securities Limited (until 30.09.2018)

Laurence Pountney Hill, London EC4R 0HH, UK*

(Authorised and regulated by the Financial Conduct Authority in the United Kingdom)

* On 24 April 2019 the address has changed from, Laurence Pountney Hill, London EC4R 0HH, UK to 10, Fenchurch Avenue, London EC3M 5AG, UK.

M&G Luxembourg S.A. (since 01.10.2018)

16, boulevard Royal, 2449 Luxembourg, Luxembourg

(Authorised and regulated by the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg)

The Company has appointed M&G Luxembourg S.A. to serve as its management company within the meaning of the UCI Law. The Management Company is responsible for the provision of investment management services, administrative services and marketing services to the Company.

M&G (Lux) Investment Funds 1

Management and administration

Company information (continued)

Management company (continued)

In accordance with the CSSF Rules and with the prior consent of the Directors, the Management Company may delegate all or part of its duties and powers to any person or entity, provided such duties and powers remain under the supervision and responsibility of the Management Company.

Investment manager

M&G Investment Management Limited,
10, Fenchurch Avenue, London EC3M 5AG, UK*

* On 24 April 2019 the address has changed from, Laurence Pountney Hill, London EC4R 0HH, UK to 10, Fenchurch Avenue, London EC3M 5AG, UK.

The Management Company has appointed M&G Investment Management Limited as investment manager to manage and invest the assets of the funds pursuant to their respective investment objectives and policies.

Registrar and transfer agent

RBC Investor Services Bank S.A. (Luxembourg),
14, Porte de France, 4360 Esch-sur-Alzette, Luxembourg

The Management Company in conjunction with the Board of Directors has appointed RBC Investor Services Bank S.A. as registrar and transfer agent of the Company.

Depository and administrator

State Street Bank Luxembourg S.C.A.,
49, avenue John F. Kennedy, 1855 Luxembourg, Luxembourg

The Management Company in conjunction with the Board of Directors has appointed State Street Bank Luxembourg S.C.A. as administrator of the Company.

Independent auditor

Ernst & Young S.A.,
35E, avenue John F. Kennedy, 1855 Luxembourg, Luxembourg

Legal Adviser

Elvinger Hoss Prussen, *société anonyme*
2, Place Winston Churchill, 1340 Luxembourg, Luxembourg

Important information

With effect from 1 October 2018 the Management Company changed from M&G Securities Limited to M&G Luxembourg S.A. Further details of the new management company can be found in the latest prospectus.

As at the year end date of this report the most recent Visa Stamped Prospectus was approved by the CSSF 1 October 2018, a further Visa Stamped Prospectus was approved by the CSSF 31 May 2019. Objective and policies for the following sub-funds have been updated.

The following sub-funds are part of M&G (Lux) Investment Funds 1. They are available, or will be available, for investment from the dates indicated below.

The sub-funds below are launched and available for investment:

M&G (Lux) Absolute Return Bond Fund

M&G (Lux) Asian Fund

M&G (Lux) Conservative Allocation Fund

M&G (Lux) Dynamic Allocation Fund

M&G (Lux) Emerging Markets Bond Fund

M&G (Lux) Emerging Markets Hard Currency Bond Fund

M&G (Lux) Emerging Markets Income Opportunities Fund

M&G (Lux) Episode Macro Fund

M&G (Lux) Euro Corporate Bond Fund

M&G (Lux) European Inflation Linked Corporate Bond Fund

M&G (Lux) European Strategic Value Fund

M&G (Lux) Floating Rate High Yield Solution

M&G (Lux) Global Convertibles Fund

M&G (Lux) Global Corporate Bond Fund

M&G (Lux) Global Dividend Fund

M&G (Lux) Global Emerging Markets Fund

M&G (Lux) Global Floating Rate High Yield Fund

M&G (Lux) Global High Yield Bond Fund

M&G (Lux) Global High Yield ESG Bond Fund

M&G (Lux) Global Listed Infrastructure Fund

M&G (Lux) Global Macro Bond Fund

M&G (Lux) Global Recovery Fund

M&G (Lux) Global Select Fund

M&G (Lux) Global Target Return Fund

M&G (Lux) Global Themes Fund

M&G (Lux) Income Allocation Fund

M&G (Lux) Japan Fund

M&G (Lux) Japan Smaller Companies Fund

M&G (Lux) Multi Asset 2023 Fund

M&G (Lux) North American Dividend Fund

M&G (Lux) North American Value Fund

M&G (Lux) Optimal Income Fund

M&G (Lux) Investment Funds 1

Management and administration

Important information (continued)

M&G (Lux) Pan European Dividend Fund

M&G (Lux) Pan European Select Fund

M&G (Lux) Positive Impact Fund

M&G (Lux) Short Dated Corporate Bond Fund

M&G (Lux) Sustainable Allocation Fund

The sub-fund below is due to launch and will be available for future investment:

M&G (Lux) Emerging Markets Corporate ESG Bond Fund

The sub-funds below are not launched and will be launched following a decision by the Directors:

M&G (Lux) Fixed Maturity Floating Rate Credit Fund

M&G (Lux) Fixed Maturity Global Corporate ESG Bond Fund

M&G (Lux) Sterling Corporate Bond Fund

Please note there have been share class launches during the year/period for numerous sub-funds in the M&G (Lux) Investment Funds 1. Please see the Shares in Issue table on pages 287 to 304 for the share class launch details.

In order to ensure that European investors from outside the UK had the opportunity to remain invested in M&G's fund strategies, M&G proposed the contribution in kind of non-Sterling shareclasses in the below listed UK funds ('the Merging Funds') into equivalent funds within M&G (Lux) Investment Funds 1 ('the Receiving Funds').

Following successful extraordinary resolutions at shareholder meetings on the 5 October 2018, the contributions in kind of the non-Sterling shareclasses of the UK OEIC's took place on various dates prior to the 29 March 2019:

UK Fund	Receiving Fund
M&G Asian Fund	M&G (Lux) Asian Fund
M&G Emerging Markets Bond Fund	M&G (Lux) Emerging Markets Bond Fund
M&G Episode Macro Fund	M&G (Lux) Episode Macro Fund
M&G European Corporate Bond Fund	M&G (Lux) Euro Corporate Bond Fund
M&G European Strategic Value Fund	M&G (Lux) European Strategic Value Fund
M&G Global Convertibles Fund	M&G (Lux) Global Convertibles Fund
M&G Global Corporate Bond Fund	M&G (Lux) Global Corporate Bond Fund
M&G Global Dividend Fund	M&G (Lux) Global Dividend Fund
M&G Global Emerging Markets Fund	M&G (Lux) Global Emerging Markets Fund
M&G Global Floating Rate High Yield Fund	M&G (Lux) Global Floating Rate High Yield Fund
M&G Global High Yield Bond Fund	M&G (Lux) Global High Yield Bond Fund
M&G Global Macro Bond Fund	M&G (Lux) Global Macro Bond Fund
M&G Global Select Fund	M&G (Lux) Global Select Fund
M&G Japan Fund	M&G (Lux) Japan Fund
M&G Japan Smaller Companies Fund	M&G (Lux) Japan Smaller Companies Fund
M&G North American Dividend Fund	M&G (Lux) North American Dividend Fund
M&G North American Value Fund	M&G (Lux) North American Value Fund
M&G Optimal Income Fund	M&G (Lux) Optimal Income Fund
M&G Pan European Dividend Fund ^[a]	M&G (Lux) Pan European Dividend Fund

UK Fund	Receiving Fund
M&G Pan European Select Fund	M&G (Lux) Pan European Select Fund
M&G Short Dated Corporate Bond Fund	M&G (Lux) Short Dated Corporate Bond Fund

^[a] Full merger.

On 21 and 28 February there was ICAV shareholder approval to merge 7 ICAV funds into equivalent funds within M&G (Lux) Investment fund 1. The Mergers took place on Friday 22 March 2019 (the "Effective Date") for full details please see note 16 on page 318.

Investor information

The Prospectus, Articles of Incorporation, Key Investor Information Documents, latest annual or interim report and financial statements are available free of charge on request from the following addresses. Alternatively, you can obtain a copy of the latest annual or interim report and financial statements from our website at www.mandg.lu/literature

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current Prospectus, the current Key Investor Information Document, accompanied by the latest audited annual report or unaudited interim report if published thereafter.

A detailed list of investments purchased and sold for any fund during the period is available upon request, free of charge, from the following address:

Customer services and administration

M&G Luxembourg S.A., c/o RBC I&TS,
14, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg

Telephone: +352 2605 9944

Email: csmandg@rbc.com

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.

For security purposes and to improve the quality of our service, we may record and monitor telephone calls.

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 Copenhagen C,
Denmark

M&G (Lux) Investment Funds 1

Management and administration

Investor information (continued)

French centralising agent

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

German information agent

M&G International Investments S.A.,
mainBuilding, Taunusanlage 19, 60325 Frankfurt am Main,
Germany

Greek paying agent and distributor

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

Alpha Bank A.E.,
40 Stadiou Street, 10252 Athens, Greece

Piraeus Bank S.A. (from 1 October 2018)
4 Amerikis Street, 10564 Athens, Greece

Irish facilities agent

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

Italian paying agents

Allfunds Bank, S.A.,
Via Bocchetto, 6, 20123 Milano MI, 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.,
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

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, P.O. Box 5070, 8021 Zurich, Switzerland

M&G (Lux) Investment Funds 1

Directors' Report

Directors' responsibilities

The Directors are responsible for the overall management and control of the Company in accordance with the Articles. The Directors are further responsible for the implementation of each fund's investment objective and policies, as well as for oversight of the administration and operations of each fund.

The Directors shall have the broadest powers to act in any circumstances on behalf of the Company, subject to the powers reserved by law to the Shareholders.

The following persons have been appointed as Directors of the Company:

Gary Cotton, Director of M&G Investment Management Limited and Director of M&G Securities Limited.

Philip Jelfs, Director of M&G Securities Limited.

Laurence Mumford, Director of M&G Securities Limited.

Susanne Van Dootingh, is an Independent Director.

Yves Wagner, is an Independent Director.

The Directors may appoint one or more committees, authorised delegates or agents to act on their behalf.

Delegation of functions

Management Company

From 1 October 2018 the Company has appointed M&G Luxembourg S.A. pursuant to the Management Agreement to serve as its management company within the meaning of the UCI Law.

During the period to 30 September 2018, the Company had appointed M&G Securities Limited pursuant to the Management Agreement to serve as its management company within the meaning of the UCI Law.

The Management Company performs certain functions, subject to the overall supervision of the Directors, for the provision of investment management services, administrative services and marketing services to the Company.

Distributor

The Management Company is also the principal distributor of shares under the terms of the Management Agreement.

The Management Company acts as the management company of the Company under the freedom to provide services organised by the UCITS Directive. In accordance with the relevant provisions of the UCI Law, the Management Company will be required to comply with the CSSF Rules (being the rules of the Management Company's 'home member state' for the purposes of the UCI Law) in relation to the organisation of the Management Company, including its delegation arrangements, risk management procedures, prudential rules and supervision, applicable prudential rules regarding the Management Company's management of UCITS authorised under the UCITS

Directive and the Management Company's reporting requirements. The Management Company shall comply with the UCI Law as regards the constitution and functioning of the Company.

Investment manager

The Management Company has appointed M&G Investment Management Limited as investment manager to manage and invest the assets of the funds pursuant to their respective investment objectives and policies.

The Investment manager was appointed pursuant to the Investment Management Agreement. Under the Investment Management Agreement, the Investment manager has full discretion, subject to the overall review and control of the Management Company and the Directors, to purchase and sell securities and otherwise to manage the assets of the Company on a discretionary basis.

Registrar and transfer agent

The Management Company has appointed RBC Investor Services Bank S.A. as registrar and transfer agent of the Company on behalf of the board of directors.

Under the Registrar and Transfer Agency Agreement, the registrar and transfer agent is responsible for processing the issue, redemption and transfer of shares, as well as for the keeping of the register of Shareholders, subject to the overall review and control of the Management Company and the Directors.

Administrator

The Management Company has appointed State Street Bank Luxembourg S.C.A. as the Administrator of the Company on behalf of the board of directors. The Administrator will carry out certain administrative duties related to the administration of the Company, including the calculation of the Net Asset Value of the shares and the provision of accounting services to the Company, subject to the overall review and control of the Management Company and the Directors.

The Management Company has appointed the Administrator as its domiciliary agent. The Administrator will be responsible for the domiciliation of the Company and will perform, inter alia, the functions as foreseen in the Luxembourg law of 31 May 1999 on the domiciliation of companies, as amended from time to time, and, in particular, allow the Company to establish its registered office at the registered office of the Administrator and provide facilities necessary for the meetings of the Company's officers, Directors and/or of the Shareholders of the Company.

Hedging services

The Management Company has appointed State Street Global Markets to undertake certain currency hedging functions in respect of the Hedged Share Classes.

M&G (Lux) Investment Funds 1

Directors' Report

Directors' responsibilities (continued)

Depositary

The Management Company in conjunction with the Board of Directors has appointed State Street Bank Luxembourg S.C.A. as the Depositary.

The Depositary shall perform all of the duties and obligations of a depositary under the UCITS Directive and the Luxembourg implementing laws and regulations with respect to each fund.

The Depositary has been entrusted with the following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with applicable law and the Articles;
- ensuring that the value of the shares is calculated in accordance with applicable law and the Articles;
- carrying out the instructions of the Management Company or the Company (as the case may be), unless such instructions conflict with applicable law or the Articles;
- ensuring that, in transactions involving the assets of the Company, any consideration is remitted to the Company within the usual time limits;
- ensuring that the income of the Company is applied in accordance with applicable law and the Articles;
- monitoring and oversight of the Company's cash and cashflows in accordance with the UCITS Directive and the Luxembourg implementing laws and regulations; and
- safe-keeping of the Company's assets, including the safe-keeping of financial instruments that can be held in custody and ownership verification and record-keeping in relation to other assets.

Directors' statement

This report has been prepared in accordance with the requirements of the UCITS Directive 2009/65/EC of the European Parliament and Council of 13 July 2009.

G N COTTON }
L J MUMFORD } Directors

9 July 2019

M&G (Lux) Investment Funds 1

Independent Auditor's Report

Independent Auditor's Report to the shareholders of M&G (Lux) Investment Funds 1

Opinion

We have audited the financial statements of M&G (Lux) Investment Funds 1 (the "Fund") and of each of its sub-funds, which comprise the statement of net assets and portfolio statement as at 31 March 2019, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at 31 March 2019, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the "responsibilities of the 'réviseur d'entreprises agréé' for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the

audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the 'réviseur d'entreprises agréé' for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

M&G (Lux) Investment Funds 1

Independent Auditor's Report

Independent Auditor's Report to the shareholders of M&G (Lux) Investment Funds 1 (continued)

Responsibilities of the 'réviseur d'entreprises agréé' for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of Board of Directors of the Fund use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Robert White

Ernst & Young
Société anonyme
Cabinet de révision agréé

Luxembourg
9 July 2019

M&G (Lux) Investment Funds 1

Market review

During the 12 months under review, investors became increasingly concerned about the pace of growth in the global economy. As the US Federal Reserve raised interest rates on numerous occasions in 2018 and other central banks signalled the reversal of loose monetary policies that had done so much to stimulate growth and boost stockmarkets, fears grew that activity might suffer. This was exacerbated by growing trade conflict, particularly between the US and China, after trade tariffs were imposed on many billions of dollars of products. Investors' increasing concern over the health of the world economy was reflected in global stockmarkets and, although equity (company share) prices rose steadily in the first half of the period, signs of what were to come could be seen in sporadic bouts of volatility whenever economic data disappointed, aggressive comments about trade were made or geopolitical developments led to temporary selling.

This culminated in a remarkable deterioration in investor sentiment in the final quarter of 2018, with share prices falling sharply on fears that ever increasing US interest rates might curtail the pace of economic expansion. What is more, the threat of a global trade war became more tangible, economic growth stuttered in Europe, the UK and the US, and the US government shut down. All major stockmarkets fell, many by double-digit percentages. The biggest fallers included those most exposed to trade, such as China, Japan, Germany and the US.

However, the new year brought a complete reversal in attitude. Encouraged by the Federal Reserve confirming that it was unlikely to raise US interest rates in 2019, as well as signs of progress in trade talks between the US and China, stockmarkets rallied strongly. The European Central Bank gave further support by pledging not to raise interest rates in Europe this year. While the change in tone led some investors to question whether the world was about to fall into recession, this was not enough to stop many stockmarkets recouping almost all the losses suffered in the previous quarter. Some of the largest gains were seen in China and the US, particularly among technology stocks, although Japan lagged.

Despite the increase in share price volatility, several stockmarkets ended the period substantially higher than a year earlier, with the largest advances coming from the US. Even the UK performed relatively well against a background of continued lack of progress in Brexit negotiations. By contrast, Germany and Japan lagged. Among emerging markets, India was notably strong, while Argentina and Turkey suffered their own specific problems.

Unusually, government bonds, which tend to fall when share prices are rising, and vice versa, also performed well in the year under review. Not only did they benefit from their perceived status as safe havens whenever equity markets weakened, but the gradual downgrading of global growth expectations was supportive. The confirmation that interest rates seemed to be on

hold in the US and Europe spurred significant buying activity in the first quarter of 2019 and prices of mainstream government bonds, such as those from Germany, the UK and US rose sharply, with a subsequent decline in bond yields.

Corporate bonds also performed well and outperformed government bonds, with the US segment of the market in the vanguard. High yield bonds generated larger returns than investment grade. While emerging market government bonds in hard currencies, such as the US dollar, also rose in value over the year, local currency emerging market government debt was one of the few asset classes to lose ground.

M&G Investment Management Limited

31 March 2019

Source of market performance data: Datastream, as at 31 March 2019.

M&G (Lux) Absolute Return Bond Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of income and capital growth) of at least cash plus 2.5% a year, before any charges are taken, in any market conditions and over any three-year period.

The Fund aims to achieve this while seeking to minimise the degree to which the value of the Fund fluctuates over time (volatility), while also seeking to limit monthly losses. Managing the Fund's volatility in this way reduces its ability to achieve returns significantly above 3-month EURIBOR plus 2.5%.

Investment policy

The Fund will invest at least 70% of its Net Asset Value in the following asset classes: bonds, currencies, cash, near cash and deposits. These may be issued anywhere in the world and denominated in any currency.

The Fund's exposure to these investments may also be gained by investing in other collective investment schemes, or through the use of derivative instruments. The Fund may take short positions (holding derivative instruments with the aim of delivering a positive return when the assets they are linked to fall in value) in markets, currencies, securities, and groups of securities. The Fund also has the flexibility to gain exposure to investments exceeding the net asset value of the Fund in order to increase potential returns in both rising and falling markets.

Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options, and Total Return Swaps.

The bonds that the Fund may invest in include the following:

- bonds which are rated above investment grade by a recognised rating agency, bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies, bonds from issuers located in emerging markets;
- a maximum of 60% of the Fund's Net Asset Value combined in unrated bonds and sub-investment grade bonds;
- a maximum of 20% of the Fund's Net Asset Value in Contingent Convertible Debt Securities; and
- a maximum of 20% of the Fund's Net Asset Value in Asset-Backed Securities.

M&G (Lux) Absolute Return Bond Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Absolute Return Bond Fund delivered a modestly positive total return (the combination of capital growth and income) across its various share classes, except for its Euro A and Swiss franc A-Hedged class shares. The latter two share classes recorded marginally negative total returns.

This means the fund's annualised return since its launch in December 2016 is below its performance target of at least 3-month EURIBOR plus 2.5% (before any charges), albeit with the potential to deliver on its three-year investment objective.

Performance review

The 12-month period under review was a volatile period for bond markets. A variety of factors weighed on sentiment throughout 2018, including concerns about the negative impact of rising US interest rates, escalating trade war tensions between the US and China, and political turmoil in Europe and several emerging markets.

The US Federal Reserve (Fed) raised interest rates in December, making it a total of nine times US rates have risen since the great financial crisis about a decade ago. In the UK, much uncertainty remained about the eventual terms of the country's Brexit deal with the European Union (EU), contributing to periods of adverse sentiment towards UK corporate bonds. Investors in Europe became concerned in the latter stages of 2018 about Italian proposals to increase the country's budget deficit.

Investor sentiment towards corporate bonds was increasingly affected by concerns of a trade war developing between the US and China. In addition, during the latter months of 2018, global economic growth forecasts began to moderate, which contributed to some weaker confidence in the outlook for corporate bonds and emerging markets.

The mood then changed once again in early 2019, as investors took comfort from the Fed's statements that the central bank would moderate its strategy of raising interest rates. This resulted in a strong start to the year for both corporate and government bonds.

The fund delivered a modest positive return over the review period across its various share classes, except for its Euro A and Swiss franc A-Hedged class shares. Returns were held back by our significant exposure to corporate bonds, which were weak throughout much of the past year. However, the fund's government bond exposure proved helpful, as yields fell significantly in the second half of the review period. (Yields refer to the income received from an investment. The yield is usually expressed annually as a percentage based on the investment's cost, its current market value or face value.)

We placed a strong emphasis on minimising monthly losses and portfolio volatility during bouts of market turbulence, in line with the fund's defensive mandate. We successfully kept these risk measures within our intended thresholds throughout the review period. Volatility refers to the extent to which asset prices fluctuate.

Investment activities

Following the strong rally in corporate bond markets since the start of 2019, we have recently reduced credit risk within the fund. For instance, we decreased our exposure to BB and BBB rated corporate bonds, while increasing our allocation to highly rated government bonds and cash. We also trimmed our financial exposure, by selling or reducing several of our bank positions following strong performance.

The fund continues to be positioned with a low sensitivity to movements in interest rates, reflecting our broadly positive outlook for the global economy. However, in recent months we have been shifting this exposure away from euro interest rates towards US dollar interest rates. With German bund yields back near their all-time lows of mid-2016, we think the economic slowdown in Europe is now largely priced in and we see limited scope for a further fall in yields. US Treasury yields, on the other hand, are still materially wider than in 2016 and seem to offer a more attractive risk/reward profile.

In currencies, we maintain our 'barbell' approach, consisting on the one hand of defensive 'safe-haven' positions – such as the Japanese yen, Swiss franc and US dollar – and on the other hand, smaller opportunistic positions, such as the Russian rouble and Colombian peso.

Outlook

While mindful of the recent slowdown in global growth, we maintain a broadly positive economic outlook. This is largely based on our positive assessment of the US economy, where a healthy labour market is expected to drive further wage growth over the coming months. The US is a service-based economy, and its reliance on people rather than goods means that it is unlikely to turn deflationary in the short to medium term. The market now expects the Federal Reserve's next move will be to cut rather than increase interest rates, but in our view, the Fed risks falling further behind the curve.

M&G (Lux) Absolute Return Bond Fund

Investment review

Outlook (continued)

Against this backdrop, we continue to favour corporate bonds over government bonds. While we do not dispute a meaningful slowing of economic growth, we think that worries about an impending recession are overblown. If we are in an environment of slow yet positive growth, then we think high quality corporate bonds will be well placed to generate steady returns going forward.

Jim Leaviss and Wolfgang Bauer

Co-fund managers

Investment review information as at 31 March 2019.

Employees of M&G 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.

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					49,664	96.19
Debt securities					50,095	97.03
'AAA' credit rated bonds					7,281	14.10
Avoca CLO XI FRN ^[a]	400,000	€	15.07.2030		400	0.77
Barings Euro CLO FRN	400,000	€	15.10.2030		399	0.77
Brass NO 7 FRN	97,300	£	16.10.2059		114	0.22
Carlyle Euro CLO FRN	400,000	€	15.07.2030		400	0.78
Delft FRN	115,347	€	17.01.2040		115	0.22
Dukinfield 2 FRN	141,409	£	20.12.2052		167	0.32
Finsbury Square FRN	93,889	£	12.09.2065		109	0.21
Harvest CLO VIII FRN	403,000	€	15.01.2031		400	0.77
Harvest CLO VII FRN	250,000	€	12.04.2031		250	0.48
Jubilee CLO XVIII FRN	400,000	€	15.01.2030		400	0.78
Kreditanstalt fuer Wiederaufbau 1%	350,000	€	15.12.2022		408	0.79
Lanark Master Issuer FRN	113,000	£	22.12.2069		132	0.26
Newday Partnership Funding FRN	200,000	£	15.12.2027		230	0.45
Oat Hill FRN	177,298	£	25.02.2046		207	0.40
Paragon Mortgages No 11 FRN	361,422	€	15.10.2041		344	0.67
Paragon Mortgages No 15 FRN	404,736	€	15.12.2039		384	0.74
Residential Mortgage Securities FRN	213,058	£	20.12.2046		249	0.48
Tower Bridge Funding No 3 FRN	112,000	£	20.12.2061		131	0.25
US Treasury I/I 0.125%	600,000	US\$	15.07.2026		549	1.06
US Treasury I/I 1.25%	200,000	US\$	15.07.2020		209	0.41
US Treasury I/L 0.625%	200,000	US\$	15.01.2024		194	0.38
US Treasury Note 1.375%	350,000	US\$	31.05.2020		308	0.60
US Treasury Note 1.5%	550,000	US\$	31.10.2019		487	0.94
US Treasury Note 2.625%	300,000	US\$	28.02.2023		271	0.53
US Treasury Note 2.75%	300,000	US\$	15.11.2023		273	0.53
Virgin Money FRN	129,000	£	22.03.2024		151	0.29
'AA' credit rated bonds					1,257	2.43
E-MAC NL I FRN	208,020	€	25.04.2038		207	0.40
Paragon Mortgages No 13 FRN	451,008	€	15.01.2039		423	0.82
Towd Point Mortgage Funding 2016-Granite1 FRN	343,000	£	20.07.2046		401	0.77
UK Gilt I/L 1.875%	120,000	£	22.11.2022		226	0.44
'A' credit rated bonds					5,844	11.32
Alba FRN	283,822	€	15.12.2038		268	0.52
Anheuser-Busch InBev Worldwide 5.45%	141,000	US\$	23.01.2039		136	0.26
Argentum Netherlands for Zurich Insurance FRN	100,000	€	19.02.2049		104	0.20
Banca Monte dei Paschi di Siena 2%	171,000	€	29.01.2024		175	0.34
Bank of America FRN	300,000	US\$	05.02.2026		262	0.51
BNP Paribas FRN	400,000	€	07.06.2024		396	0.77
BPCE FRN	300,000	€	23.03.2023		296	0.57
Chubb INA Holdings 1.55%	127,000	€	15.03.2028		133	0.26
Cigna 4.8%	68,000	US\$	15.08.2038		62	0.12
Cigna-Anleihe 4.375%	53,000	US\$	15.10.2028		49	0.09
Citigroup FRN	200,000	US\$	17.05.2024		179	0.35
Comcast 4.95%	76,000	US\$	15.10.2058		75	0.14
Heathrow Funding 1.875%	241,000	€	14.03.2034		242	0.47
HSBC Holdings FRN	100,000	€	05.10.2023		99	0.19
HSBC Holdings FRN	126,000	£	22.07.2028		151	0.29
ING Groep 2.125%	100,000	€	10.01.2026		106	0.21
ING Groep 3%	200,000	£	18.02.2026		238	0.46
ING Groep FRN	200,000	€	20.09.2023		200	0.39
Landmark Mortgage Securities No 2 FRN	287,922	€	17.06.2039		272	0.53
Lloyds Banking Group FRN	350,000	€	21.06.2024		342	0.66
Ludgate Funding FRN	264,233	€	01.12.2060		252	0.49
Lusitano Mortgages No 3 FRN	319,103	€	16.10.2047		308	0.60
Medtronic Global Holdings 1.625%	100,000	€	07.03.2031		104	0.20
Mitchells & Butlers Finance FRN	63,300	US\$	15.12.2030		53	0.10
Morgan Stanley FRN	200,000	US\$	08.05.2024		179	0.35
Newgate Funding FRN	556,301	€	15.12.2050		537	1.04
Swiss Re Finance Luxembourg FRN	100,000	€	30.04.2050		101	0.20
TOTAL FRN	100,000	€	29.12.2049		109	0.21
UBS Group Funding Switzerland FRN	300,000	€	20.09.2022		301	0.58
Wells Fargo 1.375%	100,000	£	30.06.2022		115	0.22
'BBB' credit rated bonds					25,091	48.60
2i Rete Gas 1.75%	200,000	€	28.08.2026		200	0.39
AA Bond 4.875%	100,000	£	31.07.2043		116	0.22

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Admiral Group 5.5%	300,000	£	25.07.2024		372	0.72
Akelius Residential 2.375%	270,000	£	15.08.2025		306	0.59
Allergan Funding 4.55%	200,000	US\$	15.03.2035		175	0.34
Allergan Funding FRN	150,000	€	15.11.2020		150	0.29
Altria Group 1%	232,000	€	15.02.2023		234	0.45
Altria Group 3.125%	242,000	€	15.06.2031		249	0.48
Altria Group 5.8%	152,000	US\$	14.02.2039		143	0.28
America Movil FRN	300,000	€	06.09.2073		350	0.68
American International Group FRN	350,000	€	15.03.2067		268	0.52
Anglo American Capital 3.375%	151,000	£	11.03.2029		178	0.34
Anglo American Capital 4.5%	200,000	US\$	15.03.2028		178	0.34
Aon 2.875%	350,000	€	14.05.2026		384	0.74
Arion Banki 1%	362,000	€	20.03.2023		358	0.69
Aroundtown 3%	100,000	£	16.10.2029		113	0.22
Aroundtown 5.375%	300,000	US\$	21.03.2029		272	0.53
ASR Nederland FRN	150,000	€	30.09.2049		162	0.31
Assicurazioni Generali FRN	200,000	€	12.12.2042		238	0.46
AT&T 4.85%	250,000	US\$	01.03.2039		223	0.43
AT&T 5.25%	300,000	US\$	01.03.2037		281	0.54
AT&T FRN	147,000	US\$	12.06.2024		130	0.25
Atos 0.75%	300,000	€	07.05.2022		304	0.59
Aviva FRN	400,000	£	29.09.2049		500	0.97
AXA FRN	257,000	€	28.05.2049		265	0.51
Banco Santander Mexico 2.125%	100,000	€	08.02.2028		98	0.19
Banco Santander Mexico FRN	300,000	US\$	01.10.2028		274	0.53
Bankia FRN	300,000	€	15.02.2029		301	0.58
BAT Capital 4.54%	200,000	US\$	15.08.2047		156	0.30
Bayer US Finance II 4.375%	200,000	US\$	15.12.2028		177	0.34
Belfius Bank FRN	200,000	€	15.03.2028		190	0.37
Beni Stabili 2.375%	160,000	€	20.02.2028		165	0.32
Bogota Distrito Capital 9.75%	200,000,000	COP	26.07.2028		61	0.12
Bunge Finance 4.35%	250,000	US\$	15.03.2024		226	0.44
Campbell Soup 3.65%	250,000	US\$	15.03.2023		225	0.44
Channel Link Enterprises Finance FRN	250,000	€	30.06.2050		250	0.48
Citigroup 2.75%	100,000	£	24.01.2024		120	0.23
Conagra Brands FRN	31,000	US\$	22.10.2020		28	0.05
Crédit Agricole FRN	400,000	€	29.04.2049		429	0.83
Crédit Suisse Group FRN	200,000	£	12.09.2025		228	0.44
Deutsche Telekom International Finance 8.75%	300,000	US\$	15.06.2030		367	0.71
DowDuPont 5.319%	216,000	US\$	15.11.2038		213	0.41
DP World 4.25%	256,000	£	25.09.2030		317	0.61
DP World 6.85%	100,000	US\$	02.07.2037		107	0.21
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	350,000	€	29.09.2047		362	0.70
Enel FRN	100,000	£	15.09.2076		126	0.24
Enel Finance International 3.625%	300,000	US\$	25.05.2027		255	0.49
Energy Transfer Operating 4.5%	16,000	US\$	15.04.2024		15	0.03
Energy Transfer Operating 5.8%	79,000	US\$	15.06.2038		75	0.15
Energy Transfer Operating 6.125%	400,000	US\$	15.12.2045		385	0.75
Express Scripts Holding 4.8%	100,000	US\$	15.07.2046		91	0.18
Fastighets AB Balder 1.875%	100,000	€	23.01.2026		99	0.19
FCE Bank 1.134%	250,000	€	10.02.2022		247	0.48
Ford Motor Credit 3.021%	200,000	€	06.03.2024		202	0.39
Ford Motor Credit 5.596%	300,000	US\$	07.01.2022		275	0.53
Fortum 2.125%	100,000	€	27.02.2029		102	0.20
Fresenius 1.875%	61,000	€	15.02.2025		63	0.12
GE Capital International Funding 4.418%	400,000	US\$	15.11.2035		329	0.64
General Electric 2.125%	200,000	€	17.05.2037		182	0.35
General Motors Financial 2.2%	138,000	€	01.04.2024		140	0.27
General Motors Financial FRN	150,000	€	10.05.2021		150	0.29
Glencore Funding 4.125%	182,000	US\$	12.03.2024		164	0.32
Goldman Sachs Group 3.125%	300,000	£	25.07.2029		357	0.69
Greene King Finance FRN	263,081	£	15.12.2033		303	0.59
Hastings Group Finance 3%	310,000	£	24.05.2025		349	0.68
HeidelbergCement 1.5%	200,000	€	07.02.2025		206	0.40
Heimstaden Bostad 2.125%	447,000	€	05.09.2023		454	0.88
ING Groep FRN	200,000	€	22.03.2030		199	0.39

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Intesa Sanpaolo 1.75%	150,000	€	20.03.2028		145	0.28
Italy (Republic of) 6%	150,000	£	04.08.2028		204	0.40
Johnson Controls International 1%	200,000	€	15.09.2023		202	0.39
Keurig Dr Pepper 4.057%	55,000	US\$	25.05.2023		50	0.10
Kraft Heinz Foods 2.25%	250,000	€	25.05.2028		256	0.50
LafargeHolcim Sterling Finance 3%	100,000	£	12.05.2032		112	0.22
Lloyds Banking Group FRN	100,000	€	07.09.2028		98	0.19
Mapfre FRN	100,000	€	07.09.2048		104	0.20
McDonald's 0.9%	100,000	€	15.06.2026		100	0.19
Mondi Finance 1.625%	122,000	€	27.04.2026		125	0.24
MPLX 4.125%	50,000	US\$	01.03.2027		45	0.09
Mylan 4.55%	200,000	US\$	15.04.2028		174	0.34
Mylan 5.4%	400,000	US\$	29.11.2043		331	0.64
Nationwide Building Society FRN	200,000	US\$	01.08.2024		181	0.35
Nationwide Building Society FRN	240,000	€	08.03.2026		240	0.46
NET4GAS 2.5%	400,000	€	28.07.2021		416	0.81
NN Group FRN	200,000	€	15.07.2049		212	0.41
Orange FRN	200,000	€	29.10.2049		226	0.44
RCI Banque 2%	223,000	€	11.07.2024		230	0.45
RCI Banque FRN	300,000	€	12.01.2023		293	0.57
Romania (Republic of) 3.875%	250,000	€	29.10.2035		259	0.50
Royal Bank of Scotland Group FRN	200,000	US\$	15.05.2023		177	0.34
Royal Bank of Scotland Group FRN	158,000	€	02.03.2026		158	0.31
Royal Bank of Scotland Group FRN	150,000	£	19.09.2026		176	0.34
Royal Bank of Scotland Group FRN	122,000	£	28.03.2027		144	0.28
Royal Bank of Scotland Group FRN	200,000	US\$	18.05.2029		184	0.36
Russia (Federation of) 8.15%	17,500,000	RUB	03.02.2027		243	0.47
Santander UK Group Holdings FRN	300,000	€	18.05.2023		293	0.57
Santander UK Group Holdings FRN	259,000	€	27.03.2024		251	0.49
Schaeffler 2.875%	65,000	€	26.03.2027		67	0.13
SELP Finance 1.5%	100,000	€	20.11.2025		100	0.19
Snam FRN	200,000	€	02.08.2024		190	0.37
Société Générale 4.25%	200,000	US\$	14.09.2023		182	0.35
Société Générale FRN	700,000	€	22.05.2024		691	1.34
Suez FRN	200,000	€	31.12.2099		205	0.40
Takeda Pharmaceutical 3%	290,000	€	21.11.2030		318	0.62
Thames Water Utilities Cayman Finance 2.375%	500,000	£	03.05.2023		572	1.11
Thermo Fisher Scientific 2.875%	100,000	€	24.07.2037		110	0.21
UNITE Group 3.5%	152,000	£	15.10.2028		184	0.36
Uruguay (Republic of) 9.875%	7,000,000	UYU	20.06.2022		185	0.36
Verizon Communications 2.875%	100,000	€	15.01.2038		110	0.21
Virgin Money Holdings UK FRN	149,000	£	24.04.2026		174	0.34
Vodafone Group 5%	28,000	US\$	30.05.2038		25	0.05
Vodafone Group FRN	100,000	£	03.10.2078		113	0.22
Vodafone Group FRN	100,000	€	03.01.2079		99	0.19
Volkswagen International Finance 4.125%	200,000	€	16.11.2038		222	0.43
Volkswagen International Finance FRN	300,000	€	31.12.2099		296	0.57
Vonovia Finance FRN	200,000	€	22.12.2022		199	0.39
Western Gas Partners 4.65%	100,000	US\$	01.07.2026		90	0.17
WPC Eurobond 2.125%	119,000	€	15.04.2027		119	0.23
'BB' credit rated bonds					6,551	12.69
Banco Bilbao Vizcaya Argentaria FRN	400,000	€	29.12.2049		411	0.80
Banco Bilbao Vizcaya Argentaria FRN	400,000	€	31.12.2099		396	0.77
Banco de Sabadell FRN	200,000	€	12.12.2028		206	0.40
Banco Santander Mexico FRN	400,000	€	12.03.2049		394	0.76
Barclays Bank FRN	300,000	€	07.02.2028		288	0.56
Bayer FRN	300,000	€	02.04.2075		292	0.56
Belden 3.375%	125,000	€	15.07.2027		126	0.24
CCO Holdings Via CCO Holdings Capital 5.125%	100,000	US\$	01.05.2027		89	0.17
CSC Holdings 5.5%	200,000	US\$	15.04.2027		182	0.35
Energy Transfer Operating FRN	50,000	US\$	01.11.2066		36	0.07
Freeport-McMoRan 3.875%	300,000	US\$	15.03.2023		262	0.51
Inretail Pharma 5.375%	199,000	US\$	02.05.2023		185	0.36
James Hardie International Finance 3.625%	100,000	€	01.10.2026		102	0.20
Leonardo 1.5%	250,000	€	07.06.2024		248	0.48
Lloyds Banking Group FRN	400,000	£	29.12.2049		468	0.91

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Millicom International Cellular 6.25%	200,000	US\$	25.03.2029		180	0.35
Ocado Group 4%	100,000	£	15.06.2024		119	0.23
Olin 5%	200,000	US\$	01.02.2030		174	0.34
Petrobras Global Finance 5.75%	300,000	US\$	01.02.2029		265	0.51
Puma International Financing 5%	200,000	US\$	24.01.2026		156	0.30
Sirius XM Radio 5%	200,000	US\$	01.08.2027		178	0.34
Telecom Italia Finance 2.375%	200,000	€	12.10.2027		185	0.36
Telecom Italia Finance 7.75%	100,000	€	24.01.2033		130	0.25
Telecom Italia Milano 2.875%	124,000	€	28.01.2026		122	0.24
Telefonica Europe FRN	300,000	€	31.12.2049		312	0.60
Telefonica Europe FRN	200,000	€	31.12.2099		195	0.38
Teva Pharmaceutical Finance Netherlands II 0.375%	200,000	€	25.07.2020		198	0.38
T-Mobile USA 6.375%	200,000	US\$	01.03.2025		186	0.36
United Rentals North America 4.875%	100,000	US\$	15.01.2028		86	0.17
Wind Tre FRN	400,000	€	20.01.2024		380	0.74
'B' credit rated bonds					2,586	5.01
Albania (Republic of) 3.5%	120,000	€	09.10.2025		125	0.24
Altice France 5.625%	220,000	€	15.05.2024		227	0.44
Altice France 5.875%	100,000	€	01.02.2027		103	0.20
Argentina (Republic of) 5%	100,000	€	15.01.2027		75	0.15
Argentina (Republic of) 5.875%	69,000	US\$	11.01.2028		47	0.09
Argentina (Republic of) 6.875%	50,000	US\$	11.01.2048		33	0.06
Cabot Financial Luxembourg 7.5%	170,000	£	01.10.2023		195	0.38
Côte d'Ivoire (Republic of) 5.125%	200,000	€	15.06.2025		205	0.40
Egypt (Republic of) 5.625%	250,000	€	16.04.2030		241	0.47
Garfunkelux Holdco 3 FRN	250,000	€	01.09.2023		214	0.41
Iceland Bondco FRN	27,971	£	15.07.2020		33	0.06
Intesa Sanpaolo FRN	200,000	€	29.12.2049		209	0.40
Normad Foods Bondco 3.25%	150,000	€	15.05.2024		153	0.30
Selecta Group 5.875%	150,000	€	01.02.2024		153	0.30
Senegal (Republic of) 4.75%	150,000	€	13.03.2028		149	0.29
UniCredit FRN	400,000	€	31.12.2099		344	0.67
Vallourec 6.375%	100,000	€	15.10.2023		80	0.15
'CCC' credit rated bonds						
Altice Finco 8.125%	200,000	US\$	15.01.2024		181	0.35
Bonds with no credit rating					1,304	2.53
Eurofins Scientific FRN	300,000	€	29.01.2049		315	0.61
Groupe Bruxelles Lambert 1.375%	600,000	€	23.05.2024		604	1.17
Iliad 1.875%	200,000	€	25.04.2025		188	0.37
Lagardere 1.625%	200,000	€	21.06.2024		197	0.38
Debt derivatives					(431)	(0.84)
Credit default swaps					(215)	(0.42)
Amgen Jun 2023	250,000	US\$			(5)	(0.01)
Anglo American Dec 2022	100,000	€			16	0.03
Anglo American Jun 2022	250,000	€			36	0.07
Anheuser-Busch InBev Dec 2021	200,000	€			3	0.01
Glencore International Dec 2022	100,000	€			15	0.03
Glencore International Jun 2022	100,000	€			14	0.03
Glencore International Jun 2023	300,000	€			48	0.09
Italy (Republic of) Dec 2022	150,000	US\$			(3)	(0.01)
Markit CDX North American Investment Grade Series 32 3 Year Jun 2024	5,100,000	US\$			(75)	(0.14)
Markit iTraxx Europe Series 29 3 Year Jun 2028	550,000	€			(3)	(0.01)
Markit iTraxx Europe Series 31 3 Year Jun 2024	12,800,000	€			(212)	(0.41)
Markit iTraxx Europe Snr Fin Series 31 5 Year Jun 2024	1,050,000	€			(9)	(0.02)
Markit iTraxx Europe Sub Fin Series 31 5 Year Jun 2024	1,000,000	€			34	0.07
Markit iTraxx Europe Xover Series 31 5 Year Jun 2024	675,000	€			(71)	(0.14)
Pfizer Jun 2022	200,000	US\$			(5)	(0.01)
Telefonica Dec 2021	100,000	€			2	0.00
Interest rate swaps						
Pay 1.8045% Receive Var. Oct 2022	200,000	£			(1)	0.00
Interest rate futures					(215)	(0.42)
Deutscher Bobl 5 year Futures	(65)	€	06.06.2019	8,647	(57)	(0.11)
Deutscher Bund 10 year Futures	(32)	€	06.06.2019	5,316	(81)	(0.16)

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Interest rate futures (continued)						
Deutscher Buxl 30 year Futures	(2)	€	06.06.2019	383	(18)	(0.04)
Deutscher Schatz 2 year Futures	(11)	€	06.06.2019	1,232	(2)	0.00
Euro-Bono SP Gov Futures	(3)	€	06.06.2019	452	(9)	(0.02)
US Treasury Notes 30 year Futures	(3)	US\$	19.06.2019	400	(10)	(0.02)
US Ultra Bond Futures	(4)	US\$	19.06.2019	597	(21)	(0.04)
UK Treasury Notes Futures	(6)	£	26.06.2019	904	(17)	(0.03)
CURRENCY					(71)	(0.13)
Forward currency contracts					(71)	(0.13)
Bought for £ 172,894.30, Sold for € 201,467.42			10.04.2019		0	0.00
Bought for ¥ 230,158,638.00, Sold for € 1,839,642.84			10.04.2019		11	0.02
Bought for € 9,108,178.65, Sold for £ 7,839,862.96			10.04.2019		(38)	(0.07)
Bought for € 11,121,085.66, Sold for US\$ 12,551,933.94			10.04.2019		(48)	(0.09)
Bought for CHF 266,803.89, Sold for € 235,067.48			10.04.2019		4	0.01
Portfolio of investments					49,593	96.06
CASH EQUIVALENTS					120	0.23
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	122,069	€			120	0.23
SHARE CLASS HEDGING					45	0.08
Bought for £ 5,662,739.53, Sold for € 6,578,911.94			10.04.2019		28	0.05
Bought for € 1,057,577.15, Sold for £ 902,412.84			10.04.2019		5	0.01
Bought for CHF 99,284.40, Sold for € 87,455.36			10.04.2019		1	0.00
Bought for US\$ 1,641,697.99, Sold for € 1,448,695.74			10.04.2019		11	0.02
Total portfolio					49,758	96.37
Net other assets/(liabilities)					1,872	3.63
NET ASSETS					51,630	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					50,095	97.03
Unrealised gains on forward currency contracts					60	0.11
Unrealised gains on swap contracts					168	0.33
Total Investment assets					50,323	97.47
Investment liabilities						
Unrealised losses on futures contracts					(215)	(0.42)
Unrealised losses on forward currency contracts					(86)	(0.16)
Unrealised losses on swap contracts					(384)	(0.75)
Total Investment liabilities					(685)	(1.33)
Total portfolio					49,638	96.14
Cash equivalents					120	0.23
Net other assets/(liabilities)					1,872	3.63
NET ASSETS					51,630	100.00

[a] Unlisted/unquoted.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

M&G (Lux) Absolute Return Bond Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps €'000	Forward currency contracts €'000	Futures €'000
Barclays Bank London	38	646	0
Citigroup Global Markets Limited	156	0	0
Goldman Sachs International	73	198	0
HSBC Bank Plc	0	9,104	0
JP Morgan Chase	285	9,898	0
Merrill Lynch Pierce Fenner + Smith Inc	0	0	17,931
State Street Bank and Trust Company	0	9,173	0
State Street Bank London	0	2,457	0
UBS AG London	0	201	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Absolute Return 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	-0.1	n/a	n/a	+0.6 ^[c]
Class 'B'	n/a	n/a	n/a	-0.2 ^[d]
Class 'C'	+0.5	n/a	n/a	+1.2 ^[c]
Class 'CI'	+0.5	n/a	n/a	+1.2 ^[c]
Sterling ^[b]				
Class 'C-H'	+1.7	n/a	n/a	+2.2 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-0.5	n/a	n/a	+0.2 ^[c]
Class 'C-H'	+0.1	n/a	n/a	+0.8 ^[c]
US dollar ^[b]				
Class 'A-H'	+2.9	n/a	n/a	+3.2 ^[c]
Class 'C-H'	+3.5	n/a	n/a	+3.7 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 21 December 2016, the launch date of the fund.

^[d] 8 May 2018, the launch date of the share class. Not annualised.

Distribution details for holders of distribution shares

This fund pays semi-annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Semi-annual distribution periods

	Start	End	Record date	Xd	Payment
Interim	01.04.18	30.09.18	19.10.18	22.10.18	25.10.18
Final	01.10.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'B'	Euro Class 'C'	Sterling Class 'C-H'	Swiss franc Class 'A-H'
to 31 March 2019	Euro €	Euro €	Euro €	UK p	Swiss €
Interim	0.1388	0.1129	0.1399	0.1410	0.1350
Final	0.1455	0.1472	0.1471	0.1514	0.1421

	Swiss franc Class 'C-H'	US dollar Class 'A-H'	US dollar Class 'C-H'
to 31 March 2019	Swiss €	US €	US €
Interim	0.1360	0.1440	0.1453
Final	0.1441	0.1552	0.1571

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro			
Class 'A' Accumulation	10.1324	10.1414	10.0655
Class 'A' Distribution	9.7443	10.0059	10.0657
Class 'B' Accumulation	9.9779	n/a	n/a
Class 'B' Distribution	9.8642	n/a	n/a
Class 'C' Accumulation	10.2716	10.2197	10.0821
Class 'C' Distribution	9.8787	10.0813	10.0819
Class 'CI' Accumulation	10.2835	10.2273	10.0835
Sterling			
Class 'C-H' Accumulation	10.5114	10.3391	10.1039
Class 'C-H' Distribution	10.1134	10.1987	10.1037
Swiss franc			
Class 'A-H' Accumulation	10.0375	10.0853	10.0494
Class 'A-H' Distribution	9.6511	9.9483	10.0494
Class 'C-H' Accumulation	10.1794	10.1654	10.0658
Class 'C-H' Distribution	9.7839	10.0216	10.0658
US dollar			
Class 'A-H' Accumulation	10.7305	10.4239	10.1179
Class 'A-H' Distribution	10.3179	10.2811	10.1180
Class 'C-H' Accumulation	10.8780	10.5093	10.1346
Class 'C-H' Distribution	10.4583	10.3597	10.1345

NAV at fund level	€'000	€'000	€'000
Net assets	51,630	37,596	17,436
Swing pricing adjustment (see note 12)	n/a	n/a	42
Swung net assets	51,630	37,596	17,478

Total Expense Ratio 31.03.2019	TER
Euro	
Class 'A' Accumulation	1.28
Class 'A' Distribution	1.28
Class 'B' Accumulation	1.60
Class 'B' Distribution	1.59
Class 'C' Accumulation	0.68
Class 'C' Distribution	0.68
Class 'CI' Accumulation	0.64
Sterling	
Class 'C-H' Accumulation	0.70
Class 'C-H' Distribution	0.69
Swiss franc	
Class 'A-H' Accumulation	1.30
Class 'A-H' Distribution	1.30
Class 'C-H' Accumulation	0.70
Class 'C-H' Distribution	0.70
US dollar	
Class 'A-H' Accumulation	1.30
Class 'A-H' Distribution	1.30
Class 'C-H' Accumulation	0.70
Class 'C-H' Distribution	0.70

M&G (Lux) Asian Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the Asia Pacific (excluding Japan) equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies that are domiciled in, or conducting the major part of their economic activity in, the Asia Pacific region (excluding Japan).

The investment process of the Fund is based on the fundamental analysis of companies with a specific focus on their return on capital profile, their corporate governance practices and the valuation of the shares.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Asian Fund

Investment review

For the period from 26 October 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Asian Fund was launched in October 2018 and is run by the same manager, applying the same investment strategy, as the M&G Asian Fund, a UK-authorised OEIC that launched on 16 August 1996. The non-sterling share classes of the M&G Asian Fund merged into the SICAV on 26 October 2018.

The M&G (Lux) Asian Fund is an actively managed fund that invests in the shares of companies in Asia (excluding Japan) that we believe are undervalued. Our investment philosophy is founded on the belief that what drives share prices over the long term is corporate performance, rather than macroeconomic factors. Company shares offer participation in the company's profits and growth.

Our disciplined stock selection approach involves in-depth analysis of individual companies. We focus on three key factors: profitability (which we measure in terms of return on capital), governance standards and valuations. Our aim is to find companies that understand the importance of using capital efficiently and whose future prospects are being undervalued by other investors. We take a long-term view, which enables us to exploit the turbulence and short-termism that frequently occurs in Asian stockmarkets and can lead to stocks becoming mispriced.

In order to cope with any potential unpredictability, we seek to construct a balanced portfolio combining stocks with different risk/reward characteristics. This approach is designed to help the fund perform in different market conditions.

In keeping with our value-oriented approach, the fund currently has relatively large allocations to economically sensitive areas such as financials and industrials, which are among the cheapest sectors in the market. Information technology stocks, which have taken a hit recently, also comprise a large portion of the portfolio. In contrast, the portfolio has underweights in the more expensive areas such as consumer staples, healthcare and utilities.

As long-term valuation-focused investors, we find that periods of uncertainty can often provide opportunities to buy stocks at attractive valuations. Recently, we bought some shares in Chinese holdings that fell excessively, in our view, amid worries about the trade war between the US and China. A notable example was online travel company Ctrip.com. We also invested in an infrastructure company in the Philippines as concerns about the country's economic position made the valuation more attractive, in our opinion.

Looking ahead, we are optimistic about the prospects for Asian companies. In our view, investors have been influenced by the macroeconomic outlook (slowing global economic growth) and geopolitics (trade wars) and overlooked the operational performance, or fundamentals, of companies. As a result, we

think there are opportunities for value-focused investors to find Asian companies trading at attractive valuations that do not reflect their underlying performance.

Alastair Bruce Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Asian Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					103,809	97.13
United Kingdom						
Standard Chartered	204,270	HK\$			1,578	1.48
Australia					5,923	5.54
Downer EDI	150,159	AU\$			818	0.76
Iluka Resources	123,529	AU\$			789	0.74
Mesoblast	787,439	AU\$			804	0.75
Nufarm	172,274	AU\$			577	0.54
QBE Insurance Group	336,036	AU\$			2,935	2.75
China					31,655	29.62
Baidu ADR	16,545	US\$			2,715	2.54
China Construction Bank	2,437,000	HK\$			2,091	1.96
China Lesso Group Holdings	5,709,000	HK\$			3,691	3.45
China Petroleum & Chemical	2,196,000	HK\$			1,733	1.62
China Railway Signal & Communication	1,337,000	HK\$			1,054	0.99
CNOOC	1,189,000	HK\$			2,225	2.08
Ctrip.com International ADR	104,373	US\$			4,539	4.25
Fufeng Group	6,146,000	HK\$			3,214	3.01
Greatview Aseptic Packaging	3,933,000	HK\$			2,420	2.26
Hollysys Automation Technologies	155,949	US\$			3,163	2.96
Lenovo Group	1,152,000	HK\$			1,034	0.97
Li Ning	1,179,000	HK\$			1,849	1.73
PICC Property & Casualty	1,266,000	HK\$			1,438	1.34
Xinyi Solar Holdings	1,014,000	HK\$			489	0.46
Hong Kong					19,712	18.44
AIA Group	269,600	HK\$			2,682	2.51
AMVIG Holdings	5,594,000	HK\$			1,318	1.23
CK Hutchison Holdings	580,500	HK\$			6,099	5.71
Far East Horizon	2,322,000	HK\$			2,467	2.31
First Pacific Hong Kong	6,912,000	HK\$			2,509	2.35
Global Brands Group Holding	100,946,000	HK\$			1,370	1.28
PCCW	2,520,000	HK\$			1,565	1.46
VTech Holdings	166,400	HK\$			1,702	1.59
Indonesia						
Bank Mandiri Persero	4,229,600	IDR			2,209	2.07
India						
ICICI Bank ADR	283,305	US\$			3,234	3.03
Philippines					4,964	4.64
GT Capital Holdings	160,105	PHP			2,839	2.65
Metro Pacific Investments	23,096,500	PHP			2,125	1.99
Singapore					6,661	6.23
DBS Group Holdings	210,000	SG\$			3,908	3.66
Ezion Holdings (Warrant 16.04.23) ^{[a],[b]}	5,385,126	SG\$			0	0.00
Ezion Holdings (Warrant 24.04.20) ^[b]	290,009	SG\$			0	0.00
Japfa	2,278,000	SG\$			1,101	1.03
Sembcorp Industries	875,900	SG\$			1,652	1.54
South Korea					14,698	13.75
Hana Financial Group	64,720	KRW			2,074	1.94
Samsung Electronics	164,907	KRW			6,483	6.07
Samsung Fire & Marine Insurance	4,953	KRW			1,314	1.23
Samsung Heavy Industries	100,509	KRW			731	0.68
Shinhan Financial Group	81,036	KRW			3,000	2.81
WONIK IPS	53,202	KRW			1,096	1.02
Taiwan					13,175	12.33
Casetek Holdings	552,000	TW\$			907	0.85
Catcher Technology	216,000	TW\$			1,659	1.55
Chicony Electronics	827,000	TW\$			1,923	1.80
Delta Electronics	309,000	TW\$			1,597	1.50
eMemory Technology	147,000	TW\$			1,538	1.44
Silicon Motion Technology ADR	33,903	US\$			1,314	1.23
Taiwan Semiconductor Manufacturing	387,000	TW\$			3,079	2.88

M&G (Lux) Asian Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Taiwan (continued)						
Teco Electric and Machinery	1,697,000	TW\$			1,158	1.08
Portfolio of investments					103,809	97.13
Total portfolio					103,809	97.13
Net other assets/(liabilities)					3,065	2.87
NET ASSETS					106,874	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					103,809	97.13
Total Investment assets					103,809	97.13
Total portfolio					103,809	97.13
Net other assets/(liabilities)					3,065	2.87
NET ASSETS					106,874	100.00

[a] Unlisted/unquoted.

[b] Suspended.

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

M&G (Lux) Asian Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Asian Fund which merged into the M&G (Lux) Asian Fund on 26 October 2018.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	41.5736	n/a	n/a
Class 'C' Accumulation	46.7889	n/a	n/a
Class 'CI' Accumulation	10.9850	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	27.0020	n/a	n/a
Class 'C' Accumulation	29.1504	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	106,874	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	106,874	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.80 [a]		
Class 'C' Accumulation	1.05 [a]		
Class 'CI' Accumulation	1.01 [a]		
US dollar	%		
Class 'A' Accumulation	1.80 [a]		
Class 'C' Accumulation	1.05 [a]		

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Conservative Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to deliver a positive total return (the combination of income and capital growth) of 3-6% p.a. in any three-year period, through investment in a range of global assets.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of assets issued anywhere in the world and denominated in any currency. The Fund will typically use derivatives to gain exposure to these assets. The Fund may also use derivatives to take short positions (holding derivatives with the aim of delivering a positive return when the assets they are linked to fall in value) and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets.

The Fund may invest in China A-Shares via the Shanghai- Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Exchange.

The Fund may also invest directly in these assets, or indirectly through other collective investment schemes. The Fund can also invest in currencies, cash, near cash, deposits and warrants. The Investment Manager will normally seek to hold more than 60% of the Fund's Net Asset Value in euro denominated assets or in other currencies hedged back to euro.

The Fund will normally invest within the following net allocation ranges: 0-100% in fixed income, 0-35% in equities and 0-20% in other assets.

Fixed income instruments that the Fund may invest in include the following:

- derivatives whose value is derived from bonds, interest rates or credit risk;
- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies;
- bonds from issuers located in emerging markets;
- bonds which are rated investment grade by a recognised rating agency;
- unrated bonds and bonds which are rated sub-investment grade, subject to a maximum of 50% of the Fund's Net Asset Value; and
- Asset-Backed Securities subject to a maximum of 20% of the Fund's Net Asset Value.

Equity instruments that the Fund may invest in include

- (a) derivatives whose value is derived from company shares and
- (b) direct company shares.

Other assets, for this purpose, include Convertible Bonds and Contingent Convertible Debt Securities. Contingent Convertible Debt Securities are subject to a maximum of 5% of the Fund's Net Asset Value. Also included in 'other assets', mostly to provide

a relatively uncorrelated source of returns to the Fund, are shares in closed-ended real estate investment trusts or investments in companies acting in real estate and/or infrastructure sector.

Derivatives can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management.

The derivative instruments that the Fund can invest in to achieve its objectives include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

M&G (Lux) Conservative Allocation Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Conservative Allocation Fund delivered a negative total return (the combination of capital growth and income) across all its share classes.

This means the fund's annualised total return since its launch in January 2018 is below its performance target of a total return of 3-6% per annum, albeit with the potential to deliver on its three-year investment objective.

Performance review

Launched in January 2018, the M&G (Lux) Conservative Allocation Fund is a dynamically managed portfolio invested in a range of assets around the world. The fund has a highly flexible investment approach, with the freedom to invest in equities (company shares), government bonds and corporate bonds, across all major investable markets, and gaining access directly and indirectly through derivatives.

The approach combines in-depth research to determine the value of assets over the medium to long term, with analysis of investors' emotional reaction to events to identify investment opportunities.

The period under review was very challenging for risk assets and disappointing in terms of fund performance. Apart from when the appetite for equities picked up, such as in July and September, risk assets came under continuous pressure as investors focused on negative newsflows. Depending on the month, these negatives might have included signs of slowing economic growth, fears around US-China trade tariffs, and country-specific issues affecting the likes of Turkey, Italy, Brazil and Argentina.

A major detractor throughout the period was investor sensitivity to the Federal Reserve's (Fed) interest rate hikes, prompting significant volatility in global equities. This was particular true in October, where by the end of the month, 89% of investable assets had recorded a negative return year to date in US dollar terms – the highest percentage for over a century. The fund's holding of a diversified basket of global equities suffered. 'Safe-haven' assets typically profited from this risk aversion so this meant the fund's short positions (where we expect asset prices to fall) on government bonds from Germany, France and the UK dragged on return.

The mood of investors lightened in the first quarter of 2019 mainly because of the change in rhetoric from the Fed towards future interest rate increases. Certainly a background of low inflation and healthy corporate earnings supported this 'risk-on' environment. The fund recouped some of its losses, particularly from preferred European and Asian equity holdings. Sectors such as US technology and biotech were also a source of positive returns. Overall, the fund's exposure to emerging market government bonds, particularly Mexican government bonds,

outperformed over the period. Exposure to Turkish government bonds cost us some performance as investors fretted over the fiscal and monetary policy direction of the country.

Investment activity

The fund is currently positioned with a higher weighting in equities than bonds on the view that the equity risk premium – that is, the excess return investors are being paid to hold company shares and not Western government bonds – is at very elevated levels. We find the latter to be less appealing and expensive, notably developed government bonds, although we continue to favour emerging market government bonds with longer maturities. We believe selected emerging market securities to be attractively valued and issued by countries with relatively stable fiscal positions, but often remain off the radar of mainstream investors.

During the review period, we added to European, Asian and Japanese equity markets as valuations became more attractive following significant bouts of selling, such as during October and December. We also made small changes to our emerging market government bond holdings, typically reflecting the different maturities of the bonds. (Maturity is the length of time until the initial investment amount – the 'principal' of a fixed income security – is due to be repaid to the holder.) For example, we reduced our holding of Mexican bonds with longer maturities following a rally in these assets in January 2019.

Outlook

The main driver of investor gloom in 2018 was the spectre of rising US interest rates, tied in with fears about US-China trade wars and anxieties attached to mixed fortunes of Turkey, Italy and others. So far in 2019 this pressure has eased, and risk appetite has increased, as the Fed adopts a more dovish monetary policy. Low inflation, not just in the US but globally, is crucial to this policy view, especially when labour markets are robust. Importantly, equity valuations became very depressed at the end of 2018 and so it has not taken much good news to push up equities and the demand for risk assets more generally. This is why we continue to have a pro-risk view of investment opportunities in what remains a pro-growth global economy, notwithstanding some softening of data. As such, we continue to favour global equities over global bonds, with the exception of certain emerging market government bonds and US Treasuries with longer maturities.

Juan Nevado and Craig Moran

Co-fund managers

Investment review information as at 31 March, 2019.

Employees of M&G 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.

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					552,223	19.84
Software & Computer Services					22,337	0.80
Altaba	10,003	US\$			646	0.02
Ctrip.com International ADR	79,121	US\$			3,064	0.11
eBay	29,199	US\$			956	0.04
Gridsum Holding ADR	229,377	US\$			578	0.02
Mastercard 'A'	17,681	US\$			3,697	0.13
Microsoft	63,918	US\$			6,655	0.24
Naspers 'N'	6,013	ZAR			1,234	0.04
Visa 'A'	39,989	US\$			5,507	0.20
Technology Hardware & Equipment					10,539	0.38
ams	57,811	CHF			1,382	0.05
Cabot Microelectronics	19,658	US\$			1,900	0.07
CK Hutchison Holdings	85,550	HK\$			800	0.03
Flat Glass Group	408,000	HK\$			178	0.01
IQE	1,321,016	£			1,109	0.04
KOC Holding	213,665	TRY			542	0.02
Lam Research	11,827	US\$			1,850	0.07
Lenovo Group	889,800	HK\$			712	0.02
MACOM Technology Solutions Holdings	20,605	US\$			302	0.01
NXP Semiconductors	7,654	US\$			586	0.02
Tower Semiconductor	22,168	US\$			324	0.01
Xinyi Solar Holdings	1,989,200	HK\$			854	0.03
Telecommunications Service Providers					1,116	0.04
PCCW	731,400	HK\$			404	0.01
Turkcell Iletisim Hizmetleri	365,061	TRY			712	0.03
Pharmaceuticals & Biotechnology					27,381	0.98
Alexion Pharmaceuticals	20,145	US\$			2,390	0.09
Amgen	27,898	US\$			4,660	0.17
Biogen	16,466	US\$			3,414	0.12
Celgene	63,287	US\$			4,933	0.18
China Resources Sanjiu Medical & Pharmaceutical 'A'	80,000	CNY			306	0.01
Gilead Sciences	80,482	US\$			4,564	0.16
Incyte	30,599	US\$			2,335	0.08
Regeneron Pharmaceuticals	13,257	US\$			4,779	0.17
Banks					208,598	7.50
Akbank Turk	793,659	TRY			788	0.03
Banco Bilbao Vizcaya Argentaria	1,025,420	€			5,217	0.19
Bank of America	733,841	US\$			17,868	0.64
Bank of China	2,573,200	HK\$			1,041	0.04
BNP Paribas	116,707	€			4,980	0.18
CaixaBank	1,684,418	€			4,686	0.17
China Construction Bank	2,588,460	HK\$			1,977	0.07
Citigroup	337,694	US\$			18,635	0.67
Commerzbank	749,902	€			5,227	0.19
Industrial & Commercial Bank of China	1,960,000	HK\$			1,281	0.05
ING Groep	502,068	€			5,405	0.19
Intesa Sanpaolo	2,469,982	€			5,376	0.19
JPMorgan Chase	205,903	US\$			18,464	0.66
Lloyds Banking Group	25,971,325	£			18,848	0.68
Mitsubishi UFJ Financial Group	2,829,600	¥			12,515	0.45
Mizuho Financial Group	9,110,800	¥			12,548	0.45
Sberbank of Russia ADR	1,570,649	US\$			18,989	0.68
Société Générale	171,409	€			4,427	0.16
Standard Chartered	85,300	HK\$			587	0.02
Sumitomo Mitsui Financial Group	408,100	¥			12,725	0.46
Sumitomo Mitsui Trust Holdings	375,700	¥			12,008	0.43
Türkiye Garanti Bankası	568,139	TRY			734	0.03
Türkiye İş Bankası 'C'	679,538	TRY			588	0.02
UniCredit	428,050	€			4,865	0.17
Wells Fargo	430,573	US\$			18,819	0.68
Finance & Credit Services						
American Express	191,673	US\$			18,630	0.67
Investment Banking & Brokerage Services					71,510	2.57
3i Infrastructure	3,801,561	£			12,172	0.44
Baidu ADR	17,173	US\$			2,509	0.09
Bank of New York Mellon	412,404	US\$			18,502	0.66

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Investment Banking & Brokerage Services (continued)						
Far East Horizon	755,600	HK\$			715	0.03
First Pacific Hong Kong	2,232,000	HK\$			722	0.03
Haci Omer Sabanci Holding	3,076,017	TRY			3,770	0.13
International Public Partnerships	2,085,685	£			3,717	0.13
Equities portfolios						
M&G Japan Fund GBP Class 'A' (Accumulation) ^[a]	48,426,151	£			29,403	1.06
Mortgage Real Estate Investment Trusts						
Capitaland Retail China Trust	650,000	SG\$			668	0.02
Unibail-Rodamco-Westfield	184,054	€			26,957	0.97
Life Insurance						
AIA Group	68,800	HK\$			610	0.02
Non-life Insurance						
PICC Property & Casualty	768,200	HK\$			777	0.03
Consumer Services						
Tarena International ADR	96,850	US\$			470	0.02
Personal Goods						
Li Ning	621,500	HK\$			868	0.03
Media						
Alphabet 'A'	4,738	US\$			12,530	0.45
Comcast 'A'	36,390	US\$			4,945	0.18
Criteo ADR	54,554	US\$			1,309	0.05
Electronic Arts	16,216	US\$			928	0.03
Facebook 'A'	26,269	US\$			1,476	0.05
					3,872	0.14
Retailers						
BIM Birlesik Magazalar	55,658	TRY			679	0.02
Travel & Leisure						
Turk Hava Yollari	360,005	TRY			718	0.02
Construction & Materials						
China State Construction International Holdings	642,000	HK\$			1,357	0.05
Sinopec Engineering Group	947,200	HK\$			535	0.02
					822	0.03
Electronic & Electrical Equipment						
Borr Drilling	398,267	NOK			11,020	0.40
China Railway Signal & Communication	1,142,200	HK\$			1,074	0.04
Halliburton	70,700	US\$			802	0.03
Hilong Holding	6,431,000	HK\$			1,838	0.07
Hollysys Automation Technologies	48,284	US\$			769	0.03
IPG Photonics	11,229	US\$			872	0.03
John Wood Group	247,875	£			1,482	0.05
Schlumberger	49,900	US\$			1,487	0.05
Tongda Group Holdings	7,725,600	HK\$			1,938	0.07
					758	0.03
General Industrials						
AMVIG Holdings	2,726,200	HK\$			2,958	0.11
China Lesso Group Holdings	2,937,200	HK\$			572	0.02
Greatview Aseptic Packaging	1,268,200	HK\$			1,691	0.06
					695	0.03
Industrial Engineering						
TK Group Holdings	1,272,000	HK\$			1,432	0.05
Yangzijiang Shipbuilding Holdings	731,000	SG\$			709	0.02
					723	0.03
Industrial Transportation						
COSCO Shipping Energy Transportation	1,485,600	HK\$			1,154	0.04
Hutchison Port Holdings Trust	1,877,200	US\$			757	0.03
					397	0.01
Industrial Metals & Mining						
Anglo American	193,000	£			30,304	1.09
BHP Group	209,714	£			4,578	0.17
Eregli Demir ve Celik Fabrikalari	658,868	TRY			4,523	0.16
Glencore	929,457	£			954	0.04
MMG	864,000	HK\$			3,455	0.12
Rio Tinto	84,958	£			312	0.01
Severstal	851,577	US\$			4,418	0.16
					12,064	0.43
Chemicals						
Fufeng Group	1,945,600	HK\$			4,356	0.16
Methanex	69,000	US\$			906	0.03
					3,450	0.13

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Non-Renewable Energy					37,764	1.36
Anadarko Petroleum	56,800	US\$			2,280	0.08
Chevron	27,292	US\$			2,990	0.11
China Petroleum & Chemical	1,514,400	HK\$			1,064	0.04
CNOOC	848,000	HK\$			1,413	0.05
Concho Resources	21,700	US\$			2,151	0.08
EOG Resources	16,469	US\$			1,396	0.05
Kosmos Energy	258,947	US\$			1,374	0.05
LUKOIL ADR	198,026	US\$			15,985	0.57
Royal Dutch Shell 'A'	878	£			25	0.00
Royal Dutch Shell 'B'	193,712	£			5,477	0.20
Total	56,908	€			2,825	0.10
Tupras Türkiye Petrol Rafinerileri	39,988	TRY			784	0.03
Renewable Energy					61,001	2.19
China Resources Power Holdings	202,400	HK\$			270	0.01
China Yangtze Power 'A'	108,700	CNY			243	0.01
Greencoat Renewables	21,014,933	€			22,381	0.80
Greencoat UK Wind	23,714,290	£			38,107	1.37
Equity derivatives					(3,511)	(0.13)
Equity index futures					(3,511)	(0.13)
CAC40 Futures	525	€	18.04.2019	28,002	538	0.02
IBEX 35 Index Futures	757	€	18.04.2019	69,678	491	0.02
Hang Seng China Enterprises Index Futures	432	HK\$	29.04.2019	27,868	301	0.01
MSCI Singapore Index Futures	1,218	SG\$	29.04.2019	28,790	61	0.00
MSCI Taiwan Index Futures	1,100	US\$	29.04.2019	38,268	556	0.02
BIST 30 Index Futures	3,789	TRY	30.04.2019	7,147	(844)	(0.03)
Korean Stock Exchange Futures	1,798	KRW	13.06.2019	97,744	268	0.01
Topix Index Futures	902	¥	13.06.2019	115,459	(1,143)	(0.04)
Dax Index Futures	150	€	21.06.2019	43,297	(157)	(0.01)
DJ Euro Stoxx 50 Futures	919	€	21.06.2019	30,047	589	0.02
FTSE 100 Index Futures	192	£	21.06.2019	16,103	247	0.01
FTSE MIB Index Futures	136	€	21.06.2019	14,054	458	0.02
S&P MINI 500 Futures	(1,414)	US\$	21.06.2019	178,297	(4,876)	(0.18)
FIXED INCOME					1,954,773	70.25
Bond portfolios					145,610	5.23
M&G (Lux) Emerging Markets Hard Currency Bond Fund USD Class 'CI' (Accumulation) ^[b]	2,102,040	US\$			20,179	0.72
M&G (Lux) Global Convertibles Fund Euro Class 'C-H' (Accumulation) ^[b]	4,055,737	€			58,160	2.09
M&G (Lux) Global Corporate Bond Fund Euro Class 'C-H' (Accumulation) ^[b]	358,894	€			4,271	0.15
M&G Global High Yield Bond Fund GBP Class 'X' (Accumulation) ^[a]	33,994,308	£			52,789	1.90
M&G Total Return Credit Investment Fund Euro Class 'A' (Accumulation) ^[a]	46,432	€			5,320	0.19
SPDR® Barclays 10+ Year US Corporate Bond ETF	172,905	US\$			4,891	0.18
Debt securities					1,848,834	66.44
'AAA' credit rated bonds					1,278,943	45.96
Bundesschatzanweisungen 0%	28,340,000	€	14.06.2019		28,372	1.02
Bundesschatzanweisungen 0%	124,800,000	€	13.12.2019		125,322	4.50
France (Republic of) 0%	104,000,000	€	10.04.2019		104,012	3.74
France (Republic of) 0%	126,500,000	€	25.04.2019		126,545	4.55
France (Republic of) 0%	25,000,000	€	15.05.2019		25,017	0.90
France (Republic of) 0%	107,000,000	€	22.05.2019		107,083	3.85
France (Republic of) 0%	74,400,000	€	05.06.2019		74,475	2.68
France (Republic of) 0%	82,600,000	€	11.09.2019		82,811	2.98
France (Republic of) 0%	70,750,000	€	26.02.2020		71,099	2.55
Germany (Federal Republic of) 0%	50,000,000	€	19.06.2019		50,060	1.80
Germany (Federal Republic of) 0%	134,622,000	€	13.09.2019		134,976	4.85
Germany (Federal Republic of) 0%	87,300,000	€	13.03.2020		87,788	3.15
Germany (Federal Republic of) 0.25%	44,068,000	€	16.10.2020		44,654	1.60
Germany (Federal Republic of) 0.5%	73,230,000	€	12.04.2019		73,252	2.63
Microsoft 2.7%	4,000,000	US\$	12.02.2025		3,566	0.13
Microsoft 4%	8,296,000	US\$	12.02.2055		7,732	0.28
US Treasury 1/1 1%	137,419,400	US\$	15.02.2046		132,179	4.75

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds						
Amgen 4.663%	2,860,000	US\$	15.06.2051		2,556	0.09
Eni 4.75%	8,550,000	US\$	12.09.2028		7,900	0.29
'BBB' credit rated bonds						
AT&T 4.5%	14,529,000	US\$	09.03.2048		12,157	0.44
AT&T 6.375%	4,908,000	US\$	01.03.2041		5,129	0.18
BAT Capital 4.54%	9,798,000	US\$	15.08.2047		7,637	0.27
Enel Finance International 6.8%	2,024,000	US\$	15.09.2037		2,159	0.08
Energy Transfer Operating 6.125%	5,708,000	US\$	15.12.2045		5,496	0.20
Express Scripts Holding 4.8%	5,735,000	US\$	15.07.2046		5,204	0.19
Ford Motor 6.625%	5,086,000	US\$	01.10.2028		4,701	0.17
Ford Motor Credit 4.375%	3,800,000	US\$	06.08.2023		3,313	0.12
GE Capital International Funding 4.418%	10,500,000	US\$	15.11.2035		8,650	0.31
Goldman Sachs Group 6.75%	4,764,000	US\$	01.10.2037		5,179	0.19
Indonesia (Republic of) 6.125%	208,554,000,000	IDR	15.05.2028		11,811	0.42
Indonesia (Republic of) 8.125%	92,500,000,000	IDR	15.05.2024		6,034	0.22
Indonesia (Republic of) 8.25%	137,707,000,000	IDR	15.05.2029		8,998	0.32
Indonesia Treasury Bond 8.375%	532,617,000,000	IDR	15.03.2024		34,905	1.25
Johnson Controls International 5.125%	1,080,000	US\$	14.09.2045		1,009	0.04
Kraft Heinz Foods 6.875%	1,726,000	US\$	26.01.2039		1,733	0.06
Mexico (United Mexican States) 5.75%	1,594,157,400	MXN	05.03.2026		64,978	2.33
Mexico (United Mexican States) 7.5%	1,490,000,000	MXN	03.06.2027		66,665	2.39
Mexico (United Mexican States) 7.75%	1,467,984,900	MXN	13.11.2042		62,908	2.26
Morgan Stanley 5%	9,661,000	US\$	24.11.2025		9,211	0.33
Mylan 5.25%	2,339,000	US\$	15.06.2046		1,893	0.07
Mylan 5.4%	4,931,000	US\$	29.11.2043		4,081	0.15
Perrigo Finance Unlimited 4.9%	338,000	US\$	15.12.2044		254	0.01
Portugal (Republic of) 4.75%	35,219,000	€	14.06.2019		35,581	1.28
Portugal (Republic of) 4.8%	66,177,000	€	15.06.2020		70,291	2.53
Time Warner Cable 7.3%	4,908,000	US\$	01.07.2038		5,089	0.18
Verizon Communications 4.5%	3,900,000	US\$	10.08.2033		3,670	0.13
Volkswagen International Finance 4.125%	7,200,000	€	16.11.2038		8,005	0.29
'BB' credit rated bonds						
Brazil (Federal Republic of) 10%	111,312,000	BRL	01.01.2029		27,336	0.98
South Africa (Republic of) 10.5%	400,506,445	ZAR	21.12.2026		27,084	0.97
Telecom Italia Finance 7.75%	5,900,000	€	24.01.2033		7,633	0.28
Teva Pharmaceutical Finance Netherlands III 4.1%	4,558,000	US\$	01.10.2046		2,904	0.11
Turkey (Republic of) 10.5%	149,901,030	TRY	11.08.2027		15,687	0.56
'B' credit rated bonds						
Argentina (Republic of) 3.375%	4,100,000	€	15.01.2023		3,292	0.12
Argentina (Republic of) 5%	4,516,000	€	15.01.2027		3,368	0.12
Argentina (Republic of) 6.875%	9,500,000	US\$	22.04.2021		7,735	0.28
Argentina (Republic of) 7.5%	9,700,000	US\$	22.04.2026		7,297	0.26
Yum! Brands 6.875%	399,000	US\$	15.11.2037		358	0.01
Debt derivatives						
Credit default swaps						
Markit CDX North American High Yield Series 31 5 Year Dec 2023	76,832,000	US\$			(10,571)	(0.38)
Markit iTraxx Europe Xover Series 30 5 Year Dec 2023	65,711,556	€			(4,417)	(0.16)
					(6,154)	(0.22)
Interest rate swaps						
Pay 0.4925% Receive Var. Sep 2046	446,500,000	¥			23	0.00
Pay 0.46% Receive Var. Sep 2046	446,000,000	¥			30	0.00
Pay 1.287% Receive Var. Oct 2046	9,500,000	£			125	0.00
Pay 1.618% Receive Var. Nov 2046	8,000,000	£			(639)	(0.02)
Pay 0.7675% Receive Var. Nov 2046	400,000,000	¥			(222)	(0.01)
Pay 1.558% Receive Var. Dec 2046	2,155,000	£			(134)	(0.01)
Pay 0.8% Receive Var. Dec 2046	208,440,000	¥			(129)	(0.01)
Pay 1.692% Receive Var. Jan 2047	3,000,000	£			(299)	(0.01)
Pay 0.935% Receive Var. Feb 2047	350,000,000	¥			(331)	(0.01)
Pay 1.5% Receive Var. Feb 2047	3,000,000	£			(135)	(0.01)
Pay 1.526% Receive Var. Mar 2047	4,500,000	£			(236)	(0.01)
Pay 0.87% Receive Var. Apr 2047	500,000,000	¥			(394)	(0.01)
Pay 1.3115% Receive Var. Apr 2047	9,000,000	£			57	0.00
Pay 1.5225% Receive Var. May 2047	6,500,000	£			(350)	(0.01)
Pay 0.85875% Receive Var. May 2047	350,000,000	¥			(265)	(0.01)
Pay 1.37% Receive Var. Jun 2047	5,000,000	£			(47)	0.00

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt derivatives (continued)						
Interest rate swaps (continued)						
Pay 1.605% Receive Var. Jun 2047	5,500,000	£			(422)	(0.02)
Pay 1.64% Receive Var. Jul 2047	6,000,000	£			(519)	(0.02)
Pay 0.93% Receive Var. Jul 2047	850,000,000	¥			(769)	(0.03)
Pay 1.471% Receive Var. Aug 2047	5,500,000	£			(207)	(0.01)
Pay 1.648% Receive Var. Sep 2047	7,000,000	£			(619)	(0.02)
Pay 0.835% Receive Var. Sep 2047	1,000,000,000	¥			(681)	(0.03)
Pay 1.605% Receive Var. Oct 2047	11,000,000	£			(875)	(0.03)
Pay 1.51375% Receive Var. Nov 2047	6,000,000	£			(312)	(0.01)
Pay 0.875% Receive Var. Dec 2047	1,100,000,000	¥			(872)	(0.03)
Pay 1.454% Receive Var. Jan 2048	7,000,000	£			(236)	(0.01)
Pay 0.94% Receive Var. Jan 2048	600,000,000	¥			(558)	(0.02)
Pay 1.523% Receive Var. Jan 2048	1,100,000	£			(59)	0.00
Pay 1.025% Receive Var. Jan 2048	68,300,000	¥			(80)	0.00
Pay 1.6625% Receive Var. Jan 2048	7,500,000	£			(707)	(0.03)
Pay 1.707% Receive Var. Feb 2048	220,000	£			(24)	0.00
Pay 1.741% Receive Var. Feb 2048	170,000	£			(20)	0.00
Pay 1.731% Receive Var. Feb 2048	490,000	£			(56)	0.00
Pay 0.895% Receive Var. Feb 2048	8,920,000	¥			(7)	0.00
Pay 1.695% Receive Var. Feb 2048	160,000	£			(17)	0.00
Pay 0.9065% Receive Var. Feb 2048	8,700,000	¥			(7)	0.00
Pay 1.718% Receive Var. Feb 2048	270,000	£			(30)	0.00
Pay 0.8975% Receive Var. Feb 2048	13,910,000	¥			(12)	0.00
Pay 1.793% Receive Var. Feb 2048	210,000	£			(28)	0.00
Pay 0.8925% Receive Var. Feb 2048	10,700,000	¥			(9)	0.00
Pay 0.89625% Receive Var. Feb 2048	13,430,000	¥			(11)	0.00
Pay 1.729% Receive Var. Feb 2048	320,000	£			(36)	0.00
Pay 1.771% Receive Var. Feb 2048	290,000	£			(37)	0.00
Pay 0.8575% Receive Var. Feb 2048	47,050,000	¥			(35)	0.00
Pay 1.814% Receive Var. Feb 2048	390,000	£			(54)	0.00
Pay 0.833% Receive Var. Feb 2048	10,360,000	¥			(7)	0.00
Pay 1.747% Receive Var. Feb 2048	370,000	£			(44)	0.00
Pay 0.839% Receive Var. Feb 2048	23,220,000	¥			(16)	0.00
Pay 1.75% Receive Var. Feb 2048	120,000	£			(14)	0.00
Pay 0.85% Receive Var. Feb 2048	19,660,000	¥			(14)	0.00
Pay 1.7175% Receive Var. Feb 2048	610,000	£			(67)	0.00
Pay 0.8475% Receive Var. Feb 2048	22,800,000	¥			(16)	0.00
Pay 1.676% Receive Var. Feb 2048	8,030,000	£			(787)	(0.03)
Pay 0.82% Receive Var. Feb 2048	29,380,000	¥			(19)	0.00
Pay 1.68% Receive Var. Feb 2048	350,000	£			(35)	0.00
Pay 1.671% Receive Var. Feb 2048	200,000	£			(19)	0.00
Pay 1.63% Receive Var. Mar 2048	8,130,000	£			(688)	(0.03)
Pay 0.81875% Receive Var. Mar 2048	39,000,000	¥			(25)	0.00
Pay 0.80625% Receive Var. Mar 2048	9,970,000	¥			(6)	0.00
Pay 1.642% Receive Var. Mar 2048	880,000	£			(78)	0.00
Pay 0.828% Receive Var. Mar 2048	701,270,000	¥			(470)	(0.02)
Pay 1.711% Receive Var. Mar 2048	820,000	£			(89)	0.00
Pay 0.815% Receive Var. Mar 2048	53,610,000	¥			(34)	0.00
Pay 1.666% Receive Var. Mar 2048	590,000	£			(56)	0.00
Pay 1.6785% Receive Var. Mar 2048	400,000	£			(39)	0.00
Pay 0.84625% Receive Var. Mar 2048	66,910,000	¥			(47)	0.00
Pay 1.579% Receive Var. Mar 2048	1,590,000	£			(111)	0.00
Pay 0.821% Receive Var. Mar 2048	109,240,000	¥			(71)	0.00
Pay 1.77% Receive Var. May 2048	20,200,000	£			(2,603)	(0.09)
Pay 1.64% Receive Var. Jun 2048	14,500,000	£			(1,306)	(0.05)
Pay 0.815% Receive Var. Jun 2048	1,260,000,000	¥			(829)	(0.03)
Interest rate futures					(11,365)	(0.41)
Deutscher Bund 10 year Futures	(1,039)	€	06.06.2019	172,614	(3,288)	(0.12)
Deutscher Bund 30 year Futures	(917)	€	06.06.2019	175,743	(8,336)	(0.30)
Euro BTP Futures	536	€	06.06.2019	69,425	1,653	0.06
Euro OAT Futures	(949)	€	06.06.2019	154,222	(4,086)	(0.14)
Japan 10 year Bond Futures	(48)	¥	13.06.2019	59,157	(212)	(0.01)
US Treasury Notes 10 year Futures	1,134	US\$	19.06.2019	125,391	1,688	0.06
US Ultra Bond Futures	579	US\$	19.06.2019	86,461	3,087	0.11
UK Treasury Notes Futures	(664)	£	26.06.2019	100,054	(1,871)	(0.07)

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
CURRENCY					(23,716)	(0.86)
Forward currency contracts					(23,716)	(0.86)
Bought for € 62,238,413.97, Sold for AU\$ 99,595,466.00			12.04.2019		(620)	(0.02)
Bought for € 87,098,815.71, Sold for £ 77,385,069.91			12.04.2019		(3,175)	(0.11)
Bought for € 10,101,785.32, Sold for ¥ 1,266,466,180.00			12.04.2019		(81)	0.00
Bought for € 103,963,325.72, Sold for MXN 2,295,302,305.22			12.04.2019		(1,582)	(0.06)
Bought for € 83,608,675.70, Sold for SG\$ 129,815,010.32			12.04.2019		(1,642)	(0.06)
Bought for € 648,451,037.16, Sold for US\$ 744,203,691.07			12.04.2019		(13,644)	(0.49)
Bought for € 883,422.64, Sold for ZAR 14,034,529.10			12.04.2019		25	0.00
Bought for IDR 205,553,118,804.00, Sold for US\$ 14,424,780.27			12.04.2019		(23)	0.00
Bought for ¥ 3,433,525,917.00, Sold for € 27,677,651.88			12.04.2019		(71)	0.00
Bought for KRW 28,740,705,779.00, Sold for US\$ 25,700,537.51			12.04.2019		(358)	(0.01)
Bought for US\$ 21,991,937.77, Sold for € 19,110,894.05			12.04.2019		455	0.02
Bought for US\$ 15,714,422.67, Sold for KRW 17,549,081,519.00			12.04.2019		238	0.01
Bought for US\$ 11,472,220.00, Sold for PHP 599,308,773.00			12.04.2019		69	0.00
Bought for US\$ 27,436,827.09, Sold for TW\$ 841,761,855.00			12.04.2019		116	0.00
Bought for US\$ 11,430,210.06, Sold for PHP 599,308,774.00			17.05.2019		65	0.00
Bought for US\$ 36,842,575.06, Sold for TW\$ 1,131,877,591.00			17.05.2019		68	0.00
Bought for US\$ 36,313,815.90, Sold for CNY 245,146,193.96			06.06.2019		(140)	(0.01)
Bought for US\$ 11,366,690.81, Sold for PHP 599,308,773.00			21.06.2019		36	0.00
Bought for US\$ 36,730,191.78, Sold for TW\$ 1,131,877,590.00			21.06.2019		(83)	0.00
Bought for TRY 72,510,435.62, Sold for € 10,702,647.32			26.06.2019		(159)	(0.01)
Bought for CNY 62,713,754.36, Sold for US\$ 8,901,881.39			12.09.2019		365	0.01
Bought for US\$ 125,036,663.49, Sold for CNY 870,452,205.85			12.09.2019		(3,760)	(0.14)
Bought for US\$ 27,855,242.46, Sold for CNY 188,266,031.00			17.01.2020		(42)	0.00
Bought for US\$ 51,537,820.00, Sold for CNY 346,352,704.00			13.03.2020		227	0.01
Portfolio of investments					2,483,280	89.23
SHARE CLASS HEDGING					266	0.01
Bought for CHF 2,635,398.69, Sold for € 2,321,694.79			10.04.2019		35	0.00
Bought for € 4,197.23, Sold for CHF 4,734.09			10.04.2019		0	0.00
Bought for € 810,961.49, Sold for US\$ 916,660.47			10.04.2019		(5)	0.00
Bought for US\$ 31,185,325.57, Sold for € 27,513,387.45			10.04.2019		236	0.01
Total portfolio					2,483,546	89.24
Net other assets/(liabilities)					299,090	10.76
NET ASSETS					2,782,636	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					526,331	18.91
Equity portfolios					29,403	1.06
Bond portfolios					145,610	5.23
Debt securities					1,848,834	66.44
Unrealised gains on futures contracts					9,937	0.36
Unrealised gains on forward currency contracts					1,935	0.06
Unrealised gains on swap contracts					235	0.00
Total Investment assets					2,562,285	92.06
Investment liabilities						
Unrealised losses on futures contracts					(24,813)	(0.90)
Unrealised losses on forward currency contracts					(25,385)	(0.91)
Unrealised losses on swap contracts					(28,541)	(1.01)
Total Investment liabilities					(78,739)	(2.82)
Total portfolio					2,483,546	89.24
Net other assets/(liabilities)					299,090	10.76
NET ASSETS					2,782,636	100.00

[a] Related Party (see note 13).

[b] Crossholding (see note 13).

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

M&G (Lux) Conservative Allocation Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures			Collateral held as cash €'000
	Swaps €'000	Forward currency contracts €'000	Futures €'000	
Barclays Bank London	987	10,102	0	910
BNP Paribas	0	291,214	0	0
Citigroup Global Markets Limited	8,508	40,184	0	8,760
Goldman Sachs International	80	161,977	0	1,570
HSBC Bank Plc	1,312	276,154	0	2,510
JP Morgan Chase	4,417	90,286	0	6,770
Merrill Lynch Pierce Fenner + Smith Inc	6,154	216,169	1,637,821	9,690
Standard Chartered Bank	0	20,269	0	0
State Street Bank and Trust Company	0	30,650	0	4,540
State Street Bank London	0	310,298	0	0
UBS AG London	7,321	409,258	0	12,850

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Conservative Allocation 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	-4.1	n/a	n/a	-5.4 ^[c]
Class 'B'	-4.6	n/a	n/a	-5.9 ^[c]
Class 'C'	-3.3	n/a	n/a	-4.6 ^[c]
Class 'CI'	-3.3	n/a	n/a	-4.6 ^[c]
Class 'II'	n/a	n/a	n/a	-9.3 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-4.4	n/a	n/a	-5.7 ^[c]
Class 'C-H'	-3.7	n/a	n/a	-5.0 ^[c]
US dollar ^[b]				
Class 'A-H'	-1.2	n/a	n/a	-2.5 ^[c]
Class 'C-H'	-0.4	n/a	n/a	-1.8 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 16 January 2018, the launch date of the fund.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A' Euro €	Euro Class 'B' Euro €	Euro Class 'C' Euro €	US dollar Class 'A-H' US \$	US dollar Class 'C-H' US \$
to 31 March 2019					
First interim	0.0390	0.0389	0.0391	0.0386	0.0386
Second interim	0.0412	0.0412	0.0415	0.0422	0.0424
Third interim	0.0369	0.0366	0.0371	0.0380	0.0383
Final	0.0363	0.0361	0.0366	0.0380	0.0383

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	9.3550	9.7572	n/a
Class 'A' Distribution	9.2349	9.7598	n/a
Class 'B' Accumulation	9.3020	9.7506	n/a
Class 'B' Distribution	9.1808	9.7508	n/a
Class 'C' Accumulation	9.4465	9.7738	n/a
Class 'C' Distribution	9.3251	9.7762	n/a
Class 'CI' Accumulation	9.4532	9.7774	n/a
Class 'II' Accumulation	9.9170	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.3204	9.7495	n/a
Class 'C-H' Accumulation	9.4070	9.7654	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	9.6980	9.8161	n/a
Class 'A-H' Distribution	9.5778	9.8195	n/a
Class 'C-H' Accumulation	9.7908	9.8313	n/a
Class 'C-H' Distribution	9.6686	9.8349	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	2,782,636	2,948,508	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	2,782,636	2,948,508	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.68		
Class 'A' Distribution	1.68		
Class 'B' Accumulation	2.18		
Class 'B' Distribution	2.18		
Class 'C' Accumulation	0.88		
Class 'C' Distribution	0.88		
Class 'CI' Accumulation	0.84		
Class 'II' Accumulation	0.68 ^[a]		
Swiss franc	%		
Class 'A-H' Accumulation	1.70		
Class 'C-H' Accumulation	0.90		
US dollar	%		
Class 'A-H' Accumulation	1.70		
Class 'A-H' Distribution	1.70		
Class 'C-H' Accumulation	0.90		
Class 'C-H' Distribution	0.90		

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Dynamic Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to deliver a positive total return (the combination of income and capital growth) of 5-10% per annum in any three-year period, through investment in a range of global assets.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of assets issued anywhere in the world and denominated in any currency.

The Fund will typically use derivatives to gain exposure to these assets. The Fund may also use derivatives to take short positions (holding derivatives with the aim of delivering a positive return when the assets they are linked to fall in value) and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Exchange.

The Fund may also invest directly in these assets, or indirectly through other collective investment schemes. The Fund can also invest in currencies, cash, near cash, deposits and warrants. The Investment Manager will normally seek to hold more than 30% of the Fund's Net Asset Value in euro denominated assets (or other currencies hedged back to euro). Additionally, the Investment Manager will seek to hold a minimum of 60% of the Fund's Net Asset Value in a combination of USD, sterling and euro denominated assets (these can be direct or hedged positions).

The Fund will normally invest within the following net allocation ranges: 0-80% in fixed income, 20-60% in equities and 0-20% in 'other' assets.

Fixed income instruments that the fund may invest in include the following:

- derivatives whose value is derived from bonds, interest rates or credit risk;
- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies;
- bonds from issuers located in emerging markets;
- bonds which are rated investment grade by a recognised rating agency;
- unrated bonds and bonds which are rated sub-investment grade, subject to a maximum of 60% of the Fund's Net Asset Value; and
- Asset-Backed Securities subject to a maximum of 20% of the Fund's Net Asset Value.

Equity instruments that the Fund may invest in include

- (a) derivatives whose value is derived from company shares and
- (b) direct company shares.

Other assets, for this purpose, include Convertible Bonds and Contingent Convertible Debt Securities. Contingent Convertible Debt Securities are subject to a maximum of 5% of the Fund's Net Asset Value. Also included in 'other assets', mostly to provide a relatively uncorrelated source of returns to the Fund, are shares in closed-ended real estate investment trusts or investments in companies acting in real estate and/or infrastructure sector.

Derivatives can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management. The derivative instruments that the Fund can invest in to achieve its objectives include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options, and Total Return Swaps.

M&G (Lux) Dynamic Allocation Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Dynamic Allocation Fund delivered a negative total return (the combination of capital growth and income) across all its share classes.

This means the fund's annualised total return since its launch in January 2018 is below its performance target of a total return of 5-10% per annum, albeit with the potential to deliver on its three-year investment objective.

Performance review

Launched in January 2018, the M&G (Lux) Dynamic Allocation Fund is a dynamically managed portfolio invested in a range of assets around the world. The fund has a highly flexible investment approach, with the freedom to invest in equities (company shares), government bonds and corporate bonds, across all major investable markets, and gaining access directly and indirectly through derivatives.

The approach combines in-depth research to determine the value of assets over the medium to long term, with analysis of investors' emotional reaction to events to identify investment opportunities.

The period under review was very challenging for risk assets and disappointing in terms of fund performance. Apart from when the appetite for equities picked up, such as in July and September, risk assets came under continuous pressure as investors focused on negative newsflows. Depending on the month, these negatives might have included signs of slowing economic growth, fears around US-China trade tariffs, and country-specific issues affecting the likes of Turkey, Italy, Brazil and Argentina.

A major detractor throughout the period was investor sensitivity to the Federal Reserve's (Fed) interest rate hikes, prompting significant volatility in global equities. This was particular true in October, and by the end of the month, 89% of investable assets had produced a negative return for the year to date – the highest percentage for over a century. The fund's diversified basket of global equities suffered. 'Safe-haven' assets typically profited from this risk aversion so this meant the fund's short positions (where we expect asset prices to fall) on government bonds from Germany, France, the UK and Japan, dragged on return.

Investor mood lightened in the first quarter of 2019 mainly because of the change in rhetoric from the Fed towards future interest rate increases. Certainly a background of low inflation and healthy corporate earnings supported this 'risk-on' environment. The fund recouped some of its losses, particularly from preferred European and Asian equity holdings. Sectors such as US technology and biotech were also a source of positive returns. The fund's exposure to emerging market government bonds, particularly Mexican government bonds, outperformed over the period.

Investment activity

The fund is currently positioned with a higher weighting in equities than bonds on the view that the equity risk premium – that is, the excess return investors are being paid to hold company shares and not Western government bonds – is at very elevated levels. We find the latter to be less appealing and expensive, notably developed market government bonds, although we continue to favour emerging market government bonds with longer maturities. We believe selected emerging market securities to be attractively valued and issued by countries with relatively stable fiscal positions, but often remain off the radar of mainstream investors.

During the review period, we added to European, Asian and Japanese equity markets as valuations became more attractive following significant bouts of selling, namely after October and December. We also made small changes to our emerging market government bond holdings, typically reflecting the different maturities of the bonds. (Maturity is the length of time until the initial investment amount – the 'principal' of a fixed income security – is due to be repaid to the holder.) For example, we reduced our holding of Mexican bonds with longer maturities following a rally in these assets in January 2019.

Outlook

The main driver of investor gloom in 2018 was the spectre of rising US interest rates, tied in with fears about US-China trade wars and anxieties attached to the mixed fortunes of Turkey, Italy and others. So far in 2019 this pressure has eased, and risk appetite has increased, as the Fed adopts a more dovish monetary policy. Low inflation, not just in the US but globally, is crucial to this policy view, especially when labour markets are robust. Importantly, equity valuations became very depressed at the end of 2018 and so it has not taken much good news to push up equities and the demand for risk assets more generally. This is why we continue to have a pro-risk view of investment opportunities in what remains a pro-growth global economy, notwithstanding some softening of data. As such, we continue to favour global equities over global bonds, with the exception of certain emerging market government bonds and US Treasuries with longer maturities.

Juan Nevado and Craig Moran Co-fund managers

Investment review information as at 31 March 2019.

Employees of M&G 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.

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					1,548,081	21.19
Software & Computer Services					70,148	0.96
Altaba	44,011	US\$			2,841	0.04
Ctrip.com International ADR	218,614	US\$			8,466	0.11
eBay	92,981	US\$			3,045	0.04
Gridsum Holding ADR	633,602	US\$			1,597	0.02
Mastercard 'A'	55,770	US\$			11,662	0.16
Microsoft	203,093	US\$			21,146	0.29
Naspers 'N'	19,974	ZAR			4,100	0.06
Visa 'A'	125,567	US\$			17,291	0.24
Technology Hardware & Equipment					32,615	0.45
ams	156,219	CHF			3,735	0.05
Cabot Microelectronics	61,213	US\$			5,915	0.08
CK Hutchison Holdings	236,500	HK\$			2,213	0.03
Flat Glass Group	1,125,000	HK\$			492	0.01
IQE	4,407,256	£			3,700	0.05
KOC Holding	571,616	TRY			1,451	0.02
Lam Research	36,826	US\$			5,760	0.08
Lenovo Group	2,456,000	HK\$			1,964	0.03
MACOM Technology Solutions Holdings	48,584	US\$			713	0.01
NXP Semiconductors	33,787	US\$			2,585	0.04
Tower Semiconductor	118,567	US\$			1,731	0.02
Xinyi Solar Holdings	5,488,000	HK\$			2,356	0.03
Telecommunications Service Providers					3,656	0.05
PCCW	2,021,000	HK\$			1,118	0.02
Turkcell Iletisim Hizmetleri	1,302,192	TRY			2,538	0.03
Pharmaceuticals & Biotechnology					109,584	1.50
Alexion Pharmaceuticals	89,611	US\$			10,630	0.15
Amgen	109,497	US\$			18,291	0.25
Biogen	64,628	US\$			13,400	0.18
Celgene	248,399	US\$			19,360	0.26
China Resources Sanjiu Medical & Pharmaceutical 'A'	221,034	CNY			845	0.01
Gilead Sciences	315,889	US\$			17,913	0.25
Incyte	136,115	US\$			10,388	0.14
Regeneron Pharmaceuticals	52,033	US\$			18,757	0.26
Banks					713,148	9.76
Akbank Turk	3,538,782	TRY			3,512	0.05
Banco Bilbao Vizcaya Argentaria	3,785,565	€			19,261	0.26
Bank of America	2,564,083	US\$			62,433	0.85
Bank of China	7,109,000	HK\$			2,875	0.04
BNP Paribas	425,179	€			18,145	0.25
CaixaBank	6,136,578	€			17,072	0.23
China Construction Bank	7,153,000	HK\$			5,465	0.08
Citigroup	1,179,921	US\$			65,113	0.89
Commerzbank	2,732,002	€			19,042	0.26
Industrial & Commercial Bank of China	5,415,000	HK\$			3,538	0.05
ING Groep	1,829,105	€			19,690	0.27
Intesa Sanpaolo	9,118,480	€			19,846	0.27
JPMorgan Chase	719,437	US\$			64,513	0.88
Lloyds Banking Group	90,745,270	£			65,857	0.90
Mitsubishi UFJ Financial Group	9,309,800	¥			41,177	0.56
Mizuho Financial Group	31,196,500	¥			42,967	0.59
Sberbank of Russia ADR	4,112,577	US\$			49,720	0.68
Société Générale	624,469	€			16,130	0.22
Standard Chartered	235,700	HK\$			1,621	0.02
Sumitomo Mitsui Financial Group	1,367,100	¥			42,627	0.58
Sumitomo Mitsui Trust Holdings	1,340,200	¥			42,833	0.59
Türkiye Garanti Bankası	2,533,227	TRY			3,273	0.05
Türkiye İş Bankası 'C'	3,149,925	TRY			2,724	0.04
UniCredit	1,580,242	€			17,959	0.25
Wells Fargo	1,504,447	US\$			65,755	0.90
Finance & Credit Services						
American Express	669,716	US\$			65,093	0.89
Investment Banking & Brokerage Services					199,955	2.74
Baidu ADR	47,451	US\$			6,934	0.09
Bank of New York Mellon	1,432,151	US\$			64,253	0.88
Far East Horizon	2,088,000	HK\$			1,975	0.03

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Investment Banking & Brokerage Services (continued)						
First Pacific Hong Kong	6,160,000	HK\$			1,991	0.03
Haci Omer Sabanci Holding	8,229,239	TRY			10,087	0.14
Equities portfolios						
M&G Japan Fund GBP Class 'A' (Accumulation) ^[a]	143,300,518	£			87,008	1.19
M&G (Lux) Japan Fund Euro Class 'C' (Accumulation) ^[b]	1,474,565	€			27,707	0.38
Mortgage Real Estate Investment Trusts						
CapitaLand Retail China Trust	1,795,900	SG\$			1,847	0.03
Life Insurance						
AIA Group	189,800	HK\$			1,681	0.02
Non-life Insurance						
PICC Property & Casualty	2,126,000	HK\$			2,150	0.03
Consumer Services						
Tarena International ADR	267,597	US\$			1,300	0.02
Personal Goods						
Li Ning	1,717,000	HK\$			2,398	0.03
Media						
Alphabet 'A'	14,227	US\$			14,848	0.20
Comcast 'A'	121,643	US\$			4,378	0.06
Criteo ADR	182,362	US\$			3,102	0.04
Electronic Arts	47,450	US\$			4,318	0.06
Facebook 'A'	81,798	US\$			12,057	0.17
Retailers						
BIM Birlesik Magazalar	198,536	TRY			2,422	0.03
Travel & Leisure						
Turk Hava Yollari	1,284,156	TRY			2,562	0.04
Construction & Materials						
China State Construction International Holdings	1,772,000	HK\$			1,477	0.02
Sinopec Engineering Group	2,618,000	HK\$			2,273	0.03
Electronic & Electrical Equipment						
Borr Drilling	1,098,546	NOK			2,962	0.04
China Railway Signal & Communication	3,156,000	HK\$			2,216	0.03
Halliburton	216,000	US\$			5,615	0.08
Hilong Holding	17,769,000	HK\$			2,126	0.03
Hollysys Automation Technologies	133,411	US\$			2,409	0.03
IPG Photonics	32,174	US\$			4,246	0.06
John Wood Group	682,813	£			4,097	0.06
Schlumberger	155,434	US\$			6,037	0.08
Tongda Group Holdings	21,340,000	HK\$			2,094	0.03
General Industrials						
AMVIG Holdings	7,534,000	HK\$			8,173	0.11
China Lesso Group Holdings	8,113,000	HK\$			1,581	0.02
Greatview Aseptic Packaging	3,508,000	HK\$			4,670	0.06
Industrial Engineering						
TK Group Holdings	3,492,000	HK\$			1,922	0.03
Yangzijiang Shipbuilding Holdings	2,019,600	SG\$			1,947	0.02
Industrial Transportation						
COSCO Shipping Energy Transportation	4,108,000	HK\$			1,997	0.03
Hutchison Port Holdings Trust	5,186,800	US\$			3,191	0.04
Industrial Metals & Mining						
Anglo American	847,734	£			2,094	0.03
BHP Group	922,634	£			114,919	1.57
Eregli Demir ve Celik Fabrikalari	2,635,121	TRY			20,107	0.28
Glencore	5,134,770	£			19,900	0.27
MMG	2,384,000	HK\$			3,816	0.05
Rio Tinto	376,103	£			19,088	0.26
Severstal	2,229,764	US\$			860	0.01
Chemicals						
Fufeng Group	5,376,000	HK\$			19,559	0.27
Methanex	385,000	US\$			31,589	0.43
Non-Renewable Energy						
Anadarko Petroleum	189,200	US\$			21,751	0.30
					2,503	0.04
					19,248	0.26
					110,066	1.51
					7,595	0.11

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Non-Renewable Energy (continued)						
Chevron	83,533	US\$			9,151	0.13
China Petroleum & Chemical	4,188,000	HK\$			2,943	0.04
CNOOC	2,343,000	HK\$			3,904	0.05
Concho Resources	70,928	US\$			7,030	0.10
EOG Resources	45,367	US\$			3,847	0.05
Kosmos Energy	818,793	US\$			4,345	0.06
LUKOIL ADR	518,511	US\$			41,856	0.57
Royal Dutch Shell 'A'	8,451	£			237	0.00
Royal Dutch Shell 'B'	626,557	£			17,714	0.24
Total	174,182	€			8,645	0.12
Tupras Türkiye Petrol Rafinerileri	142,640	TRY			2,799	0.04
Renewable Energy					1,414	0.02
China Resources Power Holdings	556,000	HK\$			743	0.01
China Yangtze Power 'A'	300,100	CNY			671	0.01
Equity derivatives					1,809	0.02
Equity index futures					1,809	0.02
CAC40 Futures	2,775	€	18.04.2019	148,012	2,844	0.04
IBEX 35 Index Futures	2,800	€	18.04.2019	257,726	1,815	0.02
Hang Seng China Enterprises Index Futures	1,142	HK\$	29.04.2019	73,669	795	0.01
MSCI Singapore Index Futures	3,203	SG\$	29.04.2019	75,711	159	0.00
MSCI Taiwan Index Futures	8,327	US\$	29.04.2019	289,689	4,212	0.06
BIST 30 Index Futures	19,653	TRY	30.04.2019	37,069	(4,299)	(0.06)
Korean Stock Exchange Futures	7,400	KRW	13.06.2019	402,283	1,249	0.02
Topix Index Futures	3,689	¥	13.06.2019	472,203	(4,673)	(0.06)
S&P 500 Futures	(387)	US\$	20.06.2019	244,014	(6,694)	(0.09)
Dax Index Futures	1,030	€	21.06.2019	297,309	(1,081)	(0.02)
DJ Euro Stoxx 50 Futures	6,797	€	21.06.2019	222,228	4,358	0.06
FTSE 100 Index Futures	2,225	£	21.06.2019	186,615	2,859	0.04
FTSE MIB Index Futures	1,119	€	21.06.2019	115,635	3,768	0.05
S&P MINI 500 Futures	(2,078)	US\$	21.06.2019	262,023	(3,503)	(0.05)
FIXED INCOME					5,190,984	71.06
Bond portfolios					334,966	4.58
M&G (Lux) Emerging Markets Hard Currency Bond Fund USD Class 'CI' (Accumulation) ^[b]	3,537,727	US\$			33,961	0.46
M&G (Lux) Global Convertibles Fund Euro Class 'C-H' (Accumulation) ^[b]	10,824,805	€			155,230	2.12
M&G (Lux) Global Corporate Bond Fund Euro Class 'C-H' (Accumulation) ^[b]	358,894	€			4,271	0.06
M&G Total Return Credit Investment Fund Euro Class 'A' (Accumulation) ^[a]	1,148,466	€			131,580	1.80
SPDR® Barclays 10+ Year US Corporate Bond ETF	350,811	US\$			9,924	0.14
Debt securities					4,941,751	67.65
'AAA' credit rated bonds					3,326,388	45.54
Bundesschatzanweisungen 0%	152,700,000	€	14.06.2019		152,871	2.09
Bundesschatzanweisungen 0%	414,600,000	€	13.12.2019		416,333	5.70
France (Republic of) 0%	345,500,000	€	10.04.2019		345,542	4.73
France (Republic of) 0%	166,500,000	€	25.04.2019		166,559	2.28
France (Republic of) 0%	87,000,000	€	15.05.2019		87,058	1.19
France (Republic of) 0%	232,000,000	€	22.05.2019		232,180	3.18
France (Republic of) 0%	221,650,000	€	05.06.2019		221,873	3.04
France (Republic of) 0%	99,200,000	€	11.09.2019		99,453	1.36
Germany (Federal Republic of) 0%	183,500,000	€	19.06.2019		183,721	2.52
Germany (Federal Republic of) 0%	278,379,000	€	13.09.2019		279,111	3.82
Germany (Federal Republic of) 0%	298,000,000	€	13.03.2020		299,667	4.10
Germany (Federal Republic of) 0.25%	146,988,000	€	16.10.2020		148,942	2.04
Germany (Federal Republic of) 0.5%	290,329,000	€	12.04.2019		290,418	3.98
Microsoft 2.7%	10,900,000	US\$	12.02.2025		9,718	0.13
Microsoft 4%	1,431,000	US\$	12.02.2055		1,334	0.02
US Treasury I/I 1%	407,135,700	US\$	15.02.2046		391,608	5.36
'A' credit rated bonds					34,042	0.47
Amgen 4.663%	16,483,000	US\$	15.06.2051		14,732	0.20
Eni 4.75%	20,900,000	US\$	12.09.2028		19,310	0.27
'BBB' credit rated bonds					1,281,582	17.54
AT&T 4.5%	28,340,000	US\$	09.03.2048		23,713	0.32
AT&T 6.375%	14,692,000	US\$	01.03.2041		15,355	0.21
BAT Capital 4.54%	23,552,000	US\$	15.08.2047		18,358	0.25

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Enel Finance International 6.8%	11,770,000	US\$	15.09.2037		12,554	0.17
Energy Transfer Operating 6.125%	13,118,000	US\$	15.12.2045		12,630	0.17
Express Scripts Holding 4.8%	17,224,000	US\$	15.07.2046		15,628	0.21
Ford Motor 6.625%	12,381,000	US\$	01.10.2028		11,444	0.16
Ford Motor Credit 4.375%	10,300,000	US\$	06.08.2023		8,980	0.12
GE Capital International Funding 4.418%	25,700,000	US\$	15.11.2035		21,172	0.29
Goldman Sachs Group 6.75%	17,026,000	US\$	01.10.2037		18,510	0.25
Indonesia (Republic of) 6.125%	571,310,000,000	IDR	15.05.2028		32,354	0.44
Indonesia (Republic of) 8.125%	240,000,000,000	IDR	15.05.2024		15,655	0.21
Indonesia (Republic of) 8.25%	357,293,000,000	IDR	15.05.2029		23,346	0.32
Indonesia (Republic of) 8.375%	474,308,250,000	IDR	15.03.2024		31,083	0.43
Indonesia Treasury Bond 8.375%	970,589,750,000	IDR	15.03.2024		63,607	0.87
Kraft Heinz Foods 6.875%	11,772,000	US\$	26.01.2039		11,821	0.16
Mexico (United Mexican States) 5.75%	4,281,307,100	MXN	05.03.2026		174,507	2.39
Mexico (United Mexican States) 7.5%	3,475,000,000	MXN	03.06.2027		155,478	2.13
Mexico (United Mexican States) 7.75%	3,877,799,500	MXN	13.11.2042		166,178	2.28
Morgan Stanley 5%	12,896,000	US\$	24.11.2025		12,296	0.17
Mylan 5.4%	22,892,000	US\$	29.11.2043		18,947	0.26
Perrigo Finance Unlimited 4.9%	3,448,000	US\$	15.12.2044		2,587	0.04
Portugal (Republic of) 4.75%	112,370,000	€	14.06.2019		113,526	1.55
Portugal (Republic of) 4.8%	241,340,000	€	15.06.2020		256,342	3.51
Time Warner Cable 7.3%	15,509,000	US\$	01.07.2038		16,080	0.22
Verizon Communications 4.5%	10,600,000	US\$	10.08.2033		9,974	0.14
Volkswagen International Finance 4.125%	17,500,000	€	16.11.2038		19,457	0.27
'BB' credit rated bonds					232,538	3.18
Brazil (Federal Republic of) 10%	298,467,000	BRL	01.01.2029		73,297	1.00
South Africa (Republic of) 10.5%	1,106,549,271	ZAR	21.12.2026		74,829	1.02
Telecom Italia Finance 7.75%	14,400,000	€	24.01.2033		18,631	0.26
Teva Pharmaceutical Finance Netherlands III 4.1%	1,883,000	US\$	01.10.2046		1,200	0.02
Turkey (Republic of) 10.5%	617,137,550	TRY	11.08.2027		64,581	0.88
'B' credit rated bonds					67,201	0.92
Argentina (Republic of) 3.375%	11,300,000	€	15.01.2023		9,074	0.12
Argentina (Republic of) 5%	12,484,000	€	15.01.2027		9,310	0.13
Argentina (Republic of) 6.875%	26,300,000	US\$	22.04.2021		21,413	0.29
Argentina (Republic of) 7.5%	26,800,000	US\$	22.04.2026		20,162	0.28
Yum! Brands 6.875%	8,074,000	US\$	15.11.2037		7,242	0.10
Debt derivatives					(85,733)	(1.17)
Credit default swaps					(23,432)	(0.32)
Markit CDX North American High Yield Series 31 5 Year Dec 2023	170,520,000	US\$			(9,802)	(0.13)
Markit iTraxx Europe Xover Series 30 5 Year Dec 2023	145,532,350	€			(13,630)	(0.19)
Interest rate swaps					(23,371)	(0.32)
Pay 1.0925% Receive Var. Jul 2046	23,000,000	£			1,589	0.02
Pay 0.4975% Receive Var. Sep 2046	3,164,000,000	¥			131	0.00
Pay 0.467% Receive Var. Sep 2046	3,156,500,000	¥			337	0.00
Pay 1.289% Receive Var. Oct 2046	55,500,000	£			702	0.01
Pay 0.80875% Receive Var. Dec 2046	2,463,081,000	¥			(1,573)	(0.02)
Pay 0.9425% Receive Var. Feb 2047	1,850,000,000	¥			(1,780)	(0.03)
Pay 1.445% Receive Var. Mar 2047	15,000,000	£			(441)	(0.01)
Pay 1.3115% Receive Var. Apr 2047	33,800,000	£			214	0.00
Pay 1.5245% Receive Var. May 2047	20,000,000	£			(1,088)	(0.02)
Pay 0.865% Receive Var. May 2047	1,500,000,000	¥			(1,156)	(0.02)
Pay 1.605% Receive Var. Jun 2047	22,500,000	£			(1,725)	(0.03)
Pay 0.935% Receive Var. Jul 2047	2,000,000,000	¥			(1,832)	(0.03)
Pay 1.471% Receive Var. Aug 2047	15,000,000	£			(566)	(0.01)
Pay 1.648% Receive Var. Sep 2047	15,000,000	£			(1,326)	(0.02)
Pay 0.835% Receive Var. Sep 2047	2,200,000,000	¥			(1,498)	(0.02)
Pay 1.51375% Receive Var. Nov 2047	18,000,000	£			(935)	(0.01)
Pay 0.875% Receive Var. Dec 2047	2,700,000,000	¥			(2,139)	(0.03)
Pay 1.454% Receive Var. Jan 2048	23,000,000	£			(776)	(0.01)
Pay 0.94% Receive Var. Jan 2048	2,000,000,000	¥			(1,861)	(0.03)
Pay 1.523% Receive Var. Jan 2048	800,000	£			(43)	0.00
Pay 1.534% Receive Var. Jan 2048	400,000	£			(23)	0.00
Pay 1.025% Receive Var. Jan 2048	68,400,000	¥			(80)	0.00
Pay 0.899% Receive Var. Jan 2048	35,300,000	¥			(30)	0.00
Pay 1.629% Receive Var. Jan 2048	284,000	£			(24)	0.00

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt derivatives (continued)						
Interest rate swaps (continued)						
Pay 1.643% Receive Var. Jan 2048	340,000	£			(30)	0.00
Pay 0.905% Receive Var. Jan 2048	22,771,000	¥			(19)	0.00
Pay 1.6625% Receive Var. Jan 2048	24,960,000	£			(2,353)	(0.03)
Pay 1.6745% Receive Var. Jan 2048	700,000	£			(68)	0.00
Pay 0.908% Receive Var. Feb 2048	66,660,000	¥			(57)	0.00
Pay 1.707% Receive Var. Feb 2048	620,000	£			(67)	0.00
Pay 1.741% Receive Var. Feb 2048	700,000	£			(82)	0.00
Pay 0.895% Receive Var. Feb 2048	105,510,000	¥			(87)	0.00
Pay 1.731% Receive Var. Feb 2048	1,480,000	£			(169)	0.00
Pay 1.695% Receive Var. Feb 2048	810,000	£			(84)	0.00
Pay 0.906% Receive Var. Feb 2048	54,860,000	¥			(47)	0.00
Pay 1.718% Receive Var. Feb 2048	685,000	£			(76)	0.00
Pay 0.8975% Receive Var. Feb 2048	82,880,000	¥			(69)	0.00
Pay 1.793% Receive Var. Feb 2048	910,000	£			(120)	0.00
Pay 0.8925% Receive Var. Feb 2048	52,690,000	¥			(43)	0.00
Pay 0.89625% Receive Var. Feb 2048	65,220,000	¥			(54)	0.00
Pay 1.729% Receive Var. Feb 2048	960,000	£			(109)	0.00
Pay 1.771% Receive Var. Feb 2048	660,000	£			(83)	0.00
Pay 1.772% Receive Var. Feb 2048	740,000	£			(93)	0.00
Pay 0.8575% Receive Var. Feb 2048	218,590,000	¥			(162)	0.00
Pay 1.814% Receive Var. Feb 2048	760,000	£			(105)	0.00
Pay 0.833% Receive Var. Feb 2048	28,880,000	¥			(20)	0.00
Pay 1.747% Receive Var. Feb 2048	1,000,000	£			(119)	0.00
Pay 0.839% Receive Var. Feb 2048	117,720,000	¥			(82)	0.00
Pay 0.85% Receive Var. Feb 2048	87,260,000	¥			(63)	0.00
Pay 1.748% Receive Var. Feb 2048	2,040,000	£			(243)	0.00
Pay 1.7175% Receive Var. Feb 2048	1,150,000	£			(127)	0.00
Pay 1.7% Receive Var. Feb 2048	1,670,000	£			(175)	0.00
Pay 0.83% Receive Var. Feb 2048	195,700,000	¥			(132)	0.00
Pay 1.676% Receive Var. Feb 2048	610,000	£			(60)	0.00
Pay 0.82% Receive Var. Feb 2048	99,020,000	¥			(65)	0.00
Pay 1.68% Receive Var. Feb 2048	1,380,000	£			(137)	0.00
Pay 0.8125% Receive Var. Feb 2048	124,400,000	¥			(79)	0.00
Pay 1.671% Receive Var. Feb 2048	1,360,000	£			(131)	0.00
Pay 0.81875% Receive Var. Mar 2048	197,370,000	¥			(128)	0.00
Pay 0.80625% Receive Var. Mar 2048	95,990,000	¥			(60)	0.00
Pay 1.642% Receive Var. Mar 2048	3,300,000	£			(291)	(0.01)
Pay 1.711% Receive Var. Mar 2048	1,370,000	£			(148)	0.00
Pay 1.666% Receive Var. Mar 2048	2,040,000	£			(194)	0.00
Pay 0.815% Receive Var. Mar 2048	383,730,000	¥			(246)	0.00
Pay 1.695% Receive Var. Mar 2048	2,910,000	£			(301)	(0.01)
Pay 1.6275% Receive Var. Mar 2048	2,420,000	£			(203)	0.00
Pay 0.84625% Receive Var. Mar 2048	418,150,000	¥			(297)	(0.01)
Pay 0.833% Receive Var. Mar 2048	250,350,000	¥			(170)	0.00
Interest rate futures					(38,930)	(0.53)
Deutscher Bund 10 year Futures	(3,200)	€	06.06.2019	531,632	(10,128)	(0.14)
Deutscher Buxl 30 year Futures	(2,824)	€	06.06.2019	541,220	(25,670)	(0.35)
Euro BTP Futures	1,454	€	06.06.2019	188,329	4,485	0.06
Euro OAT Futures	(2,932)	€	06.06.2019	476,479	(12,622)	(0.17)
Japan 10 year Bond Futures	(128)	¥	13.06.2019	157,751	(566)	(0.01)
US Treasury Notes 10 year Futures	3,168	US\$	19.06.2019	350,297	4,716	0.07
US Ultra Bond Futures	1,528	US\$	19.06.2019	228,174	8,146	0.11
UK Treasury Notes Futures	(2,587)	£	26.06.2019	389,817	(7,291)	(0.10)
CURRENCY					(56,070)	(0.79)
Forward currency contracts					(56,070)	(0.79)
Bought for € 171,691,310.91, Sold for AU\$ 274,744,728.00			12.04.2019		(1,709)	(0.02)
Bought for € 43,398,613.86, Sold for £ 38,528,378.01			12.04.2019		(1,547)	(0.02)
Bought for € 42,361,054.79, Sold for ¥ 5,305,767,863.00			12.04.2019		(298)	0.00
Bought for € 185,275,747.56, Sold for MXN 4,090,517,954.62			12.04.2019		(2,820)	(0.04)
Bought for € 221,559,967.30, Sold for SG\$ 344,005,083.23			12.04.2019		(4,350)	(0.06)
Bought for € 2,190,805,246.79, Sold for US\$ 2,514,682,815.54			12.04.2019		(46,429)	(0.64)
Bought for € 2,440,607.34, Sold for ZAR 38,772,806.16			12.04.2019		69	0.00
Bought for £ 135,095,036.96, Sold for € 152,026,194.21			12.04.2019		5,569	0.08
Bought for IDR 615,278,683,366.00, Sold for US\$ 43,177,451.47			12.04.2019		(70)	0.00
Bought for ¥ 8,142,620,833.00, Sold for € 65,637,665.26			12.04.2019		(169)	0.00

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
CURRENCY (continued)						
Forward currency contracts (continued)						
Bought for KRW 48,773,280,971.00, Sold for US\$ 43,602,074.89			12.04.2019		(596)	(0.01)
Bought for US\$ 74,348,888.93, Sold for € 64,789,356.55			12.04.2019		1,356	0.02
Bought for US\$ 54,247,709.51, Sold for KRW 60,581,129,596.00			12.04.2019		820	0.01
Bought for US\$ 71,272,662.52, Sold for PHP 3,723,283,890.00			12.04.2019		430	0.01
Bought for US\$ 101,244,618.71, Sold for TW\$ 3,106,184,902.00			12.04.2019		429	0.00
Bought for US\$ 70,990,370.92, Sold for PHP 3,722,167,128.00			17.05.2019		401	0.00
Bought for US\$ 135,501,656.79, Sold for TW\$ 4,162,881,900.00			17.05.2019		251	0.00
Bought for US\$ 115,542,153.70, Sold for CNY 776,404,058.94			06.06.2019		26	0.00
Bought for US\$ 40,446,031.79, Sold for PHP 2,132,517,026.00			21.06.2019		128	0.00
Bought for US\$ 135,088,327.49, Sold for TW\$ 4,162,881,900.00			21.06.2019		(307)	(0.01)
Bought for TRY 175,183,950.71, Sold for € 25,857,409.70			26.06.2019		(383)	(0.01)
Bought for CNY 219,660,484.88, Sold for US\$ 31,179,628.80			12.09.2019		1,277	0.02
Bought for US\$ 319,970,443.11, Sold for CNY 2,224,114,017.16			12.09.2019		(9,180)	(0.13)
Bought for US\$ 234,146,616.70, Sold for CNY 1,573,549,557.00			13.03.2020		1,032	0.01
Portfolio of investments					6,682,995	91.46
SHARE CLASS HEDGING						
Bought for CHF 9,692,779.15, Sold for € 8,538,775.38			10.04.2019		128	0.00
Bought for € 75,109.25, Sold for CHF 85,232.32			10.04.2019		(1)	0.00
Bought for € 3,950,247.83, Sold for £ 3,389,269.56			10.04.2019		(4)	0.00
Bought for € 4,433,961.80, Sold for US\$ 5,028,433.90			10.04.2019		(38)	0.00
Bought for £ 8,472,189.28, Sold for € 9,846,059.28			10.04.2019		38	0.00
Bought for US\$ 130,776,793.15, Sold for € 115,375,090.34			10.04.2019		991	0.01
Total portfolio					6,684,109	91.47
Net other assets/(liabilities)					621,046	8.53
NET ASSETS					7,305,155	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					1,431,557	19.60
Equity portfolios					114,715	1.57
Bond portfolios					334,966	4.58
Debt securities					4,941,751	67.65
Unrealised gains on futures contracts					39,406	0.54
Unrealised gains on forward currency contracts					12,945	0.16
Unrealised gains on swap contracts					2,973	0.03
Total Investment assets					6,878,313	94.13
Investment liabilities						
Unrealised losses on futures contracts					(76,527)	(1.05)
Unrealised losses on forward currency contracts					(67,901)	(0.94)
Unrealised losses on swap contracts					(49,776)	(0.67)
Total Investment liabilities					(194,204)	(2.66)
Total portfolio					6,684,109	91.47
Net other assets/(liabilities)					621,046	8.53
NET ASSETS					7,305,155	100.00

[a] Related Party (see note 13).

[b] Crossholding (see note 13).

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

M&G (Lux) Dynamic Allocation Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures			Collateral held as cash €'000
	Swaps €'000	Forward currency contracts €'000	Futures €'000	
Barclays Bank London	2,384	0	0	2,005
BNP Paribas	1,326	1,026,453	0	0
Citigroup Global Markets Limited	8,189	249,613	0	8,255
Goldman Sachs International	80	454,805	0	2,370
HSBC Bank Plc	2,806	632,454	0	3,774
JP Morgan Chase	9,802	180,150	0	3,308
Merrill Lynch Pierce Fenner + Smith Inc	13,629	695,653	5,947,885	24,886
Standard Chartered Bank	0	72,122	0	0
State Street Bank and Trust Company	0	142,219	0	15,324
State Street Bank London	0	1,126,332	0	0
UBS AG London	14,530	1,176,774	0	22,815

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Dynamic Allocation 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	-5.2	n/a	n/a	-7.3 ^[c]
Class 'B'	-5.7	n/a	n/a	-7.8 ^[c]
Class 'C'	-4.3	n/a	n/a	-6.4 ^[c]
Class 'CI'	-4.2	n/a	n/a	-6.3 ^[c]
Class 'II'	n/a	n/a	n/a	-0.9 ^[d]
Sterling ^[b]				
Class 'C-H'	-3.3	n/a	n/a	-5.4 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-5.6	n/a	n/a	-7.6 ^[c]
Class 'C-H'	-4.6	n/a	n/a	-6.7 ^[c]
US dollar ^[b]				
Class 'A-H'	-2.4	n/a	n/a	-4.5 ^[c]
Class 'A-H M F4'	-2.4	n/a	n/a	-5.5 ^[e]
Class 'C-H'	-1.4	n/a	n/a	-3.6 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 16 January 2018, the launch date of the fund.

^[d] 26 February 2019, the launch date of the share class. Not annualised.

^[e] 1 February 2018, the launch date of the share class.

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.04.18	18.05.18	22.05.18	25.05.18
Second interim	01.05.18	31.05.18	15.06.18	18.06.18	21.06.18
Third interim	01.06.18	30.06.18	20.07.18	23.07.18	26.07.18
Fourth interim	01.07.18	31.07.18	17.08.18	20.08.18	23.08.18
Fifth interim	01.08.18	31.08.18	21.09.18	24.09.18	27.09.18
Sixth interim	01.09.18	30.09.18	19.10.18	22.10.18	25.10.18
Seventh interim	01.10.18	31.10.18	16.11.18	19.11.18	22.11.18
Eighth interim	01.11.18	30.11.18	21.12.18	24.12.18	31.12.18
Ninth interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Tenth interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Eleventh interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A' Euro €	Euro Class 'C' Euro €	Sterling Class 'C-H' UK p	US dollar Class 'A-H' US €	US dollar Class 'C-H' US €
to 31 March 2019					
First interim	0.0339	0.0340	0.0341	0.0334	0.0335
Second interim	0.0399	0.0405	0.0406	0.0408	0.0412
Third interim	0.0346	0.0349	0.0357	0.0356	0.0358
Final	0.0345	0.0345	0.0355	0.0361	0.0364

	US dollar Class 'A-H M F4' US €
to 31 March 2019	
First interim	0.0326
Second interim	0.0319
Third interim	0.0316
Fourth interim	0.0321
Fifth interim	0.0309
Sixth interim	0.0314
Seventh interim	0.0297
Eighth interim	0.0297
Ninth interim	0.0287
Tenth interim	0.0302
Eleventh interim	0.0304
Final	0.0300

Distribution details for holders of distribution shares

This fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

M&G (Lux) Dynamic Allocation Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	9.1294	9.6337	n/a
Class 'A' Distribution	9.0196	9.6350	n/a
Class 'B' Accumulation	9.0748	9.6243	n/a
Class 'C' Accumulation	9.2410	9.6538	n/a
Class 'C' Distribution	9.1284	9.6541	n/a
Class 'CI' Accumulation	9.2471	9.6574	n/a
Class 'JI' Accumulation	9.9067	n/a	n/a
Sterling	£	£	£
Class 'C-H' Accumulation	9.3608	9.6769	n/a
Class 'C-H' Distribution	9.2489	9.6772	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.0925	9.6277	n/a
Class 'C-H' Accumulation	9.2070	9.6462	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	9.4592	9.6890	n/a
Class 'A-H' Distribution	9.3532	9.6907	n/a
Class 'A-H M F4' Distribution	9.0029	9.5983	n/a
Class 'C-H' Accumulation	9.5733	9.7110	n/a
Class 'C-H' Distribution	9.4616	9.7140	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	7,305,155	8,466,427	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	7,305,155	8,466,427	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.97		
Class 'A' Distribution	1.97		
Class 'B' Accumulation	2.47		
Class 'C' Accumulation	0.97		
Class 'C' Distribution	0.97		
Class 'CI' Accumulation	0.93		
Class 'JI' Accumulation	0.78 [a]		
Sterling	%		
Class 'C-H' Accumulation	0.99		
Class 'C-H' Distribution	0.99		
Swiss franc	%		
Class 'A-H' Accumulation	1.99		
Class 'C-H' Accumulation	0.99		
US dollar	%		
Class 'A-H' Accumulation	1.99		
Class 'A-H' Distribution	1.99		
Class 'A-H M F4' Distribution	1.99		
Class 'C-H' Accumulation	0.99		
Class 'C-H' Distribution	0.99		

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Emerging Markets Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global emerging markets bond market over any three-year period.

Investment policy

The Fund has the flexibility to invest across all types of emerging market debt, which includes sovereign, corporate and local currency debt.

The Fund invests at least 80% of its Net Asset Value in debt securities denominated in any currency, issued or guaranteed by emerging market governments or their agencies, local authorities, public authorities, quasi-sovereigns, supranational bodies and by companies that are domiciled in, or conducting the major part of their economic activity in emerging market countries.

The investment process of the Fund is based on both a top-down macroeconomic view and fundamental analysis of individual securities.

The Fund may invest up to a combined maximum of 100% of the Fund's Net Asset Value in below investment grade and unrated securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may hold up to a maximum of 10% of its Net Asset Value in Contingent Convertibles Debt Securities and up to 10% of its Net Asset Value in Asset-Backed Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivatives instruments to take both long and short positions and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets. Derivatives instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Credit Default Swaps, Interest Rate Swaps and Credit Linked Notes.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits, warrants and other debt instruments.

M&G (Lux) Emerging Markets Bond Fund

Investment review

For the period from 17 September 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Emerging Markets Bond Fund was launched in September 2018 and is run by the same manager, applying the same investment strategy, as the M&G Emerging Markets Bond Fund, a UK-domiciled OEIC that launched on 15 October 1999. The non-sterling assets of the M&G Emerging Markets Bond Fund merged into the M&G (Lux) Emerging Markets Bond Fund on 7 December 2018.

The fund's holdings are split between emerging market government bonds denominated in local currencies, as well as emerging market government bonds denominated in 'hard' currencies such as the US dollar and euro. In addition, the fund holds emerging market corporate bonds, which are mostly hard currency-denominated, with a smaller corporate allocation denominated in local emerging market currencies.

Bonds are loans that are extended by an investor to an issuing entity – such as a company or government – in exchange for regular interest payments. The initial amount borrowed by the entity is usually repaid at the end of the loan's life. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'. Emerging markets are countries in the process of catching up with developed economies, with rapid growth and increasing industrialisation. Investing in emerging markets involves a greater risk of loss due to greater political, tax, economic, foreign exchange, liquidity and regulatory risks, among other factors. There may be difficulties in buying, selling, safekeeping or valuing investments in such countries. The fund is exposed to different currencies and movements in currency exchange rates can adversely affect the value of investments.

We determine the fund's positioning based on an investment process that begins with a comprehensive assessment of the global macroeconomic and market outlook. This analysis will influence the fund's overall mix of emerging market government and corporate bonds, as well as the subsequent selections of individual holdings and currency exposures.

During the review period, we favoured maintaining a globally diversified portfolio invested in these assets, with a preference to holding a larger allocation to emerging market hard currency government bonds compared to their local currency counterparts. This reflected our view that better relative value could be found in the hard currency government bond market.

In addition, we favoured keeping an allocation to emerging market corporate bonds on a selective basis. Most of the fund's corporate holdings were denominated in hard currencies. In our view, the corporate segment of the emerging bond markets offered an attractive risk/return profile, as well as widely diversified investment choices across geographies and industry sectors. Within the fund's currency positioning, its largest allocation remained to the US dollar, as this exposure typically stood between 65%-75%. The fund's larger local currency exposures throughout the review period included the Indonesian rupiah, Brazilian real, Russian ruble, and Indian rupee.

Claudia Calich

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Emerging Markets Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					745,514	97.58
Debt securities					745,514	97.58
'AAA' credit rated bonds					30,189	3.95
Inter-American Development Bank 7.875%	67,240,000,000	IDR	14.03.2023		4,818	0.63
International Finance 5.85%	201,630,000	INR	25.11.2022		2,820	0.37
US Treasury 1/L 0.625%	20,701,300	US\$	15.01.2024		22,551	2.95
'AA' credit rated bonds						
Qatar (State of) 6.4%	6,864,000	US\$	20.01.2040		8,725	1.14
'A' credit rated bonds					34,334	4.50
Malaysia (Federation of) 3.882% ^[a]	54,786,000	MYR	10.03.2022		13,606	1.78
Peru (Republic of) 8.2%	36,545,000	PEN	12.08.2026		13,209	1.73
Poland (Republic of) 2.5%	28,928,000	PLN	25.07.2026		7,519	0.99
'BBB' credit rated bonds					154,586	20.24
Aeropuerto Internacional de Tocumen 5.625%	3,554,000	US\$	18.05.2036		3,752	0.49
Aeropuerto Internacional de Tocumen 6%	3,400,000	US\$	18.11.2048		3,729	0.49
Banco Santander Mexico FRN	5,400,000	US\$	01.10.2028		5,544	0.72
Bharti Airtel 4.375%	4,174,000	US\$	10.06.2025		4,102	0.54
Bogota Distrito Capital 9.75%	31,223,000,000	COP	26.07.2028		10,751	1.41
Development Bank of Kazakhstan 9.5%	2,651,500,000	KZT	14.12.2020		7,028	0.92
DP World 5.625%	5,000,000	US\$	25.09.2048		5,209	0.68
Fufeng Group 5.875%	3,521,000	US\$	28.08.2021		3,604	0.47
Gaz Capital 7.288%	4,063,000	US\$	16.08.2037		4,764	0.62
Hunt Oil Company of Peru 6.375%	3,505,000	US\$	01.06.2028		3,761	0.49
Indonesia (Republic of) 8.25%	191,022,000,000	IDR	15.05.2036		13,683	1.79
Mexico (United Mexican States) 5.625%	4,400,000	£	19.03.2114		5,870	0.77
Mexico (United Mexican States) 8%	108,200,000	MXN	07.11.2047		5,321	0.70
Mexico (United Mexican States) 10%	135,370,000	MXN	05.12.2024		7,700	1.01
Petróleos Mexicanos 5.35%	5,493,000	US\$	12.02.2028		5,123	0.67
Philippines (Republic of) 6.25%	418,000,000	PHP	14.01.2036		8,706	1.14
Romania (Republic of) 2.875%	5,901,000	€	11.03.2029		6,706	0.88
Russia (Federation of) 8.15%	1,360,372,000	RUB	03.02.2027		21,226	2.78
SASOL Financing USA 5.875%	4,450,000	US\$	27.03.2024		4,717	0.62
Tabreed Sukuk 5.5%	5,256,000	US\$	31.10.2025		5,670	0.74
Thailand (Kingdom of) 1.25%	268,442,000	THB	12.03.2028		8,236	1.08
Uruguay (Republic of) 8.5%	151,906,000	UYU	15.03.2028		3,966	0.52
Uruguay (Republic of) 9.875%	182,899,000	UYU	20.06.2022		5,418	0.71
'BB' credit rated bonds					203,467	26.63
ABJA Investment 5.45%	6,000,000	US\$	24.01.2028		5,664	0.74
Bahamas (Commonwealth of) 6%	6,410,000	US\$	21.11.2028		6,757	0.88
Bolivia (Plurinational State of) 4.5%	5,685,000	US\$	20.03.2028		5,330	0.70
Brazil (Federal Republic of) 10%	76,000,000	BRL	01.01.2025		20,839	2.73
Credit Bank of Moscow Via CBOM Finance 5.15%	5,000,000	€	20.02.2024		5,691	0.75
Dominican (Republic of) 7.45%	4,884,000	US\$	30.04.2044		5,518	0.72
Dominican (Republic of) 8.9%	77,950,000	DOP	15.02.2023		1,537	0.20
Dominican (Republic of) 10.5%	159,300,000	DOP	07.04.2023		3,252	0.43
Dominican (Republic of) 15%	128,000,000	DOP	05.04.2019		2,531	0.33
Dominican (Republic of) 15.95%	85,100,000	DOP	04.06.2021		1,905	0.25
Grupo KUO 5.75%	5,800,000	US\$	07.07.2027		5,605	0.73
GTLK Europe 5.125%	5,024,000	US\$	31.05.2024		4,879	0.64
Guatemala (Republic of) 4.5%	8,126,000	US\$	03.05.2026		7,975	1.04
Honduras (Republic of) 7.5%	7,478,000	US\$	15.03.2024		8,197	1.07
Inretail Pharma 5.375%	3,500,000	US\$	02.05.2023		3,658	0.48
Jasa Marga Persero 7.5%	52,000,000,000	IDR	11.12.2020		3,513	0.46
Macedonia (Republic of) 5.625%	5,590,000	€	26.07.2023		7,257	0.95
MAF Global Securities FRN	3,968,000	US\$	31.12.2099		3,819	0.50
MAF Global Securities FRN	2,840,000	US\$	31.12.2099		2,665	0.35
MARB BondCo 6.875%	5,797,000	US\$	19.01.2025		5,630	0.74
Millicom International Cellular 5.125%	6,000,000	US\$	15.01.2028		5,748	0.75
Oman (Sultanate of) 5.625%	5,990,000	US\$	17.01.2028		5,631	0.74
Oman (Sultanate of) 6.75%	4,966,000	US\$	17.01.2048		4,418	0.58
Paraguay (Republic of) 6.1%	5,446,000	US\$	11.08.2044		6,164	0.81
Petrobras Global Finance 5.75%	6,447,000	US\$	01.02.2029		6,399	0.84
Petrobras Global Finance 7.375%	2,200,000	US\$	17.01.2027		2,424	0.32
Puma International Financing 5%	4,709,000	US\$	24.01.2026		4,110	0.54
Rede D'or Finance 4.95%	4,650,000	US\$	17.01.2028		4,391	0.57
South Africa (Republic of) 8.75%	175,000,000	ZAR	28.02.2048		10,882	1.42
Southern Gaz Corridor 6.875%	3,660,000	US\$	24.03.2026		4,113	0.54
Teva Pharmaceutical Finance Netherlands III 4.1%	6,800,000	US\$	01.10.2046		4,866	0.64

M&G (Lux) Emerging Markets Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Turkey (Republic of) 5.2%	5,386,000	€	16.02.2026		5,908	0.77
Turkey (Republic of) 7.4%	64,317,030	TRY	05.02.2020		10,045	1.31
Türkiye Garanti Bankası 5.875%	3,092,000	US\$	16.03.2023		2,872	0.38
Uzbekistan (Republic of) 4.75%	3,395,000	US\$	20.02.2024		3,387	0.44
Uzbekistan (Republic of) 5.375%	4,689,000	US\$	20.02.2029		4,670	0.61
Yapi ve Kredi Bankası 8.25%	5,500,000	US\$	15.10.2024		5,217	0.68
					274,494	35.93
'B' credit rated bonds						
Albania (Republic of) 3.5%	5,792,000	€	09.10.2025		6,790	0.89
Angola (Republic of) 9.375%	6,309,000	US\$	08.05.2048		6,820	0.89
Angola (Republic of) 9.5%	3,323,000	US\$	12.11.2025		3,775	0.49
Argentina (Republic of) 7.125%	6,804,000	US\$	01.08.2027		4,903	0.64
Argentina (Republic of) 7.82%	8,184,390	€	31.12.2033		7,990	1.05
Argentina (Republic of) 7.875%	4,801,000	US\$	15.06.2027		3,521	0.46
Argentina (Republic of) FRN	81,463,519	ARS	21.06.2020		2,085	0.27
Armenia (Republic of) 7.15%	5,801,000	US\$	26.03.2025		6,460	0.84
Benin (Republic of) 5.75%	10,000,000	€	26.03.2026		11,152	1.46
Cameroon (Republic of) 9.5%	6,410,000	US\$	19.11.2025		6,825	0.89
Côte d'Ivoire (Republic of) 5.25%	6,646,000	€	22.03.2030		7,148	0.94
Côte d'Ivoire (Republic of) 6.625%	4,360,000	€	22.03.2048		4,673	0.61
Dar Al-Arkan Sukuk 6.875%	5,686,000	US\$	21.03.2023		5,537	0.73
Ecuador (Republic of) 7.875%	4,598,000	US\$	23.01.2028		4,335	0.57
Ecuador (Republic of) 8.75%	6,298,000	US\$	02.06.2023		6,584	0.86
Egypt (Republic of) 0% ^[a]	47,850,000	EGP	02.04.2019		2,759	0.36
Egypt (Republic of) 0% ^[a]	69,500,000	EGP	16.04.2019		3,982	0.52
Egypt (Republic of) 0% ^[a]	73,575,000	EGP	18.06.2019		4,099	0.54
Egypt (Republic of) 5.625%	6,145,000	€	16.04.2030		6,660	0.87
Egypt (Republic of) 7.6003%	3,500,000	US\$	01.03.2029		3,601	0.47
Egypt (Republic of) 8.7002%	2,834,000	US\$	01.03.2049		2,954	0.39
Ethiopia (Federal Republic of) 6.625%	6,759,000	US\$	11.12.2024		6,890	0.90
Gabon (Republic of) 6.95%	6,098,000	US\$	16.06.2025		5,897	0.77
Georgia Capital Issued International Bonds 6.125%	6,836,000	US\$	09.03.2024		6,447	0.84
Ghana (Republic of) 7.875%	1,936,000	US\$	26.03.2027		1,952	0.26
Ghana (Republic of) 8.125%	3,387,000	US\$	26.03.2032		3,374	0.44
Ghana (Republic of) 8.95%	1,451,000	US\$	26.03.2051		1,457	0.19
Ghana (Republic of) 10.75%	5,070,000	US\$	14.10.2030		6,174	0.81
Jamaica 8%	5,356,000	US\$	15.03.2039		6,447	0.84
Jordan (Kingdom of) 7.375%	3,896,000	US\$	10.10.2047		3,838	0.50
Kernel Holding 8.75%	4,466,000	US\$	31.01.2022		4,581	0.60
Latam Finance 7%	5,512,000	US\$	01.03.2026		5,602	0.73
MHP Lux 7.75%	3,476,000	US\$	10.05.2024		3,520	0.46
Mongolia (Republic of) 5.625%	5,919,000	US\$	01.05.2023		5,982	0.78
Montenegro 3.375%	3,748,000	€	21.04.2025		4,319	0.57
Nigeria (Federal Republic of) 8.747%	4,690,000	US\$	21.01.2031		5,177	0.68
Nigeria (Federal Republic of) 13.98%	2,000,000,000	NGN	23.02.2028		5,496	0.72
Nigeria (Federal Republic of) 14.2%	1,161,290,000	NGN	14.03.2024		3,218	0.42
Pakistan (Republic of) 7.875%	5,648,000	US\$	31.03.2036		5,556	0.73
Rwanda (Republic of) 6.625%	9,934,000	US\$	02.05.2023		10,244	1.34
Senegal (Republic of) 4.75%	4,903,000	€	13.03.2028		5,451	0.71
Sri Lanka (Republic of) 5.75%	4,000,000	US\$	18.04.2023		3,957	0.52
Sri Lanka (Republic of) 6.85%	7,493,000	US\$	03.11.2025		7,587	0.99
Sri Lanka (Republic of) 7.85%	3,404,000	US\$	14.03.2029		3,568	0.47
State Savings Bank of Ukraine Via SSB 1 9.625%	3,505,000	US\$	20.03.2025		3,551	0.47
Suriname (Republic of) 9.25%	2,991,000	US\$	26.10.2026		2,954	0.39
Tajikistan (Republic of) 7.125%	5,920,000	US\$	14.09.2027		5,574	0.73
Tanzania (Republic of) FRN ^[a]	1,648,689	US\$	09.03.2020		1,683	0.22
Tunisia (Republic of) 5.625%	4,517,000	€	17.02.2024		4,695	0.62
Ukraine 0% ^[a]	65,000,000	UAH	12.06.2019		2,269	0.30
Ukraine 0% ^[a]	102,000,000	UAH	04.09.2019		3,449	0.45
Ukraine 0% ^[a]	102,000,000	UAH	20.11.2019		3,337	0.44
Ukraine 7.75%	7,653,000	US\$	01.09.2022		7,571	0.99
Yingde Gases Investment 6.25%	3,730,000	US\$	19.01.2023		3,761	0.49
YPF 8.5%	3,513,000	US\$	28.07.2025		3,422	0.45
Zambia (Republic of) 8.5%	3,839,000	US\$	14.04.2024		2,841	0.37
'C' credit rated bonds						
Petróleos de Venezuela (Defaulted) 9.75%	4,055,073	US\$	17.05.2035		1,160	0.15

M&G (Lux) Emerging Markets Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'D' credit rated bonds						
Petróleos de Venezuela (Defaulted) 5.375%	13,323,800	US\$	12.04.2027		7,053	0.92
Petróleos de Venezuela (Defaulted) 6%	6,844,900	US\$	16.05.2024		3,006	0.39
Venezuela (Republic of) (Defaulted) 9.25%	7,444,600	US\$	07.05.2028		1,729	0.23
					2,318	0.30
Bonds with no credit rating						
Debt and Asset Trading 1%	12,760,000	US\$	10.10.2025		31,506	4.12
National Highways Authority of India 7.3%	760,000,000	INR	18.05.2022		8,932	1.17
Royal Capital 5.875%	8,000,000	US\$	31.12.2099		10,717	1.40
Venezuela (Republic of) (Defaulted) 7%	13,324,000	US\$	31.03.2038		7,607	0.99
					4,250	0.56
CURRENCY						
Forward currency contracts						
Bought for EGP 9,000,000.00, Sold for US\$ 478,677.57			10.04.2019		(344)	(0.05)
Bought for US\$ 2,847,945.02, Sold for £ 2,180,000.00			10.04.2019		39	0.00
Bought for US\$ 86,228,930.00, Sold for € 76,425,000.00			10.04.2019		(10)	0.00
Bought for ARS 136,170,000.00, Sold for US\$ 3,300,970.87			09.05.2019		341	0.04
Bought for CLP 7,200,000,000.00, Sold for US\$ 11,000,763.94			09.05.2019		(329)	(0.04)
					(385)	(0.05)
Portfolio of investments					745,170	97.53
CASH EQUIVALENTS						
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	20,658,000	US\$			20,658	2.70
SHARE CLASS HEDGING						
Bought for € 403,162,428.60, Sold for US\$ 456,963,434.07			10.04.2019		(3,626)	(0.48)
Bought for CHF 28,881,759.29, Sold for US\$ 28,839,882.47			10.04.2019		(3,878)	(0.51)
Bought for US\$ 26,348,931.38, Sold for € 23,384,671.03			10.04.2019		186	0.02
Bought for US\$ 498,074.70, Sold for CHF 497,033.57			10.04.2019		68	0.01
					(2)	0.00
Total portfolio					762,202	99.75
Net other assets/(liabilities)					1,795	0.25
NET ASSETS					763,997	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					745,514	97.58
Unrealised gains on forward currency contracts					634	0.07
Total Investment assets					746,148	97.65
Investment liabilities						
Unrealised losses on forward currency contracts					(4,604)	(0.60)
Total Investment liabilities					(4,604)	(0.60)
Total portfolio					741,544	97.05
Cash equivalents					20,658	2.70
Net other assets/(liabilities)					1,795	0.25
NET ASSETS					763,997	100.00

[a] Unlisted/unquoted.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts US\$'000	Collateral held as cash US\$'000
Barclays Bank London	7,815	0
Citigroup Global Markets Limited	72,684	603
JP Morgan Chase	12,357	0
Merrill Lynch Pierce Fenner + Smith Inc	11,001	0
State Street Bank and Trust Company	512,650	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Emerging Markets Bond Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Emerging Markets Bond Fund which merged into the M&G (Lux) Emerging Markets Bond Fund on 7 December 2018.

Distribution details for holders of distribution shares

This fund pays both semi-annual and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 17 September 2018 (the launch date of the fund) to 31 March 2019.

Each income share class receiving a contribution in kind from non-Sterling share classes in the Merging Funds made a special pre-migration distribution. This was to ensure shareholders were treated fairly and received the income attributable to them.

Semi-annual distribution periods

	Start	End	Record date	Xd	Payment
Special pre-migration	17.09.18	05.12.18	05.12.18	06.12.18	13.12.18
Final	06.12.18	31.03.19	18.04.19	23.04.19	26.04.19

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Second interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Third interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'A-H'	Euro Class 'B'	Euro Class 'B-H'	Euro Class 'C'
to 31 March 2019	Euro €	Euro €	Euro €	Euro €	Euro €
Special pre-migration	0.2968	0.2851	0.2968	0.2851	0.2968
Final	0.2381	0.2240	0.2376	0.2236	0.2386

	Euro Class 'C-H'	Sterling Class 'C'	Sterling Class 'CI'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	Euro €	UK p	UK p	US €	US €
Special pre-migration	0.2849	n/a	n/a	0.2866	0.2863
Final	0.2244	0.0135	0.1650	0.2273	0.2278

	US dollar Class 'A M'	US dollar Class 'C M'
to 31 March 2019	US €	US €
First interim	0.0585	0.0585
Second interim	0.0659	0.0659
Third interim	0.0588	0.0589
Final	0.0578	0.0579

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 17 September 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	11.1519	n/a	n/a
Class 'A' Distribution	10.8314	n/a	n/a
Class 'A-H' Accumulation	10.4749	n/a	n/a
Class 'A-H' Distribution	10.1686	n/a	n/a
Class 'B' Accumulation	11.1244	n/a	n/a
Class 'B' Distribution	10.8036	n/a	n/a
Class 'B-H' Accumulation	10.4429	n/a	n/a
Class 'B-H' Distribution	10.1424	n/a	n/a
Class 'C' Accumulation	11.1904	n/a	n/a
Class 'C' Distribution	10.8675	n/a	n/a
Class 'C-H' Accumulation	10.5022	n/a	n/a
Class 'C-H' Distribution	10.2008	n/a	n/a
Class 'CI' Accumulation	11.1958	n/a	n/a
Class 'CI-H' Accumulation	10.5105	n/a	n/a
Sterling	£	£	£
Class 'C' Distribution	10.0417	n/a	n/a
Class 'CI' Distribution	10.1575	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	11.0828	n/a	n/a
Class 'A-H' Accumulation	10.4421	n/a	n/a
Class 'C' Accumulation	11.1199	n/a	n/a
Class 'C-H' Accumulation	10.4842	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.6467	n/a	n/a
Class 'A' Distribution	10.3408	n/a	n/a
Class 'A M' Distribution	10.5057	n/a	n/a
Class 'C' Accumulation	10.6836	n/a	n/a
Class 'C' Distribution	10.3756	n/a	n/a
Class 'C M' Distribution	10.5280	n/a	n/a
Class 'CI' Accumulation	10.6881	n/a	n/a
Class 'ZI' Accumulation	10.2876	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	763,997	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	763,997	n/a	n/a

M&G (Lux) Emerging Markets Bond Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.47 ^[a]
Class 'A' Distribution	1.47 ^[a]
Class 'A-H' Accumulation	1.49 ^[a]
Class 'A-H' Distribution	1.49 ^[a]
Class 'B' Accumulation	1.97 ^[a]
Class 'B' Distribution	1.97 ^[a]
Class 'B-H' Accumulation	1.99 ^[a]
Class 'B-H' Distribution	1.99 ^[a]
Class 'C' Accumulation	0.82 ^[a]
Class 'C' Distribution	0.82 ^[a]
Class 'C-H' Accumulation	0.84 ^[a]
Class 'C-H' Distribution	0.84 ^[a]
Class 'CI' Accumulation	0.78 ^[a]
Class 'CI-H' Accumulation	0.80 ^[a]
Sterling	%
Class 'C' Distribution	0.82 ^[a]
Class 'CI' Distribution	0.78 ^[a]
Swiss franc	%
Class 'A' Accumulation	1.47 ^[a]
Class 'A-H' Accumulation	1.49 ^[a]
Class 'C' Accumulation	0.82 ^[a]
Class 'C-H' Accumulation	0.84 ^[a]
US dollar	%
Class 'A' Accumulation	1.47 ^[a]
Class 'A' Distribution	1.47 ^[a]
Class 'A M' Distribution	1.47 ^[a]
Class 'C' Accumulation	0.82 ^[a]
Class 'C' Distribution	0.82 ^[a]
Class 'C M' Distribution	0.82 ^[a]
Class 'CI' Accumulation	0.78 ^[a]
Class 'ZI' Accumulation	0.18 ^[a]

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of income and capital growth) than that of the hard currency emerging market bond market over any three-year period.

Investment policy

The Fund will invest at least 80% of its Net Asset Value in emerging markets debt instruments issued or guaranteed by emerging market governments or their agencies, local authorities, public authorities, quasi-sovereigns and supranational bodies denominated in hard currency. It may also take limited exposure to debt instruments issued by emerging markets companies or instruments denominated in emerging markets currencies. The Investment Manager has the discretion to identify the countries that it considers to qualify as emerging markets.

The Fund's exposure to these assets will typically be gained directly. The Fund may also invest indirectly via derivative instruments.

Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps and Options.

The Fund may also invest in cash, near cash, deposits, other debt instruments and other collective investment schemes.

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Emerging Markets Hard Currency Bond Fund delivered a positive total return (the combination of capital growth and income) across its various share classes, except for its euro A-Hedged and Swiss franc A-Hedged class shares. The latter two share classes recorded marginally negative total returns.

In terms of annualised total return over this review period and since launch in May 2017, the fund's performance relative to that of the hard currency emerging bond market (as represented by the JP Morgan Emerging Markets Bond Index Global Diversified) was mixed. However, the fund retains the potential to deliver on its objective, which is to provide a higher total return than that of the hard currency emerging market bond market over any three-year period. The index returned 14.1%, 4.2% and 12.2% in euro, US dollar and GBP terms respectively, over the review period.

Performance review

A number of global factors challenged investors' sentiment towards emerging markets as 2018 progressed. These included actual and anticipated higher interest rates in the important US economy, as well as ongoing international trade tensions, notably between the US and China. Elsewhere, some emerging countries, including Turkey and Argentina, faced their own specific economic and political challenges that arose around the middle of 2018. More generally, global economic growth forecasts began to moderate towards the end of 2018, which further weighed on the performance of many areas of the global financial markets, including emerging bond markets.

Despite these headwinds, emerging bond markets recorded modestly positive returns in the final month of 2018. A further rally continued going into 2019, helped by a softer stance on monetary policy from the US Federal Reserve (Fed). Importantly, the Fed dampened expectations of more interest rate rises in the year ahead. In addition, there were signs of reduced trade friction between the US and China.

This improved performance helped the fund to deliver a positive return in the review period, except for its euro and Swiss Franc A-Hedged A class shares, which recorded marginally negative results. Throughout the period, the fund remained invested mainly in a globally diversified portfolio of emerging market hard currency government and quasi-government bonds. The fund's performance is chiefly influenced by its individual country overweight or underweight exposures and its security selection. For the fund's unhedged euro and sterling share classes, the US dollar's marked appreciation against the single currency and British pound provided some further upside to returns.

Investment activities

In addition to investing mainly in hard currency government bonds, the fund has the flexibility to invest up to 15% of its assets in emerging market corporate bonds. It may also hold a small allocation, up to a maximum of 5%, to local currency-denominated government bonds. Within the fund's government bond allocation, positions may be held in 'quasi-government' bond issuers that are 100%-owned by the respective government.

Throughout the review period, we kept a global portfolio of emerging market hard currency government debt. In addition to maintaining allocations to larger markets such as Mexico and South Africa, we were comfortable to add positions in smaller countries. Within this theme, we purchased newly issued government bonds from Ecuador, Ghana, and Uzbekistan that we assessed were attractively priced. The new issue from Uzbekistan was the country's first international bond offering and was heavily oversubscribed.

We also sought to take advantage of the fund's flexibility to hold selected emerging market corporate issues and local currency government bonds, based on where we considered the best relative value could be found. Towards the end of the review period, for example, we bought corporate bonds from Credit Bank of Moscow and Chilean-based Latam Airlines. Elsewhere, however, we took profits by selling some holdings of bonds from real estate companies in China after they performed well.

Outlook

The backdrop of slower global economic growth remained a focal point in global financial markets as the review period ended. Despite this prospect, we believe that lower prices in emerging bond markets, after their underperformance in 2018, left some areas of the market offering long-term value. In our opinion, this assessment is supported by an attractive pick-up in yields relative to government bonds in developed markets.

In turn, we believe this consideration helps emerging market bonds to provide adequate compensation for taking on additional degrees of risk. Relevantly, while a variety of economic and political risks remain in the outlook, the Fed recently dampened expectations for further increases in US interest rates. The trend of rising US interest rates was a key factor that weighed on the performance of emerging market assets during 2018.

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Investment review

Outlook (continued)

Within other relevant themes, we believe that the creditworthiness of corporations in emerging markets remains resilient or is improving. This supports our rationale of maintaining a select allocation to emerging market corporate bonds. In our overall approach, we still believe that flexibility remains key for successfully investing in the emerging bond markets, with the freedom to hold those bonds and currencies that offer the best relative value and avoid countries or industries where the outlook is unfavourable.

Claudia Calich

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					232,277	97.78
Debt securities					232,277	97.78
Albania					2,158	0.91
'B' credit rated bonds						
Albania (Republic of) 3.5%	1,841,000	€	09.10.2025		2,158	0.91
Angola					3,806	1.60
'B' credit rated bonds						
Angola (Republic of) 9.5%	1,800,000	US\$	12.11.2025		2,045	0.86
Angola (Republic of) 9.375%	1,629,000	US\$	08.05.2048		1,761	0.74
Argentina					5,619	2.36
'B' credit rated bonds						
Argentina (Republic of) FRN	22,500,000	ARS	21.06.2020		576	0.24
Argentina (Republic of) 7.82%	5,229,194	€	31.12.2033		5,043	2.12
Armenia					2,784	1.17
'B' credit rated bonds						
Armenia (Republic of) 7.150%	2,500,000	US\$	26.03.2025		2,784	1.17
Azerbaijan					3,540	1.49
'BB' credit rated bonds						
Southern Gaz Corridor 6.875%	3,150,000	US\$	24.03.2026		3,540	1.49
Benin					3,346	1.41
'B' credit rated bonds						
Benin (Republic of) 5.75%	3,000,000	€	26.03.2026		3,346	1.41
Bolivia					1,875	0.79
'BB' credit rated bonds						
Bolivia (Plurinational State of) 4.5%	2,000,000	US\$	20.03.2028		1,875	0.79
Brazil					1,513	0.64
'BB' credit rated bonds						
Brazil (Federal Republic of) 4.625%	1,500,000	US\$	13.01.2028		1,513	0.64
Cameroon					2,076	0.87
'B' credit rated bonds						
Cameroon (Republic of) 9.5%	1,950,000	US\$	19.11.2025		2,076	0.87
Cayman Islands					2,608	1.10
'BBB' credit rated bonds						
Fufeng Group 5.875%	916,000	US\$	28.08.2021		937	0.40
'B' credit rated bonds						
Latam Finance 7%	1,644,000	US\$	01.03.2026		1,671	0.70
Colombia					4,889	2.06
'BBB' credit rated bonds						
Bogota Distrio Capital 9.75%	6,500,000,000	COP	26.07.2028		2,238	0.94
Colombia (Republic of) 6.125%	2,250,000	US\$	18.01.2041		2,651	1.12
Dominican Republic					6,141	2.58
'BB' credit rated bonds						
Dominican (Republic of) 10.5%	63,000,000	DOP	07.04.2023		1,286	0.54
Dominican (Republic of) 6.875%	2,050,000	US\$	29.01.2026		2,256	0.95
Dominican (Republic of) 7.45%	2,300,000	US\$	30.04.2044		2,599	1.09
Ecuador					5,775	2.43
'B' credit rated bonds						
Ecuador (Republic of) 8.75%	2,550,000	US\$	02.06.2023		2,666	1.12
Ecuador (Republic of) 9.65%	1,550,000	US\$	13.12.2026		1,613	0.68
Ecuador (Republic of) 7.875%	1,587,000	US\$	23.01.2028		1,496	0.63
Egypt					6,067	2.55
'B' credit rated bonds						
Egypt (Republic of) 7.6%	2,000,000	US\$	01.03.2029		2,057	0.86
Egypt (Republic of) 5.625%	3,700,000	€	16.04.2030		4,010	1.69
El Salvador					3,226	1.36
'B' credit rated bonds						
El Salvador (Republic of) 5.875%	3,300,000	US\$	30.01.2025		3,226	1.36
Ethiopia					2,548	1.07
'B' credit rated bonds						
Ethiopia (Federal Republic of) 6.625%	2,500,000	US\$	11.12.2024		2,548	1.07
Gabon					1,730	0.73
'B' credit rated bonds						
Gabon (Republic of) 6.375%	1,800,000	US\$	12.12.2024		1,730	0.73

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Ghana					4,087	1.72
'B' credit rated bonds						
Ghana (Republic of) 7.875%	645,000	US\$	26.03.2027		650	0.27
Ghana (Republic of) 10.75%	1,500,000	US\$	14.10.2030		1,826	0.77
Ghana (Republic of) 8.125%	1,129,000	US\$	26.03.2032		1,125	0.47
Ghana (Republic of) 8.95%	484,000	US\$	26.03.2051		486	0.21
Guatemala					3,435	1.45
'BB' credit rated bonds						
Guatemala (Republic of) 4.5%	3,500,000	US\$	03.05.2026		3,435	1.45
Honduras					2,850	1.20
'BB' credit rated bonds						
Honduras (Republic of) 7.5%	2,600,000	US\$	15.03.2024		2,850	1.20
India					1,179	0.50
'BBB' credit rated bonds						
Bharti Airtel 4.375%	1,200,000	US\$	10.06.2025		1,179	0.50
Indonesia					7,131	3.00
'BBB' credit rated bonds						
Perusahaan Listrik Negara 4.125%	3,500,000	US\$	15.05.2027		3,443	1.45
Indonesia (Republic of) 3.75%	2,000,000	€	14.06.2028		2,607	1.10
'BB' credit rated bonds						
Jasa Marga Persero 7.5%	16,000,000,000	IDR	11.12.2020		1,081	0.45
Iraq					2,400	1.01
'B' credit rated bonds						
Iraq (Republic of) 5.8%	2,500,000	US\$	15.01.2028		2,400	1.01
Ireland					5,349	2.25
'BB' credit rated bonds						
Credit Bank of Moscow Via CBOM Finance 5.15%	1,500,000	€	20.02.2024		1,707	0.72
GTLK Europe 5.125%	3,750,000	US\$	31.05.2024		3,642	1.53
Ivory Coast					3,261	1.37
'B' credit rated bonds						
Côte d'Ivoire (Republic of) 5.25%	1,686,000	€	22.03.2030		1,813	0.76
Côte d'Ivoire (Republic of) 6.625%	1,351,000	€	22.03.2048		1,448	0.61
Jamaica					3,190	1.34
'B' credit rated bonds						
Jamaica 8%	2,650,000	US\$	15.03.2039		3,190	1.34
Jordan					1,478	0.62
'B' credit rated bonds						
Jordan (Kingdom of) 7.375%	1,500,000	US\$	10.10.2047		1,478	0.62
Kazakhstan					6,712	2.83
'BBB' credit rated bonds						
Development Bank of Kazakhstan 9.5%	530,000,000	KZT	14.12.2020		1,405	0.59
Kazakhstan (Republic of) 2.375%	2,000,000	€	09.11.2028		2,330	0.98
'BB' credit rated bonds						
KazMunayGas National 4.75%	2,900,000	US\$	19.04.2027		2,977	1.26
Kenya					2,281	0.96
'B' credit rated bonds						
Kenya (Republic of) 8.25%	1,500,000	US\$	28.02.2048		1,521	0.64
Kenya (Republic of) 8.25%	750,000	US\$	28.02.2048		760	0.32
Luxembourg					3,605	1.52
'BB' credit rated bonds						
Puma International Financing 5%	1,297,000	US\$	24.01.2026		1,132	0.48
Millicom International Cellular 5.125%	1,350,000	US\$	15.01.2028		1,293	0.54
'B' credit rated bonds						
Kernel Holding 8.75%	1,150,000	US\$	31.01.2022		1,180	0.50
Macedonia					2,726	1.15
'BB' credit rated bonds						
Macedonia (Republic of) 5.625%	2,100,000	€	26.07.2023		2,726	1.15
Mexico					8,812	3.71
'BBB' credit rated bonds						
Petróleos Mexicanos 6.5%	4,600,000	US\$	13.03.2027		4,643	1.95
Mexico (United Mexican States) 5.625%	2,100,000	£	19.03.2114		2,802	1.18

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Mexico (continued)						
'BB' credit rated bonds						
Grupo KUO 5.75%	1,415,000	US\$	07.07.2027		1,367	0.58
Mongolia						
'B' credit rated bonds						
Mongolia (Republic of) 5.625%	3,400,000	US\$	01.05.2023		3,436	1.45
Montenegro						
'B' credit rated bonds						
Montenegro 3.375%	1,594,000	€	21.04.2025		1,837	0.77
Morocco						
'BBB' credit rated bonds						
Morocco (Kingdom of) 5.5%	2,050,000	US\$	11.12.2042		2,201	0.93
Netherlands (The)						
'BB' credit rated bonds						
Petrobras Global Finance 5.75%	2,200,000	US\$	01.02.2029		2,184	0.92
Bonds with no credit rating						
Royal Capital 5.875%	1,844,000	US\$	31.12.2099		1,753	0.74
Nigeria						
'B' credit rated bonds						
Nigeria (Federal Republic of) 8.747%	1,067,000	US\$	21.01.2031		1,178	0.50
Nigeria (Federal Republic of) 7.875%	2,950,000	US\$	16.02.2032		3,066	1.29
Oman						
'BB' credit rated bonds						
Oman (Sultanate of) 5.625%	3,757,000	US\$	17.01.2028		3,532	1.49
Pakistan						
'B' credit rated bonds						
Pakistan (Republic of) 7.875%	2,250,000	US\$	31.03.2036		2,213	0.93
Panama						
'BBB' credit rated bonds						
Aeropuerto Internacional de Tocumen 5.625%	1,200,000	US\$	18.05.2036		1,267	0.53
Aeropuerto Internacional de Tocumen 6%	1,538,000	US\$	18.11.2048		1,687	0.71
Paraguay						
'BB' credit rated bonds						
Paraguay (Republic of) 6.1%	3,250,000	US\$	11.08.2044		3,678	1.55
Peru						
'BBB' credit rated bonds						
Corp Financiera de Desarrollo 4.75%	3,400,000	US\$	15.07.2025		4,373	1.84
Hunt Oil Company of Peru 6.375%	750,000	US\$	01.06.2028		805	0.34
Qatar						
'AA' credit rated bonds						
Qatar (State of) 6.4%	2,250,000	US\$	20.01.2040		4,076	1.72
Qatar (State of) 5.103%	1,111,000	US\$	23.04.2048		2,860	1.21
Romania						
'BBB' credit rated bonds						
Romania (Republic of) 2.875%	1,653,000	€	11.03.2029		1,216	0.51
Romania (Republic of) 3.875%	1,850,000	€	29.10.2035		4,031	1.70
Rwanda						
'B' credit rated bonds						
Rwanda (Republic of) 6.625%	3,250,000	US\$	02.05.2023		3,351	1.41
Saudi Arabia						
'B' credit rated bonds						
Dar Al-Arkan Sukuk 6.875%	1,701,000	US\$	21.03.2023		1,656	0.70
Senegal						
'B' credit rated bonds						
Senegal (Republic of) 4.75%	2,094,000	€	13.03.2028		2,328	0.98
Singapore						
'BB' credit rated bonds						
ABJA Investment 5.450%	1,800,000	US\$	24.01.2028		1,699	0.71
South Africa						
'BB' credit rated bonds						
South Africa (Republic of) 5.875%	3,250,000	US\$	16.09.2025		3,432	1.44

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Sri Lanka					5,883	2.48
'B' credit rated bonds						
Sri Lanka (Republic of) 6.85%	4,400,000	US\$	03.11.2025		4,455	1.88
Sri Lanka (Republic of) 7.85%	1,362,000	US\$	14.03.2029		1,428	0.60
Suriname					1,185	0.50
'B' credit rated bonds						
Suriname (Republic of) 9.25%	1,200,000	US\$	26.10.2026		1,185	0.50
Tajikistan					1,820	0.77
'B' credit rated bonds						
Tajikistan (Republic of) 7.125%	1,933,000	US\$	14.09.2027		1,820	0.77
Tanzania					802	0.34
'B' credit rated bonds						
Tanzania (Republic of) FRN ^[a]	785,569	US\$	09.03.2020		802	0.34
Tunisia					2,131	0.90
'B' credit rated bonds						
Tunisia (Republic of) 5.625%	2,050,000	€	17.02.2024		2,131	0.90
Turkey					9,908	4.17
'BB' credit rated bonds						
Hazine Mustesarligi Varlik Kiralama 5.8%	3,000,000	US\$	21.02.2022		2,944	1.24
Yapi ve Kredi Bankasi 8.25%	1,500,000	US\$	15.10.2024		1,423	0.60
Turkey (Republic of) 4.625%	2,000,000	€	31.03.2025		2,168	0.91
Turkey (Republic of) 5.2%	3,075,000	€	16.02.2026		3,373	1.42
United Kingdom					3,120	1.31
'BB' credit rated bonds						
MARB BondCo 6.875%	1,543,000	US\$	19.01.2025		1,499	0.63
'B' credit rated bonds						
State Savings Bank of Ukraine Via SSB 1 9.625%	1,600,000	US\$	20.03.2025		1,621	0.68
Ukraine					4,876	2.05
'B' credit rated bonds						
Ukraine 0% ^[a]	20,500,000	UAH	04.09.2019		693	0.29
Ukraine 0% ^[a]	20,500,000	UAH	20.11.2019		671	0.28
Ukraine 7.75%	3,550,000	US\$	01.09.2022		3,512	1.48
United Arab Emirates					1,491	0.63
'BBB' credit rated bonds						
DP World 5.625%	1,431,000	US\$	25.09.2048		1,491	0.63
Uruguay					1,937	0.81
'BBB' credit rated bonds						
Uruguay (Republic of the) 7.625%	1,400,000	US\$	21.03.2036		1,937	0.81
United States					19,451	8.19
'AAA' credit rated bonds						
US Treasury I/L 0.625%	6,300,000	US\$	15.01.2024		6,863	2.89
'A' credit rated bonds						
State Grid Overseas 3.5%	2,050,000	US\$	04.05.2027		2,054	0.87
'BB' credit rated bonds						
Transnet 4%	2,850,000	US\$	26.07.2022		2,805	1.18
Inretail Pharma 5.375%	888,000	US\$	02.05.2023		928	0.39
Bahamas (Commonwealth of) 6%	3,050,000	US\$	21.11.2028		3,215	1.35
Teva Pharmaceutical Finance 6.15%	1,250,000	US\$	01.02.2036		1,228	0.52
'B' credit rated bonds						
Georgia Capital Issued International Bonds 6.125%	2,500,000	US\$	09.03.2024		2,358	0.99
Uzbekistan					2,458	1.03
'BB' credit rated bonds						
Uzbekistan (Republic of) 4.75%	1,019,000	US\$	20.02.2024		1,017	0.43
Uzbekistan (Republic of) 5.375%	1,447,000	US\$	20.02.2029		1,441	0.60
Venezuela					2,344	0.99
'D' credit rated bonds						
Petróleos de Venezuela (Defaulted) 6%	6,000,000	US\$	15.11.2026		1,348	0.57
Venezuela (Republic of) (Defaulted) 9.25%	3,200,000	US\$	07.05.2028		996	0.42
Vietnam					2,520	1.06
Bonds with no credit rating						
Debt and Asset Trading 1%	3,600,000	US\$	10.10.2025		2,520	1.06

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Zambia					1,176	0.49
'B' credit rated bonds						
Zambia (Republic of) 8.97%	1,600,000	US\$	30.07.2027		1,176	0.49
CURRENCY						
Forward currency contracts					108	0.04
Bought for US\$ 2,415,527.68, Sold for £ 1,849,000.00			10.04.2019		(9)	(0.01)
Bought for US\$ 44,378,198.48, Sold for € 39,339,500.00			10.04.2019		168	0.07
Bought for ARS 21,000,000.00, Sold for US\$ 509,072.40			09.05.2019		(51)	(0.02)
Portfolio of investments					232,385	97.82
SHARE CLASS HEDGING						
Bought for € 56,344,017.61, Sold for US\$ 63,924,823.77			10.04.2019		(597)	(0.25)
Bought for CHF 98,009.67, Sold for US\$ 97,860.18			10.04.2019		(603)	(0.25)
Bought for US\$ 932,343.15, Sold for € 824,267.58			10.04.2019		0	0.00
Bought for US\$ 680.86, Sold for CHF 682.51			10.04.2019		6	0.00
Total portfolio					231,788	97.57
Net other assets/(liabilities)					5,769	2.43
NET ASSETS					237,557	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					232,277	97.78
Unrealised gains on forward currency contracts					174	0.07
Total Investment assets					232,451	97.85
Investment liabilities						
Unrealised losses on forward currency contracts					(663)	(0.28)
Total Investment liabilities					(663)	(0.28)
Total portfolio					231,788	97.57
Net other assets/(liabilities)					5,769	2.43
NET ASSETS					237,557	100.00

^[a] Unlisted/unquoted.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts US\$'000	Collateral held as cash US\$'000
Barclays Bank London	3,285	0
Citigroup Global Markets Limited	39,886	350
JP Morgan Chase	4,132	0
State Street Bank and Trust Company	64,956	290

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Emerging Markets Hard Currency 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	+12.6	n/a	n/a	+3.2 ^[c]
Class 'A-H'	-0.5	n/a	n/a	+0.3 ^[c]
Class 'C'	+13.6	n/a	n/a	+4.1 ^[c]
Class 'C-H'	+0.4	n/a	n/a	+1.2 ^[c]
Class 'CI-H'	n/a	n/a	n/a	+1.5 ^[d]
Class 'LI'	n/a	n/a	n/a	+10.1 ^[e]
Sterling ^[b]				
Class 'C'	+11.1	n/a	n/a	+3.6 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-0.8	n/a	n/a	-0.0 ^[c]
Class 'C-H'	+0.1	n/a	n/a	+0.9 ^[c]
US dollar ^[b]				
Class 'A'	+2.6	n/a	n/a	+3.2 ^[c]
Class 'C'	+3.5	n/a	n/a	+4.1 ^[c]
Class 'CI'	+3.6	n/a	n/a	+4.1 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 22 May 2017, the launch date of the fund.

^[d] 22 February 2019, the launch date of the share class. Not annualised.

^[e] 22 September 2018, the launch date of the share class. Not annualised.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A' Euro €	Euro Class 'A-H' Euro €	Euro Class 'C' Euro €	Euro Class 'C-H' Euro €	Sterling Class 'C' UK p
to 31 March 2019					
First interim	0.1333	0.1328	0.1315	0.1350	0.1381
Second interim	0.1339	0.1324	0.1346	0.1336	0.1390
Third interim	0.1465	0.1428	0.1489	0.1445	0.1542
Final	0.1393	0.1309	0.1422	0.1330	0.1402

	Swiss franc Class 'A-H' Swiss €	Swiss franc Class 'C-H' Swiss €	US dollar Class 'A' US €	US dollar Class 'C' US €
to 31 March 2019				
First interim	0.1309	0.1321	0.1386	0.1392
Second interim	0.1312	0.1324	0.1390	0.1395
Third interim	0.1397	0.1416	0.1500	0.1514
Final	0.1294	0.1312	0.1393	0.1415

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro			
Class 'A' Accumulation	10.5928	9.4092	n/a
Class 'A' Distribution	9.6920	9.1216	n/a
Class 'A-H' Accumulation	10.0616	10.1120	n/a
Class 'A-H' Distribution	9.2023	9.8045	n/a
Class 'C' Accumulation	10.7713	9.4819	n/a
Class 'C' Distribution	9.8441	9.1789	n/a
Class 'C-H' Accumulation	10.2234	10.1845	n/a
Class 'C-H' Distribution	9.3508	9.8745	n/a
Class 'CI-H' Accumulation	10.1494	n/a	n/a
Class 'LI' Accumulation	11.0054	n/a	n/a
Sterling			
Class 'C' Accumulation	10.6863	9.6175	n/a
Class 'C' Distribution	9.7776	9.3247	n/a
Swiss franc			
Class 'A-H' Accumulation	9.9987	10.0808	n/a
Class 'A-H' Distribution	9.1453	9.7738	n/a
Class 'C-H' Accumulation	10.1640	10.1563	n/a
Class 'C-H' Distribution	9.3011	9.8504	n/a
US dollar			
Class 'A' Accumulation	10.5978	10.3257	n/a
Class 'A' Distribution	9.6932	10.0108	n/a
Class 'C' Accumulation	10.7714	10.4033	n/a
Class 'C' Distribution	9.8563	10.0858	n/a
Class 'CI' Accumulation	10.7811	10.4080	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	237,557	187,118	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	237,557	187,118	n/a

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.72
Class 'A' Distribution	1.72
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C' Accumulation	0.82
Class 'C' Distribution	0.80
Class 'C-H' Accumulation	0.84
Class 'C-H' Distribution	0.84
Class 'CI-H' Accumulation	0.78 ^[a]
Class 'LI' Accumulation	0.52 ^[a]
Sterling	%
Class 'C' Accumulation	0.81
Class 'C' Distribution	0.81
Swiss franc	%
Class 'A-H' Accumulation	1.73
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.83
Class 'C-H' Distribution	0.84
US dollar	%
Class 'A' Accumulation	1.72
Class 'A' Distribution	1.72
Class 'C' Accumulation	0.82
Class 'C' Distribution	0.82
Class 'CI' Accumulation	0.78

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Emerging Markets Income Opportunities Fund

Investment objective and policy

Investment objective

The Fund aims to deliver an annual income of 4-6%. Subject to this, the Fund aims to deliver capital growth over any five year period.

Investment policy

The Fund will invest at least 80% of its Net Asset Value in emerging market assets, including equities, bonds and closed-ended real estate investment trusts.

The Investment Manager has the discretion to identify the countries that it considers to qualify as emerging markets. The Fund may invest across a wide range of geographies, sectors and market capitalisations. The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Exchange.

The Fund will invest at least 25% of its Net Asset Value in the equity securities of companies domiciled in or conducting the major part of their economic activity in emerging market countries. The Fund will invest at least 25% of its Net Asset Value in bonds issued by companies or quasi-government agencies domiciled in or conducting the major part of their economic activity in emerging market countries.

The bonds that the Fund may invest in include the following:

- Asset-Backed Securities, subject to a maximum of 10% of the Fund's Net Asset Value, bonds which are rated investment grade by a recognised rating agency, bonds issued or guaranteed by companies, local authorities, government agencies or certain public international bodies, convertible/exchangeable bonds;
- a maximum of 75% of the Fund's Net Asset Value combined in unrated bonds and sub-investment grade bonds;
- maximum of 20% of the Fund's Net Asset Value in Contingent Convertible Debt Securities.

The Fund's exposure to these assets will typically be gained directly.

The Fund may also invest indirectly via derivative instruments. Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps and Options.

The fund may also invest in cash, near cash, deposits, other debt instruments and other collective investment schemes.

M&G (Lux) Emerging Markets Income Opportunities Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Emerging Markets Income Opportunities Fund delivered a negative total return (the combination of capital growth and income). The fund's objective is to deliver an annual income of 4-6%; an additional aim is to provide capital growth over any five-year period. During the review period the fund achieved its income target: the total income paid out amounted to an income level of more than 5%. (This figure is calculated by taking the total income paid out as a percentage of the fund price on 31 March 2019).

Performance review

Emerging market assets experienced turbulence during the period under review. For most of 2018, asset prices declined as worries about a potential global trade war, signs of weakness in global economic growth and higher interest rates in the US unsettled investors. However, in 2019 investor risk appetite recovered and share prices and bond prices recouped some of their earlier losses.

In 2018, the US introduced tariffs on billions of dollars' worth of Chinese products, which prompted the Chinese government to retaliate with tariffs on US goods. By the end of the year, investors were increasingly worried about the impact of tariffs on global economic growth and trade.

Higher interest rates in the US also dampened investor enthusiasm for emerging market assets. The Federal Reserve (Fed) raised interest rates four times in 2018, which arguably made assets in the US more attractive than higher risk assets elsewhere.

However, the period ended on a positive note amid optimism about the resolution of the US-China trade dispute and the Fed's strong hint that there would be no more interest rate rises in 2019.

Despite a strong stockmarket rebound in the first three months of 2019, the fund's equity holdings delivered negative returns over the review period. Our holdings in Turkey experienced large falls on concerns about the country's economy and policy decisions. Stocks in South Korea and Taiwan, two export-focused economies, also declined amid worries about the impact of tariffs on global economic activity. These declines outweighed the gains by our Chinese holdings.

In contrast, the fund's corporate bonds were much more resilient and delivered positive returns over the period. In particular, our holdings in bonds issued by a Brazilian energy firm, a Chinese property company and an Indian telecommunications company made healthy gains. However, as the portfolio has a larger number of equities than corporate bonds, the negative return from our equities outweighed the positive contribution from our bonds.

Investment activity

As contrarian, value-oriented investors, we believe market turbulence can provide opportunities to invest in stocks that are mispriced. For instance, during the review period, we took advantage of the fall in Turkey's stockmarket to buy shares in a number of Turkish holdings including conglomerates Haci Omer Sabanci and Koc. In our view, the companies have diverse businesses that are well placed to benefit from Turkey's economic development as well as exports.

Other notable equity purchases were Delta Electronics, a power management firm from Taiwan, and First Pacific, a Hong Kong-listed group with several Asian businesses involved in consumer foods, infrastructure and telecoms. In our view, the group trades at a discount to the value of its underlying businesses.

In terms of bonds, we took advantage of attractive valuations to invest in high yield bonds issued by Chinese property companies Country Garden and Wanda Properties International. We also bought some bonds issued by Indian telecoms firm Bharti Airtel and Banco Santander Mexico, the Mexican subsidiary of Spanish financial group Santander.

An element of our investment process involves assessing whether the potential return from a company's bonds looks more attractive than that from the shares. On a number of occasions during the period, we sold our shares in a company and purchased the bonds. Notable examples of this switch were South African energy company Sasol and Turkish conglomerate Koc.

Over the 12 months, there was no major change to the positioning of the portfolio. The fund currently has a larger weighting to equities than corporate bonds. This reflects the attractive individual opportunities we are finding among stocks, rather than a view on the merits of the two asset classes.

Outlook

After a period of considerable turbulence, we are optimistic about the valuation opportunities that are being presented by emerging markets today. In our view, worries about the macroeconomic outlook (slowing global economic growth) and geopolitics (trade wars) have weighed on asset prices.

We believe that investors have largely ignored the operational performance, or fundamentals, of companies. In our assessment, most companies are still performing well and the likelihood of companies failing to repay their debts remains low.

As a result, we believe there are opportunities to invest in companies whose valuations have been marked down for reasons unrelated to their underlying performance.

M&G (Lux) Emerging Markets Income Opportunities Fund

Investment review

Outlook (continued)

While the trade tensions and growth concerns continue to influence investor sentiment towards emerging markets, we believe corporate fundamentals broadly remain intact. As bottom-up, valuation-focused investors, we will continue to try to find opportunities where concerns about the external environment are having an excessive impact on stock prices.

Michael Bourke and **Charles de Quinsonas**

Co-fund managers

Investment review information as at 31 March 2019.

Employees of M&G 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.

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO OF INVESTMENTS					22,619	96.59
Argentina					170	0.73
Argentina debt securities						
YPF 8.5%	175,000	US\$	28.07.2025		170	0.73
Azerbaijan					225	0.96
Azerbaijan debt securities						
Southern Gaz Corridor 6.875%	200,000	US\$	24.03.2026		225	0.96
Brazil					845	3.61
Brazil equities						
Banco Bradesco Pref. (voting)	21,712	BRL			237	1.01
CCR	41,859	BRL			127	0.54
Kroton Educacional	74,355	BRL			209	0.90
Transmissora Alianca de Energia Eletrica	42,748	BRL			272	1.16
British Virgin Islands					202	0.86
British Virgin Islands debt securities						
Yingde Gases Investment 6.25%	200,000	US\$	19.01.2023		202	0.86
Cayman Islands					681	2.91
Cayman Islands debt securities						
China Evergrande Group 8.75%	200,000	US\$	28.06.2025		189	0.81
Latam Finance 7%	200,000	US\$	01.03.2026		203	0.87
MAF Global Securities FRN	300,000	US\$	31.12.2099		289	1.23
China					2,013	8.60
China equities						
China Lesso Group Holdings	521,000	HK\$			337	1.44
China Petroleum & Chemical	454,000	HK\$			359	1.53
CNOOC	395,000	HK\$			739	3.16
Greatview Aseptic Packaging	371,000	HK\$			228	0.97
Lenovo Group	390,000	HK\$			350	1.50
Colombia					371	1.58
Colombia equities						
Banco Davivienda	17,816	COP			207	0.88
Colombia debt securities						
Banco Davivienda 7.5%	500,000,000	COP	24.10.2022		164	0.70
Hong Kong					1,162	4.96
Hong Kong equities						
AIA Group	31,600	HK\$			314	1.34
China Resources Power Holdings	108,000	HK\$			162	0.69
Far East Horizon	464,000	HK\$			493	2.11
First Pacific Hong Kong	530,000	HK\$			193	0.82
India					620	2.65
India debt securities						
Bharti Airtel 4.375%	200,000	US\$	10.06.2025		197	0.84
National Highways Authority of India 7.3%	30,000,000	INR	18.05.2022		423	1.81
Indonesia					467	1.99
Indonesia debt securities						
Jasa Marga Persero 7.5%	4,000,000,000	IDR	11.12.2020		270	1.15
Perusahaan Listrik Negara 4.125%	200,000	US\$	15.05.2027		197	0.84
Ireland					308	1.32
Ireland debt securities						
Credit Bank of Moscow Via CBOM Finance 5.15%	100,000	€	20.02.2024		114	0.49
GTLK Europe 5.125%	200,000	US\$	31.05.2024		194	0.83
Luxembourg					1,388	5.93
Luxembourg debt securities						
Altice Financial 7.75%	200,000	US\$	15.05.2022		198	0.85
Gaz Capital 7.288%	200,000	US\$	16.08.2037		234	1.00
Kernel Holding 8.75%	200,000	US\$	31.01.2022		205	0.87
MHP Lux 6.95%	200,000	US\$	03.04.2026		189	0.81
Millicom International Cellular 5.125%	200,000	US\$	15.01.2028		192	0.82
Puma International Financing 5.125%	200,000	US\$	06.10.2024		181	0.77
Rede D'or Finance 4.95%	200,000	US\$	17.01.2028		189	0.81
Mauritius					174	0.74
Mauritius equities						
Grit Real Estate Income Group	123,098	US\$			174	0.74

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO OF INVESTMENTS (continued)						
Mexico					1,876	8.01
Mexican equities						
Alfa 'A'	382,709	MXN			407	1.74
Fibra Uno Administracion	222,647	MXN			308	1.32
Grupo Financiero Banorte 'O'	21,456	MXN			118	0.50
Mexican debt securities						
Banco Santander Mexico FRN	200,000	US\$	01.10.2028		205	0.88
Cemex 6.125%	200,000	US\$	05.05.2025		207	0.88
Grupo KUO 5.75%	266,000	US\$	07.07.2027		257	1.10
Mexichem 5.5%	200,000	US\$	15.01.2048		188	0.80
Petróleos Mexicanos 5.35%	200,000	US\$	12.02.2028		186	0.79
Netherlands (The)					1,199	5.12
Netherlands (The) debt securities						
Indo Energy Finance II 6.375%	200,000	US\$	24.01.2023		200	0.85
Petrobras Global Finance 5.75%	500,000	US\$	01.02.2029		496	2.12
Royal Capital 5.875%	313,000	US\$	31.12.2099		298	1.27
VTR Finance 6.875%	200,000	US\$	15.01.2024		205	0.88
Panama					211	0.90
Panama debt securities						
Aeropuerto Internacional de Tocumen 5.625%	200,000	US\$	18.05.2036		211	0.90
Peru					215	0.92
Peru debt securities						
Hunt Oil Company of Peru 6.375%	200,000	US\$	01.06.2028		215	0.92
Russia					1,548	6.61
Russia equities						
Lukoil	6,675	US\$			604	2.58
MMC Norilsk Nickel	5,775	US\$			120	0.51
Sberbank of Russia	228,202	RUB			767	3.28
X5 Retail Group	2,225	US\$			57	0.24
Saudi Arabia					216	0.92
Saudi Arabia debt securities						
Dar Al-Arkan Sukuk 6.875%	222,000	US\$	21.03.2023		216	0.92
Singapore					892	3.81
Singapore equities						
DBS Group Holdings	37,800	SG\$			703	3.00
Singapore debt securities						
ABJA Investment 5.45%	200,000	US\$	24.01.2028		189	0.81
South Africa					659	2.81
South Africa equities						
Absa Group	40,530	ZAR			422	1.80
Sanlam	47,403	ZAR			237	1.01
South Korea					1,631	6.96
South Korea equities						
Hana Financial Group	13,284	KRW			426	1.82
Samsung Electronics	15,550	KRW			611	2.61
Samsung Fire & Marine Insurance	648	KRW			172	0.73
Shinhan Financial Group	11,390	KRW			422	1.80
Taiwan					1,179	5.03
Taiwan equities						
Casetek Holdings	110,943	TW\$			182	0.78
Catcher Technology	18,000	TW\$			138	0.59
Cathay Financial Holding	49,000	TW\$			72	0.31
Chicony Electronics	115,142	TW\$			268	1.14
Delta Electronics	42,000	TW\$			217	0.93
Silicon Motion Technology ADR	3,178	US\$			123	0.52
Teco Electric and Machinery	263,000	TW\$			179	0.76
Thailand					233	1.00
Thailand equities						
Siam Commercial Bank	56,000	THB			233	1.00
Turkey					1,459	6.23
Turkey equities						
Enerjisa Enerji	289,709	TRY			264	1.13

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO OF INVESTMENTS (continued)						
Turkey (continued)						
Turkey equities (continued)						
Haci Omer Sabanci Holding	181,715	TRY			250	1.07
Turkey debt securities						
Arcelik 5%	200,000	US\$	03.04.2023		186	0.79
KOC Holding 6.5%	300,000	US\$	11.03.2025		288	1.23
Türkiye Garanti Bankasi 5.875%	200,000	US\$	16.03.2023		186	0.79
Yapi ve Kredi Bankasi 8.25%	300,000	US\$	15.10.2024		285	1.22
					397	1.70
United Kingdom						
UK debt securities						
MARB BondCo 6.875%	200,000	US\$	19.01.2025		194	0.83
State Savings Bank of Ukraine Via SSB 1 9.625%	200,000	US\$	20.03.2025		203	0.87
					424	1.81
United Arab Emirates						
United Arab Emirates debt securities						
DP World 5.625%	200,000	US\$	25.09.2048		208	0.89
Tabreed Sukuk 5.5%	200,000	US\$	31.10.2025		216	0.92
					1,854	7.92
United States						
US equities						
Etalon Group	65,098	US\$			119	0.51
Kosmos Energy	43,787	US\$			261	1.11
US debt securities						
Georgia Capital Issued International Bonds 6.125%	300,000	US\$	09.03.2024		283	1.21
Inretail Pharma 5.375%	171,000	US\$	02.05.2023		179	0.76
SASOL Financing USA 5.875%	200,000	US\$	27.03.2024		212	0.91
Teva Pharmaceutical Finance 6.15%	350,000	US\$	01.02.2036		344	1.47
US Treasury Note 1.375%	460,000	US\$	15.01.2020		456	1.95
					0	0.00
CURRENCY						
Forward currency contracts						
Bought for US\$ 112,465.60, Sold for € 100,000.00			10.04.2019		0	0.00
					0	0.00
Portfolio of investments					22,619	96.59
SHARE CLASS HEDGING					(7)	(0.03)
Bought for £ 49,991.68, Sold for US\$ 65,845.08			10.04.2019		0	0.00
Bought for € 762,690.49, Sold for US\$ 864,624.81			10.04.2019		(7)	(0.03)
Bought for CHF 98,260.23, Sold for US\$ 98,104.54			10.04.2019		0	0.00
Bought for US\$ 7,388.26, Sold for € 6,521.62			10.04.2019		0	0.00
Bought for US\$ 694.09, Sold for CHF 695.77			10.04.2019		0	0.00
Total portfolio					22,612	96.56
Net other assets/(liabilities)					806	3.44
NET ASSETS					23,418	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					12,081	51.58
Debt securities					10,538	45.01
Total Investment assets					22,619	96.59
Investment liabilities						
Unrealised losses on forward currency contracts					(7)	(0.03)
Total Investment liabilities					(7)	(0.03)
Total portfolio					22,612	96.56
Net other assets/(liabilities)					806	3.44
NET ASSETS					23,418	100.00

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

M&G (Lux) Emerging Markets Income Opportunities Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
JP Morgan Chase	112
State Street Bank and Trust Company	1,037

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Emerging Markets Income Opportunities 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A-H'	-4.5	n/a	n/a	+1.9 ^[c]
Class 'C-H'	-3.6	n/a	n/a	+2.8 ^[c]
Sterling ^[b]				
Class 'C-H'	-2.5	n/a	n/a	+3.9 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-4.7	n/a	n/a	+1.6 ^[c]
Class 'C-H'	-3.8	n/a	n/a	+2.5 ^[c]
US dollar ^[b]				
Class 'A'	-1.3	n/a	n/a	+5.0 ^[c]
Class 'A M'	-1.2	n/a	n/a	+5.0 ^[c]
Class 'C'	-0.3	n/a	n/a	+5.8 ^[c]
Class 'CI'	-0.3	n/a	n/a	+5.8 ^[c]
Class 'C M'	-0.3	n/a	n/a	+5.8 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 22 May 2017, the launch date of the fund.

	Start	End	Record date	Xd	Payment
Sixth interim	01.09.18	30.09.18	19.10.18	22.10.18	25.10.18
Seventh interim	01.10.18	31.10.18	16.11.18	19.11.18	22.11.18
Eighth interim	01.11.18	30.11.18	21.12.18	24.12.18	31.12.18
Ninth interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Tenth interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Eleventh interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A-H'	Euro Class 'C-H'	Sterling Class 'C-H'	Swiss franc Class 'A-H'	Swiss franc Class 'C-H'
to 31 March 2019	Euro €	Euro €	UK p	Swiss €	Swiss €
First interim	0.1587	0.1592	0.1607	0.1564	0.1578
Second interim	0.1446	0.1463	0.1484	0.1439	0.1456
Third interim	0.1099	0.1115	0.1155	0.1070	0.1085
Final	0.0813	0.0826	0.0850	0.0802	0.0814

	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	US €	US €
First interim	0.1642	0.1655
Second interim	0.1514	0.1531
Third interim	0.1162	0.1177
Final	0.0866	0.0883

	US dollar Class 'A M'	US dollar Class 'C M'
to 31 March 2019	US €	US €
First interim	0.0471	0.0475
Second interim	0.0551	0.0557
Third interim	0.0611	0.0616
Fourth interim	0.0587	0.0593
Fifth interim	0.0409	0.0414
Sixth interim	0.0507	0.0515
Seventh interim	0.0341	0.0344
Eighth interim	0.0343	0.0346
Ninth interim	0.0474	0.0481
Tenth interim	0.0274	0.0280
Eleventh interim	0.0272	0.0277
Final	0.0316	0.0323

Distribution details for holders of distribution shares

This fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.04.18	18.05.18	22.05.18	25.05.18
Second interim	01.05.18	31.05.18	15.06.18	18.06.18	21.06.18
Third interim	01.06.18	30.06.18	20.07.18	23.07.18	26.07.18
Fourth interim	01.07.18	31.07.18	17.08.18	20.08.18	23.08.18
Fifth interim	01.08.18	31.08.18	21.09.18	24.09.18	27.09.18

M&G (Lux) Emerging Markets Income Opportunities Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A-H' Accumulation	10.3579	10.8407	n/a
Class 'A-H' Distribution	9.5580	10.5510	n/a
Class 'C-H' Accumulation	10.5311	10.9195	n/a
Class 'C-H' Distribution	9.7301	10.6330	n/a
Sterling	£	£	£
Class 'C-H' Accumulation	10.7419	11.0151	n/a
Class 'C-H' Distribution	9.9176	10.7209	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	10.3100	10.8134	n/a
Class 'A-H' Distribution	9.5211	10.5201	n/a
Class 'C-H' Accumulation	10.4737	10.8858	n/a
Class 'C-H' Distribution	9.6811	10.6001	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.9400	11.0790	n/a
Class 'A' Distribution	10.1051	10.7827	n/a
Class 'A M' Distribution	10.0467	10.7144	n/a
Class 'C' Accumulation	11.1269	11.1646	n/a
Class 'C' Distribution	10.2771	10.8668	n/a
Class 'C M' Distribution	10.2163	10.7972	n/a
Class 'CI' Accumulation	11.1308	11.1669	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	23,418	22,994	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	23,418	22,994	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A-H' Accumulation	1.88		
Class 'A-H' Distribution	1.88		
Class 'C-H' Accumulation	0.97		
Class 'C-H' Distribution	0.97		
Sterling	%		
Class 'C-H' Accumulation	0.98		
Class 'C-H' Distribution	0.98		
Swiss franc	%		
Class 'A-H' Accumulation	1.87		
Class 'A-H' Distribution	1.88		
Class 'C-H' Accumulation	0.97		
Class 'C-H' Distribution	0.98		
US dollar	%		
Class 'A' Accumulation	1.86		
Class 'A' Distribution	1.86		
Class 'A M' Distribution	1.86		
Class 'C' Accumulation	0.96		
Class 'C' Distribution	0.95		
Class 'C M' Distribution	0.95		
Class 'CI' Accumulation	0.92		

M&G (Lux) Episode Macro Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of capital growth and income) of 4-8% a year above the 3-month LIBOR, over any five-year period.

Investment policy

The Fund has a highly flexible investment approach, with the freedom to invest in fixed income securities, equities (including closed-ended real estate investment trusts), Convertible Bonds, Asset-Backed Securities, currencies, cash, near cash and deposits. These assets can be issued anywhere in the world, including emerging markets, and denominated in any currency.

The Fund will mostly gain exposure to these assets by taking investment positions at index or sector level through derivative instruments, but it may also invest directly. The Fund may also use derivative instruments to take long and short positions in markets, currencies, securities, and groups of securities and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling market. This may result in a net long or net short position at the overall fund level.

The Fund may invest up to a combined maximum of 60% of its Net Asset Value in below investment grade and unrated debt securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may invest up to 20% of its Net Asset Value in Contingent Convertibles Securities and up to 20% of its Net Asset Value in Asset-Backed Securities.

The Investment Manager seeks to allocate capital between different types of assets in response to investment opportunities created by changes in economic conditions and the valuation of assets. Asset allocation may change significantly and rapidly, and exposure to certain markets, sectors or currencies may at times be concentrated. Short-term volatility of the Fund may therefore be high.

Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Currency Swaps, Credit Default Swaps, Interest Rate Swaps, Credit Linked Notes and Total Return Swaps.

The Fund may also invest in other assets including collective investment schemes, warrants, and other transferable securities.

M&G (Lux) Episode Macro Fund

Investment review

For the period from 26 October 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Episode Macro Fund was launched in October 2018 and is run by the same managers, applying the same investment strategy, as the M&G Episode Macro Fund, a UK-domiciled OEIC that launched on 4 June 2010. Following shareholder approval, the non-sterling assets of the M&G Episode Macro Fund merged into the M&G (Lux) Episode Macro Fund on 26 October 2018.

The fund has a highly flexible investment approach, with the freedom to invest in different types of assets. The fund approach combines in-depth research to determine the value of assets over the medium to long term, with analysis of investors' emotional reaction to events to identify investment opportunities. The fund gains exposure to assets directly and indirectly through derivatives.

Typically, the fund uses derivatives to invest in a range of assets, including company shares (equities), bonds and currencies. It is highly flexible and has no limits or target ranges in any particular asset class. As a result of its use of derivatives, the fund may be required to hold a large amount of cash and bonds. Using derivatives to invest also allows the fund to create 'leverage', meaning that the fund can gain exposure to investments that exceed its net asset value, thus increasing potential returns (or losses) in both rising and falling markets. Derivatives are also used to reduce risk and costs and to manage the impact of changes in currency exchange rates on the fund's investments.

The fund's asset allocation decisions are driven by an assessment of current valuation signals, alongside responses to phases of behaviourally driven market behaviour or 'episodes.' During the period under review, a short position in US government bonds was closed and a long position opened in response to yields becoming more attractive. (Bonds are loans that are extended by an investor to an issuing entity – such as a company or government – in exchange for regular interest payments. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'.)

We also responded to stockmarket declines in December that we viewed as 'episodic' by increasing our overall exposure to equities. This position was subsequently reduced following a strong recovery in early 2019.

At the end of the review period, the fund was positioned with a preference for equities diversified across global stockmarkets, government bonds from the US, and selected emerging market currencies which we believe are attractively valued. The fund also held short positions (which benefit if prices fall) in government bonds from the UK and Germany where prevailing yields are very low.

David Fishwick and Eric Lonergan
Co-fund managers

Investment review information as at 31 March 2019

Employees of M&G 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.

M&G (Lux) Episode Macro Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					29,400	10.14
Banks					23,677	8.17
Bank of America	164,783	US\$			4,506	1.55
Citigroup	74,635	US\$			4,625	1.60
JPMorgan Chase	45,446	US\$			4,577	1.58
Lloyds Banking Group	6,362,410	£			5,185	1.79
Wells Fargo	97,457	US\$			4,784	1.65
Finance & Credit Services						
American Express	44,671	US\$			4,876	1.68
Equity derivatives					847	0.29
Equity index futures					847	0.29
Hang Seng China Enterprises Index Futures	117	HK\$	29.04.2019	8,476	91	0.03
MSCI Singapore Index Futures	293	SG\$	29.04.2019	7,778	16	0.00
MSCI Taiwan Index Futures	162	US\$	29.04.2019	6,329	92	0.03
Korean Stock Exchange Futures	227	KRW	13.06.2019	13,859	48	0.02
Topix Index Futures	150	¥	13.06.2019	21,563	(213)	(0.07)
DJ Euro Stoxx 50 Futures	411	€	21.06.2019	15,091	296	0.10
Euro Stoxx 600 Europe Futures	308	€	21.06.2019	8,092	279	0.10
FTSE MIB Index Futures	63	€	21.06.2019	7,311	238	0.08
FIXED INCOME					227,114	78.32
Bond portfolios						
iShares JP Morgan EM Local Government Bond UCITS ETF	461,948	US\$			27,091	9.34
Debt securities					202,338	69.78
'AAA' credit rated bonds					202,338	69.78
US Treasury Bill 0%	22,235,000	US\$	11.04.2019		22,216	7.66
US Treasury Bill 0%	28,373,100	US\$	18.04.2019		28,336	9.77
US Treasury Bill 0%	40,908,000	US\$	25.04.2019		40,837	14.08
US Treasury Bill 0%	21,516,800	US\$	09.05.2019		21,458	7.40
US Treasury Bill 0%	34,023,200	US\$	16.05.2019		33,915	11.70
US Treasury Bill 0%	35,232,000	US\$	23.05.2019		35,104	12.11
US Treasury Bill 0%	20,555,800	US\$	30.05.2019		20,472	7.06
Debt derivatives					(2,315)	(0.80)
Interest rate futures					(2,315)	(0.80)
Deutscher Bund 10 year Futures	(460)	€	06.06.2019	85,826	(1,635)	(0.56)
Deutscher Buxl 30 year Futures	(73)	€	06.06.2019	15,712	(745)	(0.26)
US Ultra Bond Futures	279	US\$	19.06.2019	46,789	1,670	0.57
UK Treasury Notes Futures	(522)	£	26.06.2019	88,335	(1,605)	(0.55)
CURRENCY					(1,507)	(0.52)
Forward currency contracts					(1,507)	(0.52)
Bought for BRL 22,362,159.85, Sold for US\$ 5,982,386.26			17.05.2019		(231)	(0.08)
Bought for € 2,230,840.19, Sold for US\$ 2,534,387.38			17.05.2019		(19)	(0.01)
Bought for £ 3,481,664.42, Sold for US\$ 4,579,086.93			17.05.2019		(6)	0.00
Bought for INR 446,359,130.26, Sold for US\$ 6,177,510.78			17.05.2019		227	0.08
Bought for KRW 834,855,813.00, Sold for US\$ 740,974.36			17.05.2019		(5)	0.00
Bought for MXN 118,153,672.62, Sold for US\$ 6,066,193.26			17.05.2019		7	0.00
Bought for RUB 396,536,164.10, Sold for US\$ 5,871,347.98			17.05.2019		204	0.07
Bought for TRY 29,348,075.76, Sold for € 4,622,289.43			17.05.2019		(247)	(0.09)
Bought for TRY 155,954,721.66, Sold for US\$ 28,035,745.47			17.05.2019		(1,659)	(0.57)
Bought for US\$ 9,274,602.97, Sold for AU\$ 12,966,161.93			17.05.2019		70	0.02
Bought for US\$ 5,836,395.72, Sold for BRL 22,365,068.41			17.05.2019		84	0.03
Bought for US\$ 8,706,868.30, Sold for CHF 8,671,784.83			17.05.2019		(39)	(0.01)
Bought for US\$ 11,303,324.53, Sold for € 9,905,282.55			17.05.2019		136	0.05
Bought for US\$ 7,044,753.34, Sold for £ 5,380,417.91			17.05.2019		(22)	(0.01)
Bought for US\$ 6,052,171.97, Sold for MXN 118,192,261.20			17.05.2019		(23)	(0.01)
Bought for US\$ 2,094,464.22, Sold for RUB 135,941,200.39			17.05.2019		12	0.00
Bought for US\$ 12,255,066.41, Sold for SG\$ 16,556,453.65			17.05.2019		27	0.01
Bought for US\$ 16,135,436.36, Sold for TWS 497,068,555.00			17.05.2019		(11)	0.00
Bought for US\$ 6,062,754.59, Sold for ZAR 87,457,053.84			17.05.2019		75	0.03
Bought for ZAR 87,437,145.53, Sold for US\$ 6,073,542.38			17.05.2019		(87)	(0.03)
Portfolio of investments					255,007	87.94
SHARE CLASS HEDGING					(2,225)	(0.77)
Bought for CHF 4,539,330.85, Sold for US\$ 4,533,056.66			10.04.2019		30	0.01
Bought for € 236,315,415.58, Sold for US\$ 267,857,590.56			10.04.2019		(2,281)	(0.79)
Bought for £ 3,632,241.79, Sold for US\$ 4,783,957.52			10.04.2019		(21)	(0.01)
Bought for US\$ 52,839.77, Sold for CHF 52,809.32			10.04.2019		0	0.00

M&G (Lux) Episode Macro Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for US\$ 6,964,533.18, Sold for € 6,154,208.30			10.04.2019		47	0.02
Total portfolio					252,782	87.17
Net other assets/(liabilities)					37,200	12.83
NET ASSETS					289,982	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					28,553	9.85
Bond portfolios					27,091	9.34
Debt securities					202,338	69.78
Unrealised gains on futures contracts					2,730	0.93
Unrealised gains on forward currency contracts					919	0.32
Total Investment assets					261,631	90.22
Investment liabilities						
Unrealised losses on futures contracts					(4,198)	(1.44)
Unrealised losses on forward currency contracts					(4,651)	(1.61)
Total Investment liabilities					(8,849)	(3.05)
Total portfolio					252,782	87.17
Net other assets/(liabilities)					37,200	12.83
NET ASSETS					289,982	100.00

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures		
	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as cash US\$'000
BNP Paribas	17,817	0	0
Citigroup Global Markets Limited	12,916	0	0
HSBC Bank Plc	68,581	0	370
JP Morgan Chase	8,429	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	325,162	0
Standard Chartered Bank	13,172	0	0
State Street Bank and Trust Company	284,192	0	1,630
State Street Bank London	5,982	0	0
UBS AG London	34,976	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Episode Macro Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Episode Macro Fund which merged into the M&G (Lux) Episode Macro Fund on 26 October 2018.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'B-H' Accumulation	11.5745	n/a	n/a
Class 'S-H' Accumulation	12.7802	n/a	n/a
Class 'T-H' Accumulation	12.6252	n/a	n/a
Class 'TI-H' Accumulation	9.9944	n/a	n/a
Sterling	£	£	£
Class 'T-H' Accumulation	9.8820	n/a	n/a
Class 'TI-H' Accumulation	10.4255	n/a	n/a
Swiss Franc	CHF	CHF	CHF
Class 'S-H' Accumulation	13.2550	n/a	n/a
Class 'T-H' Accumulation	13.9100	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'S' Accumulation	13.9102	n/a	n/a
Class 'T' Accumulation	14.6893	n/a	n/a
Class 'TI' Accumulation	10.1242	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	289,982	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	289,982	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'B-H' Accumulation	2.47 [a]		
Class 'S-H' Accumulation	1.97 [a]		
Class 'T-H' Accumulation	0.97 [a]		
Class 'TI-H' Accumulation	0.93 [a]		
Sterling	%		
Class 'T-H' Accumulation	0.97 [a]		
Class 'TI-H' Accumulation	0.93 [a]		
Swiss Franc	%		
Class 'S-H' Accumulation	1.97 [a]		
Class 'T-H' Accumulation	0.97 [a]		
US dollar	%		
Class 'S' Accumulation	1.98 [a]		
Class 'T' Accumulation	0.98 [a]		
Class 'TI' Accumulation	0.94 [a]		

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Euro Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European investment grade corporate bond market over any five-year period.

Investment policy

The Fund invests at least 70% of its Net Asset Value in investment grade corporate bonds denominated in any European currency. Issuers of these securities may be located in any country, including emerging markets.

The investment process of the Fund is based on both a macroeconomic view and fundamental analysis of individual securities.

The Fund may also invest in high yield corporate bonds, unrated bonds, government and public securities denominated in any European currency. More than 70% of the Fund's assets will be in Euro or hedged back to Euro. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The Fund may invest up to a combined maximum of 30% of the Fund's Net Asset Value in below investment grade and unrated securities.

The Fund may hold up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities and up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivatives instruments to take both long and short positions to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Credit Default Swaps, Interest Rate Swaps and Credit Linked Notes (CLNs).

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits, and other debt instruments.

M&G (Lux) Euro Corporate Bond Fund

Investment review

For the period from 9 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Euro Corporate Bond Fund, a Luxembourg-authorized SICAV, launched on 9 November 2018. On the same date, the non-sterling share classes of the M&G European Corporate Bond (a UK-authorized OEIC launched in January 2003) merged into the SICAV. The SICAV is run by the same fund manager, applying the same investment strategy, as the UK-authorized OEIC.

The M&G (Lux) Euro Corporate Bond Fund invests mainly in investment grade bonds issued in Europe, with the aim of providing income and capital growth. At least 70% of the fund is invested in investment grade corporate bonds denominated in any European currency. More than 70% of the fund's assets will be in euros or hedged back to euros.

Bonds are loans that are extended by an investor to an issuing entity – such as a company or government – in exchange for regular interest payments. The initial amount borrowed by the entity is usually repaid at the end of the loan's life. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'.

Investment grade corporate bonds refer to debt 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 of non-repayment than those issued by companies with lower credit ratings (known as high yield bonds). The performance of investment grade corporate bond markets can be influenced by the performance of government bonds.

One of the key drivers of a bond fund's performance is the ability to adjust the portfolio's sensitivity to changes in interest rates, known as 'duration'. Being shorter duration means that a fund is relatively less sensitive to changes in interest rates than longer-duration funds. During the course of the reporting period, we slightly adjusted the fund's duration, while keeping it short overall.

We like financials and have kept a significant exposure to this sector throughout the review period. In February, we partially closed a large underweight position in the autos sector, adding bonds from names including Ford, Daimler and BMW, as the sector had come under significant pressure and as a result looked attractively priced. We remain overweight technology, technology, media and telecom (TMT) and insurance, while underweight basic industries.

We remain cautious about prospects for the UK economy and the impact of Brexit uncertainty and have not added substantively to our UK holdings over the period.

We will look for opportunities as we get further into 2019 to add some credit risk as markets stabilise.

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.

Stefan Isaacs

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G Limited.

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					1,208,443	94.95
Debt securities					1,210,560	95.12
'AAA' credit rated bonds					130,141	10.23
Avoca CLO XIII FRN ^[a]	2,930,000	€	15.10.2030		2,937	0.23
Barings Euro CLO FRN	4,138,000	€	15.10.2030		4,132	0.33
Dukinfield 2 FRN	4,025,902	£	20.12.2052		4,742	0.37
Germany (Federal Republic of) 0%	7,565,253	€	08.04.2022		7,702	0.61
Germany (Federal Republic of) 0.25%	3,593,366	€	15.02.2027		3,735	0.29
Germany (Federal Republic of) 0.5%	3,127,985	€	15.02.2026		3,307	0.26
Germany (Federal Republic of) 0.5%	9,657,048	€	15.02.2028		10,223	0.80
Germany (Federal Republic of) 1%	1,280,120	€	15.08.2024		1,380	0.11
Germany (Federal Republic of) 1.5%	2,998,849	€	04.09.2022		3,215	0.25
Germany (Federal Republic of) 4.75%	3,668,958	€	04.07.2040		6,944	0.54
Germany (Federal Republic of) 5.5%	4,891,943	€	04.01.2031		8,069	0.63
Harvest CLO VIII FRN	8,421,000	€	15.01.2031		8,359	0.66
Hawksmoor Mortgages FRN	4,561,511	£	25.05.2053		5,340	0.42
Johnson & Johnson 0.25%	4,398,000	€	20.01.2022		4,454	0.35
Johnson & Johnson 0.65%	15,209,000	€	20.05.2024		15,706	1.24
Lloyds Bank 0.25%	2,416,000	€	25.03.2024		2,426	0.19
Lloyds Bank 4.875%	3,523,000	£	30.03.2027		5,093	0.40
Microsoft 2.125%	8,829,000	€	06.12.2021		9,334	0.73
Microsoft 2.625%	1,627,000	€	02.05.2033		2,001	0.16
Microsoft 3.125%	4,398,000	€	06.12.2028		5,406	0.43
Microsoft 3.5%	4,505,000	US\$	12.02.2035		4,072	0.32
OAK Hill European Credit Partners V Designated Activity FRN ^[a]	5,621,000	€	21.02.2030		5,635	0.44
Thrones FRN	1,140,159	£	15.11.2049		1,332	0.11
Wellcome Trust 1.125%	4,398,000	€	21.01.2027		4,597	0.36
'AA' credit rated bonds					154,597	12.15
3M 0.95%	2,569,000	€	15.05.2023		2,662	0.21
Apple 0.875%	6,069,000	€	24.05.2025		6,297	0.50
Apple 1%	2,126,000	€	10.11.2022		2,210	0.17
Apple 1.625%	8,829,000	€	10.11.2026		9,575	0.75
Apple 2%	2,213,000	€	17.09.2027		2,473	0.19
Berkshire Hathaway 1.125%	20,231,000	€	16.03.2027		20,847	1.64
Coöperatieve Rabobank 4%	4,156,000	€	11.01.2022		4,627	0.36
Deutsche Bahn Finance 1.5%	3,500,000	€	08.12.2032		3,691	0.29
Euroclear Investments 1.5%	1,600,000	€	11.04.2030		1,684	0.13
France (Republic of) 0.25%	19,010,207	€	25.11.2026		19,344	1.52
France (Republic of) 1.75%	4,629,122	€	25.05.2023		5,039	0.40
Nestle Finance International 1.5%	1,246,000	€	19.07.2019		1,253	0.10
Nestle Finance International 1.75%	6,265,000	€	12.09.2022		6,686	0.53
Nestle Finance International 2.125%	3,225,000	€	10.09.2021		3,412	0.27
Novartis Finance 0.125%	13,080,000	€	20.09.2023		13,161	1.03
Novartis Finance 0.75%	2,569,000	€	09.11.2021		2,633	0.21
Novartis Finance 1.625%	5,298,000	€	09.11.2026		5,762	0.45
Procter & Gamble 2%	2,213,000	€	16.08.2022		2,368	0.19
Roche Finance Europe 0.875%	4,415,000	€	25.02.2025		4,602	0.36
Shell International Finance 1%	14,608,000	€	06.04.2022		15,103	1.19
Svenska Handelsbanken 2.625%	4,141,000	€	23.08.2022		4,500	0.35
Walmart 4.875%	9,713,000	€	21.09.2029		13,717	1.08
Warwick Finance Residential Mortgages No Two FRN	2,518,000	£	21.09.2049		2,951	0.23
'A' credit rated bonds					365,031	28.68
Airbus Finance 0.875%	8,092,000	€	13.05.2026		8,321	0.65
Allianz FRN	3,700,000	€	31.12.2049		4,171	0.33
Allianz Finance II FRN	3,700,000	€	08.07.2041		4,125	0.32
America Movil 4.125%	4,138,000	€	25.10.2019		4,235	0.33
ASML Holding 1.625%	4,589,000	€	28.05.2027		4,869	0.38
Bank of America 0.75%	7,480,000	€	26.07.2023		7,585	0.60
Bank of America 1.375%	3,610,000	€	10.09.2021		3,731	0.29
Bank of America 2.375%	4,836,000	€	19.06.2024		5,282	0.42
BMW Finance 1.125%	6,377,000	€	22.05.2026		6,517	0.51
BNP Paribas 1.5%	1,809,000	€	17.11.2025		1,858	0.15
BNP Paribas FRN	7,711,000	€	07.06.2024		7,630	0.60
BP Capital Markets 1.117%	1,692,000	€	25.01.2024		1,757	0.14
BPCE 1.375%	2,100,000	€	23.03.2026		2,141	0.17
CEZ 4.875%	2,118,000	€	16.04.2025		2,577	0.20
Chubb INA Holdings 1.55%	2,240,000	€	15.03.2028		2,338	0.18
CK Hutchison Europe Finance 18 1.25%	3,543,000	€	13.04.2025		3,597	0.28

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
Coca-Cola 1.125%	15,410,000	€	09.03.2027		15,937	1.25
Crédit Agricole 1.875%	3,900,000	€	20.12.2026		4,114	0.32
Crédit Agricole London 4.125%	4,049,000	US\$	10.01.2027		3,673	0.29
DAA Finance 1.554%	6,180,000	€	07.06.2028		6,450	0.51
Daimler International Finance 1%	6,377,000	€	11.11.2025		6,438	0.51
Electricite de France 4%	4,450,000	€	12.11.2025		5,415	0.43
E-Mac FRN	358,535	€	25.08.2048		357	0.03
Engie 1.375%	4,500,000	€	19.05.2020		4,580	0.36
Engie 5.95%	9,601,000	€	16.03.2111		17,261	1.36
Eni 3.75%	6,306,000	€	12.09.2025		7,501	0.59
Goldman Sachs Group FRN	10,806,000	€	26.09.2023		10,690	0.84
Heathrow Funding 1.875%	3,866,000	€	14.03.2034		3,874	0.30
Honeywell International 0.65%	4,398,000	€	21.02.2020		4,429	0.35
Honeywell International 1.3%	1,749,000	€	22.02.2023		1,836	0.14
HSBC Holdings 0.875%	2,569,000	€	06.09.2024		2,582	0.20
HSBC Holdings 1.5%	4,141,000	€	15.03.2022		4,292	0.34
HSBC Holdings FRN	8,313,000	€	05.10.2023		8,243	0.65
Hutchison Whampoa Finance 14 1.375%	3,616,000	€	31.10.2021		3,728	0.29
ING Groep 2.125%	1,000,000	€	10.01.2026		1,060	0.08
JPMorgan Chase 0.625%	3,574,000	€	25.01.2024		3,607	0.28
JPMorgan Chase 1.375%	3,291,000	€	16.09.2021		3,405	0.27
JPMorgan Chase 1.5%	8,250,000	€	29.10.2026		8,677	0.68
JPMorgan Chase 2.875%	5,701,000	€	24.05.2028		6,716	0.53
JPMorgan Chase FRN	2,031,000	€	18.05.2028		2,119	0.17
KBC Group 0.75%	2,600,000	€	01.03.2022		2,641	0.21
Klepierre 1.375%	2,800,000	€	16.02.2027		2,916	0.23
Lloyds Banking Group FRN	8,313,000	€	21.06.2024		8,112	0.64
Medtronic Global Holdings 1.625%	1,406,000	€	07.03.2031		1,466	0.12
Mitchells & Butlers Finance FRN	4,471,512	US\$	15.12.2030		3,710	0.29
Morgan Stanley 1%	3,397,000	€	02.12.2022		3,467	0.27
Morgan Stanley 1.375%	6,531,000	€	27.10.2026		6,665	0.52
Prologis 3%	1,373,000	€	18.01.2022		1,481	0.12
Prologis 3.375%	1,564,000	€	20.02.2024		1,786	0.14
Prologis International Funding II 1.876%	1,434,000	€	17.04.2025		1,514	0.12
RMAC Securities No 1 FRN	6,292,534	£	12.06.2044		6,904	0.54
RTE Réseau de Transport d'Electricite SADIR 1%	1,700,000	€	19.10.2026		1,752	0.14
SAP 0.75%	8,500,000	€	10.12.2024		8,736	0.69
Scentre Group Trust 1 1.5%	4,398,000	€	16.07.2020		4,470	0.35
SCOR FRN	1,800,000	€	29.10.2049		1,957	0.15
SEB 1.5%	3,100,000	€	31.05.2024		3,139	0.25
Silverback Finance 3.1261%	9,970,004	€	25.02.2037		10,581	0.83
Statkraft 2.5%	2,552,000	€	28.11.2022		2,774	0.22
Suez 5.5%	1,300,000	€	22.07.2024		1,658	0.13
Sumitomo Mitsui Banking 2.75%	2,768,000	€	24.07.2023		3,050	0.24
Swiss Re Finance Luxembourg FRN	1,500,000	€	30.04.2050		1,521	0.12
Thales 0.75%	4,900,000	€	07.06.2023		5,022	0.39
TOTAL FRN	15,891,000	€	29.12.2049		17,268	1.36
TOTAL FRN	10,825,000	€	31.12.2099		11,198	0.88
Total Capital International 1.375%	10,900,000	€	19.03.2025		11,641	0.91
UBS Group Funding Switzerland FRN	6,667,000	€	17.04.2025		6,754	0.53
Vier Gas Transport 3.125%	3,496,000	€	10.07.2023		3,944	0.31
Wells Fargo 1%	3,948,000	€	02.02.2027		3,929	0.31
Wells Fargo 1.625%	1,943,000	€	02.06.2025		2,049	0.16
Wells Fargo 2.25%	9,976,000	€	02.05.2023		10,736	0.84
Wells Fargo 2.625%	4,141,000	€	16.08.2022		4,472	0.35
'BBB' credit rated bonds					408,569	32.10
AG Insurance FRN	5,100,000	€	30.06.2047		5,278	0.41
alstria office 1.5%	4,300,000	€	15.11.2027		4,164	0.33
Altria Group 1.7%	3,201,000	€	15.06.2025		3,243	0.26
America Movil FRN	3,662,000	€	06.09.2073		4,268	0.34
American International Group 1.875%	1,793,000	€	21.06.2027		1,828	0.14
American International Group FRN	11,550,000	€	15.03.2067		8,830	0.69
Anglo American Capital 1.625%	955,000	€	18.09.2025		967	0.08
Anheuser-Busch InBev 2.75%	3,687,000	€	17.03.2036		4,023	0.32
Aon 2.875%	10,154,000	€	14.05.2026		11,152	0.88
Arion Banki 0.75%	3,233,000	€	29.06.2020		3,261	0.26

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Arion Banki 1%	3,605,000	€	20.03.2023		3,570	0.28
Aroundtown 1.875%	2,600,000	€	19.01.2026		2,629	0.21
Assicurazioni Generali FRN	1,100,000	€	12.12.2042		1,308	0.10
Assicurazioni Generali FRN	2,032,000	€	27.10.2047		2,222	0.17
AT&T 3.55%	11,818,000	€	17.12.2032		13,486	1.06
Aviva FRN	2,150,000	€	05.07.2043		2,482	0.20
Aviva FRN	2,926,000	€	04.12.2045		3,022	0.24
AXA FRN	3,713,000	€	04.07.2043		4,291	0.34
AXA FRN	2,593,000	€	28.05.2049		2,673	0.21
Banco Santander 2.5%	8,200,000	€	18.03.2025		8,519	0.67
Banco Santander Mexico 2.125%	2,000,000	€	08.02.2028		1,967	0.15
Barclays Bank 6.625%	2,320,000	€	30.03.2022		2,679	0.21
BAT International Finance 2.25%	4,505,000	£	09.09.2052		3,704	0.29
BAT International Finance 2.75%	2,569,000	€	25.03.2025		2,773	0.22
BAT International Finance 3.125%	3,601,000	€	06.03.2029		3,887	0.31
BAT International Finance 7.25%	2,702,000	£	12.03.2024		3,836	0.30
Belfius Bank FRN	2,200,000	€	15.03.2028		2,095	0.16
Beni Stabili 2.375%	2,749,000	€	20.02.2028		2,828	0.22
BNP Paribas 4.875%	773,000	€	29.12.2049		794	0.06
BNP Paribas FRN	2,652,000	€	20.03.2026		2,762	0.22
BPCE FRN	2,100,000	€	30.11.2027		2,225	0.17
Channel Link Enterprises Finance FRN	5,161,000	€	30.06.2050		5,152	0.40
Citigroup 1.5%	9,976,000	€	26.10.2028		10,320	0.81
Citigroup 1.75%	6,666,000	€	28.01.2025		7,051	0.55
Coentreprise de Transport d'Electricite 1.5%	7,100,000	€	29.07.2028		7,328	0.58
Commerzbank 1.875%	2,000,000	€	28.02.2028		2,006	0.16
Commerzbank 4%	1,160,000	€	23.03.2026		1,236	0.10
Crédit Suisse Group Funding Guernsey 3%	3,174,000	£	27.05.2022		3,832	0.30
Deutsche Telekom International Finance 0.25%	2,205,000	€	19.04.2021		2,221	0.17
Deutsche Telekom International Finance 5.375%	2,321,000	€	27.07.2021		2,610	0.21
Deutsche Telekom International Finance 8.75%	4,505,000	US\$	15.06.2030		5,512	0.43
DP World 2.375%	2,824,000	€	25.09.2026		2,940	0.23
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	1,349,000	€	29.09.2047		1,394	0.11
ELM for Swiss Life Insurance & Pension Group FRN	1,638,000	€	29.12.2049		1,793	0.14
Fastighets AB Balder 1.875%	1,722,000	€	23.01.2026		1,702	0.13
FCE Bank 1.134%	4,398,000	€	10.02.2022		4,339	0.34
FCE Bank 1.615%	1,528,000	€	11.05.2023		1,490	0.12
Ford Motor Credit 1.355%	2,569,000	€	07.02.2025		2,370	0.19
Ford Motor Credit 3.021%	818,000	€	06.03.2024		825	0.06
GE Capital International Funding 4.418%	2,700,000	US\$	15.11.2035		2,224	0.17
General Electric 1.25%	13,312,000	€	26.05.2023		13,464	1.06
General Electric 2.125%	2,319,000	€	17.05.2037		2,110	0.17
General Motors Financial 2.2%	1,432,000	€	01.04.2024		1,456	0.11
Global Switch Holdings 2.25%	2,435,000	€	31.05.2027		2,465	0.19
Goldman Sachs Group 1.25%	6,379,000	€	01.05.2025		6,467	0.51
Goldman Sachs Group 1.375%	2,492,000	€	26.07.2022		2,575	0.20
Goldman Sachs Group 1.625%	4,749,000	€	27.07.2026		4,873	0.38
Heimstadten Bostad 2.125%	1,324,000	€	05.09.2023		1,346	0.11
Holcim Finance Luxembourg 1.75%	2,632,000	€	29.08.2029		2,556	0.20
Imperial Brands Finance 1.375%	1,655,000	€	27.01.2025		1,656	0.13
ING Bank FRN	4,141,000	€	25.02.2026		4,371	0.34
ING Groep FRN	3,400,000	€	22.03.2030		3,380	0.27
Intesa Sanpaolo 1.125%	4,989,000	€	04.03.2022		5,043	0.40
Intesa Sanpaolo 2%	4,141,000	€	18.06.2021		4,286	0.34
Johnson Controls International 1.375%	5,566,000	€	25.02.2025		5,617	0.44
Kraft Heinz Foods 2%	973,000	€	30.06.2023		1,017	0.08
Kraft Heinz Foods 2.25%	5,298,000	€	25.05.2028		5,422	0.43
LafargeHolcim Sterling Finance 3%	1,031,000	£	12.05.2032		1,154	0.09
Liberty Mutual Group 2.75%	1,730,000	€	04.05.2026		1,881	0.15
McDonald's 0.9%	1,200,000	€	15.06.2026		1,206	0.09
McDonald's 2%	2,700,000	€	01.06.2023		2,896	0.23
Merlin Properties Sacimi 1.875%	2,213,000	€	02.11.2026		2,235	0.18
Mitchells & Butlers Finance FRN	1,746,000	£	15.12.2033		1,658	0.13
Morgan Stanley 1.75%	6,233,000	€	30.01.2025		6,544	0.51
NET4GAS 2.5%	4,420,000	€	28.07.2021		4,600	0.36
NN Group FRN	6,180,000	€	15.07.2049		6,564	0.52

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
O2 Telefonica Deutschland Finanzierungs 2.375%	8,829,000	€	10.02.2021		9,203	0.72
Orange 1.125%	400,000	€	15.07.2024		415	0.03
Orange FRN	5,479,000	€	29.10.2049		6,180	0.49
Origin Energy Finance 2.5%	7,759,000	€	23.10.2020		8,034	0.63
RCI Banque 2%	2,292,000	€	11.07.2024		2,362	0.19
Royal Bank of Scotland Group FRN	3,100,000	€	04.03.2025		3,158	0.25
Schaeffler 1.875%	767,000	€	26.03.2024		780	0.06
SELP Finance 1.25%	2,785,000	€	25.10.2023		2,817	0.22
SELP Finance 1.5%	1,436,000	€	20.11.2025		1,432	0.11
Société Générale 1.75%	6,000,000	€	22.03.2029		5,989	0.47
Suez FRN	1,100,000	€	31.12.2099		1,126	0.09
Takeda Pharmaceutical 3%	3,640,000	€	21.11.2030		3,996	0.31
Tele2 1.125%	1,762,000	€	15.05.2024		1,796	0.14
Thermo Fisher Scientific 1.45%	973,000	€	16.03.2027		1,009	0.08
Thermo Fisher Scientific 2.875%	1,383,000	€	24.07.2037		1,527	0.12
Time Warner Cable 7.3%	2,055,000	US\$	01.07.2038		2,131	0.17
UBS FRN	14,962,000	€	12.02.2026		15,967	1.25
UNIQA Insurance Group FRN	2,600,000	€	31.07.2043		3,020	0.24
Verizon Communications 0.875%	8,233,000	€	02.04.2025		8,385	0.66
Verizon Communications 2.875%	4,094,000	€	15.01.2038		4,517	0.36
Verizon Communications 3.25%	8,200,000	€	17.02.2026		9,546	0.75
Vodafone Group 1.125%	2,931,000	€	20.11.2025		2,960	0.23
Vodafone Group 2.2%	3,585,000	€	25.08.2026		3,872	0.30
Vodafone Group 3.75%	2,702,000	US\$	16.01.2024		2,431	0.19
Vodafone Group FRN	2,763,000	€	03.01.2079		2,727	0.21
Volkswagen Financial Services 0.75%	4,415,000	€	14.10.2021		4,469	0.35
Volkswagen International Finance 1.625%	831,000	€	16.01.2030		770	0.06
Volkswagen Leasing 2.625%	3,532,000	€	15.01.2024		3,753	0.29
Vonovia Finance 1.5%	1,700,000	€	14.01.2028		1,730	0.14
WPC Eurobond 2.125%	2,095,000	€	15.04.2027		2,103	0.17
WPC Eurobond 2.25%	6,180,000	€	19.07.2024		6,411	0.50
'BB' credit rated bonds					72,631	5.71
Banco Santander FRN	2,500,000	€	31.12.2099		2,655	0.21
Banco Santander Mexico FRN	2,700,000	€	12.03.2049		2,659	0.21
Bank of Scotland FRN	465,000	£	29.05.2049		662	0.05
Barclays Bank FRN	1,548,000	€	07.02.2028		1,485	0.12
Bayer FRN	1,507,000	€	02.04.2075		1,468	0.11
Bayer FRN	4,837,000	€	01.07.2075		4,869	0.38
CaixaBank FRN	4,200,000	€	31.12.2099		3,681	0.29
Electricite de France FRN	2,200,000	€	29.01.2049		2,321	0.18
Intesa Sanpaolo 2.855%	3,870,000	€	23.04.2025		3,922	0.31
Intesa Sanpaolo 3.928%	3,870,000	€	15.09.2026		4,063	0.32
Intesa Sanpaolo FRN	1,742,000	€	29.12.2049		1,889	0.15
Intesa Sanpaolo Vita FRN	4,900,000	€	31.12.2049		4,935	0.39
Lloyds Banking Group FRN	1,934,000	€	31.12.2049		1,994	0.16
National Westminster Bank FRN	619,000	€	29.10.2049		608	0.05
Société Générale FRN	7,400,000	€	29.09.2049		7,687	0.60
Solvay Finance FRN	2,878,000	€	29.11.2049		3,249	0.25
Telecom Italia Finance 7.75%	967,000	€	24.01.2033		1,251	0.10
Telefonica Europe FRN	3,800,000	€	31.12.2099		3,707	0.29
Telefonica Europe FRN	3,200,000	€	31.12.2099		3,287	0.26
Teva Pharmaceutical Finance Netherlands II 1.125%	2,465,000	€	15.10.2024		2,159	0.17
UBS FRN	4,110,000	€	29.12.2049		4,492	0.35
UniCredit 6.95%	870,000	€	31.10.2022		1,004	0.08
Virgin Media Secured Finance 6.25%	3,867,000	£	28.03.2029		4,786	0.38
Wind Tre FRN	3,996,000	€	20.01.2024		3,798	0.30
'B' credit rated bonds						
UniCredit FRN	4,016,000	€	31.12.2099		3,454	0.27
Bonds with no credit rating					76,137	5.98
Arbour CLO IV FRN	8,738,000	€	15.01.2030		8,739	0.69
Bureau Veritas 1.25%	2,100,000	€	07.09.2023		2,122	0.17
ELM for Swiss Reinsurance FRN	2,665,000	€	29.12.2049		2,769	0.22
Eurofins Scientific 2.125%	1,279,000	€	25.07.2024		1,257	0.10
EWE 5.25%	1,043,000	€	16.07.2021		1,164	0.09
Groupe Bruxelles Lambert 1.375%	5,400,000	€	23.05.2024		5,435	0.43

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Bonds with no credit rating (continued)						
Iliad 1.875%	3,300,000	€	25.04.2025		3,107	0.24
Lagardere 1.625%	3,700,000	€	21.06.2024		3,642	0.28
Netherlands (Kingdom of) 0.75%	41,833,110	€	15.07.2027		44,581	3.50
Vilmorin 2.375%	3,200,000	€	26.05.2021		3,321	0.26
Debt derivatives					(2,117)	(0.17)
Credit default swaps					82	0.00
Markit iTraxx Europe Series 31 3 Year Jun 2024	5,000,000	€			82	0.00
Interest rate futures					(2,199)	(0.17)
Deutscher Bobl 5 year Futures	326	€	06.06.2019	43,370	321	0.03
Deutscher Bund 10 year Futures	163	€	06.06.2019	27,080	525	0.04
Deutscher Buxl 30 year Futures	(236)	€	06.06.2019	45,229	(2,145)	(0.17)
Euro-Bono SP Gov Futures	(82)	€	06.06.2019	12,354	(237)	(0.02)
US Treasury Notes 10 year Futures	(208)	US\$	19.06.2019	22,999	(311)	(0.02)
UK Treasury Notes Futures	(125)	£	26.06.2019	18,835	(352)	(0.03)
CURRENCY					(266)	(0.02)
Forward currency contracts					(266)	(0.02)
Bought for € 45,472,301.18, Sold for £ 39,147,831.64			10.04.2019		(199)	(0.02)
Bought for € 22,486,138.88, Sold for US\$ 25,345,971.00			10.04.2019		(67)	0.00
Portfolio of investments					1,208,177	94.93
CASH EQUIVALENTS					53,638	4.21
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	54,704,708	€			53,638	4.21
SHARE CLASS HEDGING					97	0.00
Bought for € 26,742.48, Sold for CHF 30,338.62			10.04.2019		0	0.00
Bought for CHF 4,472,967.21, Sold for € 3,940,680.40			10.04.2019		59	0.00
Bought for US\$ 5,006,964.11, Sold for € 4,417,319.85			10.04.2019		38	0.00
Total portfolio					1,261,912	99.14
Net other assets/(liabilities)					10,808	0.86
NET ASSETS					1,272,720	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					1,210,560	95.12
Unrealised gains on futures contracts					846	0.07
Unrealised gains on forward currency contracts					97	0.00
Unrealised gains on swap contracts					82	0.00
Total Investment assets					1,211,585	95.19
Investment liabilities						
Unrealised losses on futures contracts					(3,045)	(0.24)
Unrealised losses on forward currency contracts					(266)	(0.02)
Total Investment liabilities					(3,311)	(0.26)
Total portfolio					1,208,274	94.93
Cash equivalents					53,638	4.21
Net other assets/(liabilities)					10,808	0.86
NET ASSETS					1,272,720	100.00

[a] Unlisted/unquoted.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

M&G (Lux) Euro Corporate Bond Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures			
	Swaps	Forward currency contracts	Futures	Collateral held as cash
	€'000	€'000	€'000	€'000
HSBC Bank Plc	0	67,958	0	413
Merrill Lynch Pierce Fenner + Smith Inc	81	0	169,867	0
State Street Bank and Trust Company	0	8,385	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Euro Corporate Bond Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G European Corporate Bond Fund which merged into the M&G (Lux) Euro Corporate Bond Fund on 9 November 2018.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 9 November 2018 (the launch date of the fund) 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
Final	09.11.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'C'	Euro Class 'CI'	US dollar Class 'A-H'	US dollar Class 'C-H'
to 31 March 2019	Euro €	Euro €	Euro €	US \$	US \$
Final	0.1057	0.1192	0.0654	0.0693	0.0710

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	18.1642	n/a	n/a
Class 'A' Distribution	16.3521	n/a	n/a
Class 'C' Accumulation	20.2918	n/a	n/a
Class 'C' Distribution	18.4674	n/a	n/a
Class 'CI' Accumulation	10.2639	n/a	n/a
Class 'CI' Distribution	10.1204	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	11.7633	n/a	n/a
Class 'C-H' Accumulation	12.1521	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	11.6660	n/a	n/a
Class 'A-H' Distribution	10.7249	n/a	n/a
Class 'C-H' Accumulation	11.9540	n/a	n/a
Class 'C-H' Distribution	10.8727	n/a	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	1,272,720	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	1,272,720	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.21		
Class 'A' Distribution	1.21		
Class 'C' Accumulation	0.71		
Class 'C' Distribution	0.71		
Class 'CI' Accumulation	0.67 ^[a]		
Class 'CI' Distribution	0.67 ^[a]		
Swiss franc	%		
Class 'A-H' Accumulation	1.23		
Class 'C-H' Accumulation	0.73		
US dollar	%		
Class 'A-H' Accumulation	1.23		
Class 'A-H' Distribution	1.23		
Class 'C-H' Accumulation	0.73		
Class 'C-H' Distribution	0.73		

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) European Inflation Linked Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of income and capital growth) equal to or greater than European inflation over any three-year period.

Investment policy

The Fund will invest at least 50% of its Net Asset Value in inflation-linked investment grade corporate bonds. Exposure may either be gained through direct holdings or synthetically by using combinations of inflation-linked government bonds and derivatives to create similar risk exposures. A minimum of 90% of the Fund's Net Asset Value will be exposed directly to Euro denominated assets or non-Euro exposures which have been hedged back to Euro.

Additionally the Fund may also invest in the following fixed income instruments:

- fixed rate bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies, subject to a maximum of 40% of the Fund's Net Asset Value
- floating rate notes, subject to a maximum of 50% of the Fund's Net Asset Value
- bonds from issuers located in emerging markets, subject to a maximum of 20% of the Fund's Net Asset Value
- unrated bonds and bonds which are rated sub-investment grade, subject to a maximum of 30% of the Fund's Net Asset Value
- Asset-Backed Securities subject to a maximum of 20% of the Fund's Net Asset Value.

Derivatives can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management. The derivative instruments that the Fund can invest in include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, and Credit Default Swaps.

The Fund may also invest in cash, currencies, near cash, deposits, other debt instruments, other derivatives, preferred shares, warrants and other funds.

M&G (Lux) European Inflation Linked Corporate Bond Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) European Inflation Linked Corporate Bond Fund delivered a negative total return (the combination of capital growth and income) across its various share classes.

This means the fund's annualised return since its launch in March 2018 is below its performance target of delivering returns that are consistent with or exceeding inflation, as measured by the Eurostat Eurozone Harmonised Index of Consumer Prices (HICP) over a rolling three- to five-year period, albeit with the potential to deliver on its three-year investment objective. The inflation rate according to the HICP was 1.4% over the review period.

Performance review

The 12-month period under review was a volatile period for bond markets. A variety of factors weighed on sentiment throughout 2018, including concerns about the negative impact of rising US interest rates, escalating trade war tensions between the US and China, and political turmoil in Europe and several emerging markets.

The US Federal Reserve (Fed) raised interest rates in December, making it a total of nine times US rates have risen since the great financial crisis about a decade ago. In the UK, much uncertainty remained about the eventual terms of the country's Brexit deal with the European Union (EU), contributing to periods of adverse sentiment towards UK corporate bonds. Investors in Europe became concerned in the latter stages of 2018 about Italian proposals to increase the country's budget deficit.

Investor sentiment towards corporate bonds was increasingly affected by concerns of a trade war developing between the US and China. In addition, during the latter months of 2018, global economic growth forecasts began to moderate, which contributed to some weaker confidence in the outlook for corporate bonds and emerging markets.

The mood then changed once again in early 2019, as investors took comfort from the Fed's statements that the central bank would moderate its strategy of raising interest rates. This resulted in a strong start to the year for both corporate and government bonds.

The fund delivered a negative return over the review period across its various share classes. Returns were held back by our significant exposure to corporate bonds which were weak throughout much of the past year. A fall in European inflation expectations also detracted from returns. While the fund did benefit from the significant fall in government bonds yields in the second half of the review period, the impact was muted given the fund's low sensitivity to movements in interest rates.

(Yields refer to the income received from an investment. The yield is usually expressed annually as a percentage based on the investment's cost, its current market value or face value.)

Investment activities

Following the strong rally in corporate bond markets since the start of 2019, we have recently reduced credit risk within the fund. For instance, we decreased our exposure to BBB rated corporate bonds, switching into more highly rated instruments. We also trimmed our financial exposure, by selling or reducing several of our US bank positions following strong performance.

The fund continues to be positioned with a low sensitivity to movements in interest rates, reflecting our broadly positive outlook for the global economy. With German bund yields back near their all-time lows of mid-2016, we think the economic slowdown in Europe is now largely priced in and we see limited scope for a further fall in yields.

Outlook

While mindful of the recent slowdown in global growth, we maintain a broadly positive economic outlook. This is largely based on our positive assessment of the US economy, where a healthy labour market is expected to drive further wage growth over the coming months. The US is a service-based economy, and its reliance on people rather than goods means that it is unlikely to turn deflationary in the short to medium term. The market now expects the US Federal Reserve's next move will be to cut rather than increase interest rates, but in our view, the Fed risks falling further behind the curve.

The economic backdrop in Europe, on the other hand, has clearly darkened in recent months. Leading economic indicators are now suggesting a meaningful slowdown in growth. However, we believe that worries about an impending deep recession in Europe are overblown. If we are in an environment of slow yet positive growth for the time being, then we think highly rated European corporate bonds should be well positioned. Moreover, with the European Central Bank firmly committed to an extraordinarily accommodative monetary policy stance, we would expect corporate default rates within Europe to remain at low levels for the foreseeable future.

Wolfgang Bauer

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					82,642	97.85
Debt securities					82,237	97.37
'AAA' credit rated bonds					23,853	28.24
ALME Loan Funding II FRN	750,000	€	15.01.2030		752	0.89
Avoca CLO XI FRN ^[a]	250,000	€	15.07.2030		250	0.30
Barings Euro CLO FRN	500,000	€	15.10.2030		499	0.59
Delft FRN	307,592	€	17.01.2040		308	0.37
Dukinfield 2 FRN	94,744	£	20.12.2052		112	0.13
Duncan Funding FRN	47,854	£	17.04.2063		56	0.07
Finsbury Square FRN	198,106	£	12.09.2065		231	0.27
Germany (Federal Republic of) I/L 0.1%	5,350,000	€	15.04.2023		6,079	7.20
Germany (Federal Republic of) I/L 0.1%	50,000	€	15.04.2046		67	0.08
Germany (Federal Republic of) I/L 0.5%	50,000	€	15.04.2030		62	0.07
Germany (Federal Republic of) I/L 1.75%	10,720,938	€	15.04.2020		12,485	14.78
Harvest CLO VII FRN	206,000	€	12.04.2031		206	0.24
Newday Partnership Funding FRN ^[a]	400,000	£	15.12.2027		460	0.55
OAK No.1 FRN ^[a]	45,932	£	26.02.2052		54	0.06
Paragon Mortgages No 14 FRN	439,662	US\$	15.09.2039		370	0.44
Thrones FRN	39,701	£	18.03.2050		46	0.05
Tower Bridge Funding No 3 FRN	186,000	£	20.12.2061		217	0.26
Trinity Square FRN	95,971	£	15.07.2051		113	0.13
US Treasury I/I 0.125%	750,000	US\$	15.04.2021		704	0.83
US Treasury I/I 1.25%	750,000	US\$	15.07.2020		782	0.93
'AA' credit rated bonds					17,323	20.51
Claris RMBS 2014 FRN	18,848	€	28.12.2061		19	0.02
E-MAC NL I FRN	208,020	€	25.04.2038		207	0.25
First Flexible No 6 FRN	294,412	€	01.12.2035		288	0.34
France (Republic of) 0.1%	7,870,000	€	01.03.2021		8,404	9.95
France (Republic of) 1.1%	3,862,000	€	25.07.2022		4,715	5.58
Network Rail Infrastructure Finance 1.75%	400,000	£	22.11.2027		879	1.04
Paragon Mortgages No 13 FRN	304,168	€	15.01.2039		285	0.34
SNCF Reseau EPIC 2.45%	1,750,000	€	28.02.2023		2,526	2.99
'A' credit rated bonds					13,685	16.20
Alba FRN	506,825	€	15.12.2038		479	0.57
Anglian Water Services Financing 4.125%	506,000	£	28.07.2020		1,080	1.28
Banca Monte dei Paschi di Siena 2%	229,000	€	29.01.2024		234	0.28
Banco Santander FRN	200,000	US\$	12.04.2023		177	0.21
Bank of America FRN	600,000	US\$	05.02.2026		524	0.62
BPCE FRN	400,000	€	23.03.2023		395	0.47
Cigna-Anleihe FRN	204,000	US\$	17.09.2021		181	0.21
Citigroup FRN	100,000	US\$	01.09.2023		91	0.11
CK Hutchison Europe Finance 18 1.25%	243,000	€	13.04.2025		247	0.29
Cooperatieve Rabobank 2.25%	91,000	£	22.11.2022		166	0.20
Cooperatieve Rabobank FRN	307,000	US\$	26.09.2023		273	0.32
Goldman Sachs Group FRN	150,000	€	26.09.2023		148	0.18
Goldman Sachs Group FRN	300,000	US\$	29.11.2023		273	0.32
Goldman Sachs Group FRN	200,000	US\$	28.10.2027		180	0.21
HSBC Holdings FRN	358,000	€	27.09.2022		359	0.42
HSBC Holdings FRN	750,000	€	05.10.2023		744	0.88
ING Groep FRN	300,000	€	20.09.2023		300	0.35
KBC Group 0.75%	200,000	€	01.03.2022		203	0.24
Landmark Mortgage Securities No 2 FRN	465,231	€	17.06.2039		440	0.52
Lloyds Banking Group FRN	1,200,000	€	21.06.2024		1,171	1.39
Mitchells & Butlers Finance FRN	63,300	US\$	15.12.2030		53	0.06
Morgan Stanley FRN	500,000	€	27.01.2022		502	0.59
Morgan Stanley FRN	400,000	US\$	24.10.2023		362	0.43
Morgan Stanley FRN	200,000	US\$	08.05.2024		179	0.21
National Grid Electricity Transmission 3.806%	275,000	£	27.07.2020		562	0.67
Nationwide Building Society 3.875%	382,593	£	30.07.2021		1,467	1.74
Newgate Funding FRN	425,407	€	15.12.2050		411	0.49
Paragon Mortgages No 9 FRN	53,376	€	15.05.2041		51	0.06
South Eastern Power Networks 3.053%	25,000	£	05.06.2023		54	0.06
Southern Water Services Finance 3.816%	100,000	£	31.03.2023		219	0.26
Spain (Kingdom of) I/L 1.8%	1,100,000	€	30.11.2024		1,308	1.55
TOTAL FRN	600,000	€	29.12.2049		652	0.77
UBS Group Funding Switzerland FRN	200,000	€	20.09.2022		200	0.24
'BBB' credit rated bonds					21,973	26.02
Admiral Group 5.5%	300,000	£	25.07.2024		371	0.44

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Altria Group 1%	207,000	€	15.02.2023		208	0.25
Altria Group 3.8%	154,000	US\$	14.02.2024		140	0.17
Altria Group 4.4%	46,000	US\$	14.02.2026		42	0.05
Anglo American Capital 1.625%	107,000	€	11.03.2026		108	0.13
Arion Banki 1%	525,000	€	20.03.2023		520	0.62
AT&T FRN	750,000	€	05.09.2023		749	0.89
AT&T FRN	294,000	US\$	12.06.2024		260	0.31
Atos 0.75%	200,000	€	07.05.2022		202	0.24
Atrium European Real Estate 3%	169,000	€	11.09.2025		176	0.21
Aviva FRN	300,000	€	04.12.2045		310	0.37
Aviva FRN	400,000	£	29.09.2049		500	0.59
AXA FRN	229,000	€	28.05.2049		236	0.28
Banco Bilbao Vizcaya Argentaria FRN	100,000	€	22.02.2029		101	0.12
Banco Santander Mexico 2.125%	200,000	€	08.02.2028		197	0.23
Bank of America FRN	1,000,000	US\$	15.09.2026		830	0.98
Barclays FRN	600,000	US\$	10.08.2021		545	0.64
Bayer US Finance II FRN	500,000	US\$	15.12.2023		438	0.52
Belfius Bank FRN	300,000	€	15.03.2028		286	0.34
Brisa Concessao Rodoviaria 2.375%	200,000	€	10.05.2027		217	0.26
British Telecommunications 3.5%	37,000	£	25.04.2025		91	0.11
Channel Link Enterprises Finance FRN	500,000	€	30.06.2050		499	0.59
Citigroup 2.75%	100,000	€	24.01.2024		120	0.14
Crédit Agricole FRN	200,000	€	29.04.2049		214	0.25
Energy Transfer Operating 4.5%	32,000	US\$	15.04.2024		30	0.03
Ford Motor Credit 3.021%	110,000	€	06.03.2024		111	0.13
Ford Motor Credit 5.596%	400,000	US\$	07.01.2022		367	0.43
Fresenius 1.875%	82,000	€	15.02.2025		85	0.10
General Motors Financial 2.2%	138,000	€	01.04.2024		140	0.17
Glencore Funding 4.125%	242,000	US\$	12.03.2024		218	0.26
Heimstaden Bostad 2.125%	546,000	€	05.09.2023		555	0.66
HSBC Holdings FRN	300,000	€	29.12.2049		335	0.40
Intesa Sanpaolo 1.75%	500,000	€	20.03.2028		482	0.57
Italy (Republic of) 1.45%	1,000,000	€	26.11.2022		1,020	1.21
Italy (Republic of) 2.1%	3,545,000	€	15.09.2021		4,195	4.97
Kraft Heinz Foods 1.5%	300,000	€	24.05.2024		306	0.36
National Grid 1.25%	225,000	£	06.10.2021		335	0.40
NET4GAS 2.5%	200,000	€	28.07.2021		208	0.25
RCI Banque 2%	223,000	€	11.07.2024		230	0.27
RCI Banque FRN	300,000	€	12.01.2023		293	0.35
Royal Bank of Scotland Group FRN	302,000	€	04.03.2025		308	0.36
Royal Bank of Scotland Group FRN	300,000	£	19.09.2026		351	0.41
Santander UK Group Holdings FRN	346,000	€	27.03.2024		336	0.40
Schaeffler 1.875%	70,000	€	26.03.2024		71	0.08
Severn Trent 1.3%	50,000	£	11.07.2022		73	0.09
Société Générale FRN	1,200,000	€	22.05.2024		1,184	1.40
Suez FRN	200,000	€	31.12.2099		205	0.24
Takeda Pharmaceutical FRN	709,000	€	21.11.2022		721	0.85
Tele2 1.125%	155,000	€	15.05.2024		158	0.19
Tesco Personal Finance 1%	200,000	£	16.12.2019		279	0.33
Thames Water Utilities Finance 3.375%	280,000	£	21.07.2021		584	0.69
Vodafone Group FRN	300,000	£	03.10.2078		340	0.40
Vodafone Group FRN	300,000	€	03.01.2079		296	0.35
Volkswagen International Finance FRN	300,000	€	16.11.2024		303	0.36
Volkswagen International Finance FRN	500,000	€	31.12.2099		494	0.58
'BB' credit rated bonds					3,691	4.37
Banco Bilbao Vizcaya Argentaria FRN	600,000	€	29.12.2049		616	0.73
Banco de Sabadell FRN	300,000	€	12.12.2028		309	0.37
Banco Santander Mexico FRN	600,000	€	12.03.2049		591	0.70
Bayer FRN	800,000	€	01.07.2075		805	0.95
Catalyst Healthcare Manchester Financing 2.411%	77,724	£	30.09.2040		166	0.20
Crown European Holdings 3.375%	350,000	€	15.05.2025		375	0.44
Lloyds Banking Group FRN	200,000	£	29.12.2049		234	0.28
Telecom Italia Finance 2.375%	100,000	€	12.10.2027		93	0.11
Telefonica Europe FRN	400,000	€	31.12.2099		390	0.46
Unitymedia Hessen Via Unitymedia NRW 3.5%	106,000	€	15.01.2027		112	0.13

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'D' credit rated bonds						
Nationwide Building Society 4.25%	136,404	£	23.02.2024		526	0.62
Bonds with no credit rating					1,186	1.41
Arbour CLO IV FRN	186,000	€	15.01.2030		186	0.22
Eirles Two FRN ^{[a],[b]}	500,000	€	30.10.2020		0	0.00
Eurofins Scientific FRN	400,000	€	29.01.2049		420	0.50
Groupe Bruxelles Lambert 1.875%	200,000	€	19.06.2025		205	0.24
Iliad 1.875%	300,000	€	25.04.2025		283	0.34
THFC Indexed 5.65%	32,528	£	30.09.2020		92	0.11
Debt derivatives					405	0.48
Credit default swaps					595	0.70
Allianz Dec 2021	500,000	€			12	0.01
America Movil Dec 2023	500,000	US\$		(7)		(0.01)
Anglo American Dec 2022	500,000	€		79		0.09
Aviva Jun 2021	500,000	€		7		0.01
AXA Dec 2021	500,000	€		10		0.01
Barclays Dec 2022	500,000	€		3		0.00
BP Jun 2021	500,000	€		10		0.01
British American Tobacco Dec 2022	1,500,000	€		20		0.02
ENEL Dec 2022	1,000,000	€		15		0.02
Energy Transfer Partners Dec 2020	1,500,000	US\$		18		0.02
Ford Motor Company Dec 2020	500,000	US\$		31		0.04
General Electric Dec 2023	1,000,000	US\$		2		0.00
Glencore International Dec 2021	500,000	€		61		0.07
Glencore International Dec 2022	450,000	€		67		0.08
Glencore International Jun 2023	200,000	€		32		0.04
Heathrow Funding Dec 2020	500,000	€		5		0.01
HSBC Bank Jun 2021	500,000	€		8		0.01
LafargeHolcim Dec 2021	500,000	€		8		0.01
LafargeHolcim Jun 2023	250,000	€		3		0.00
Leonardo Dec 2022	1,100,000	€		170		0.20
Lloyds Bank Jun 2021	500,000	€		6		0.01
Lloyds Banking Group Dec 2022	500,000	€		5		0.01
Lloyds Banking Group Jun 2023	150,000	€		1		0.00
Markit CDX North American Investment Grade Series 21 10 Year Dec 2023	5,500,000	US\$		25		0.03
Markit CDX North American Investment Grade Series 25 10 Year Dec 2025	3,000,000	US\$		(2)		0.00
Markit iTraxx Europe Series 28 3 Year Dec 2027	2,050,000	€		3		0.00
Markit iTraxx Europe Series 29 3 Year Jun 2023	400,000	€		8		0.01
Markit iTraxx Europe Series 29 3 Year Jun 2028	450,000	€		(2)		0.00
Markit iTraxx Europe Series 30 5 Year Dec 2023	400,000	€		7		0.01
Markit iTraxx Europe Snr Fin Series 29 5 Year Jun 2023	1,000,000	€		15		0.02
Markit iTraxx Europe Xover Series 27 5 Year Jun 2022	986,660	€		(81)		(0.10)
MetLife Dec 2021	500,000	US\$		8		0.01
Repsol Dec 2021	500,000	€		10		0.01
Telecom Italia Dec 2021	200,000	€		(2)		0.00
Telecom Italia Dec 2022	500,000	€		(18)		(0.02)
Telefonica Dec 2022	650,000	€		12		0.02
Telefonica Jun 2021	500,000	€		9		0.01
Verizon Communications Sep 2023	1,500,000	US\$		26		0.03
Zurich Insurance Dec 2021	500,000	€		11		0.01
Interest rate futures					(190)	(0.22)
Deutscher Bobl 5 year Futures	(92)	€	06.06.2019	12,239	(91)	(0.11)
Deutscher Bund 10 year Futures	(4)	€	06.06.2019	665	(13)	(0.01)
Deutscher Schatz 2 year Futures	(87)	€	06.06.2019	9,740	(18)	(0.02)
UK Treasury Notes Futures	(24)	£	26.06.2019	3,616	(68)	(0.08)
CURRENCY					(65)	(0.08)
Forward currency contracts					(65)	(0.08)
Bought for £ 28,977.02, Sold for € 33,887.49			10.04.2019		0	0.00
Bought for € 9,909,092.57, Sold for £ 8,530,896.34			10.04.2019		(43)	(0.05)
Bought for € 8,081,428.08, Sold for US\$ 9,111,734.01			10.04.2019		(26)	(0.03)
Bought for US\$ 990,089.50, Sold for € 876,303.30			10.04.2019		4	0.00
Portfolio of investments					82,577	97.77

M&G (Lux) European Inflation Linked Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
CASH EQUIVALENTS					517	0.61
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	526,914	€			517	0.61
SHARE CLASS HEDGING					4	0.00
Bought for CHF 295,902.34, Sold for € 260,640.08			10.04.2019		4	0.00
Total portfolio					83,098	98.38
Net other assets/(liabilities)					1,362	1.62
NET ASSETS					84,460	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					82,237	97.37
Unrealised gains on forward currency contracts					8	0.00
Unrealised gains on swap contracts					707	0.83
Total Investment assets					82,952	98.20
Investment liabilities						
Unrealised losses on futures contracts					(190)	(0.22)
Unrealised losses on forward currency contracts					(69)	(0.08)
Unrealised losses on swap contracts					(112)	(0.13)
Total Investment liabilities					(371)	(0.43)
Total portfolio					82,581	97.77
Cash equivalents					517	0.61
Net other assets/(liabilities)					1,362	1.62
NET ASSETS					84,460	100.00

[a] Unlisted/unquoted.

[b] Defaulted Bond.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps €'000	Forward currency contracts €'000	Futures €'000
Bank of America Merrill Lynch	36	0	0
Barclays Bank London	24	0	0
BNP Paribas	164	0	0
Citigroup Global Markets Limited	160	0	0
Crédit Suisse First Boston	198	0	0
Goldman Sachs International	55	0	0
HSBC Bank Plc	0	9,909	0
JP Morgan Chase	152	8,104	0
Merrill Lynch Pierce Fenner + Smith Inc	32	0	26,260
National Australia Bank Ltd	0	854	0
State Street Bank and Trust Company	0	261	0
State Street Bank London	0	34	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) European Inflation Linked Corporate 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	-1.3	n/a	n/a	-1.3 ^[c]
Class 'C'	-0.7	n/a	n/a	-0.7 ^[c]
Class 'CI'	-0.7	n/a	n/a	-0.6 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-1.7	n/a	n/a	-1.7 ^[c]
Class 'C-H'	-1.1	n/a	n/a	-1.1 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 16 March 2018, the launch date of the fund.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	11.0154	11.1623	n/a
Class 'C' Accumulation	11.5072	11.5909	n/a
Class 'CI' Accumulation	9.9396	10.0079	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.8013	9.9713	n/a
Class 'C-H' Accumulation	10.1275	10.2396	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	84,460	97,705	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	84,460	97,705	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.25
Class 'C' Accumulation	0.65
Class 'CI' Accumulation	0.61
Swiss franc	%
Class 'A-H' Accumulation	1.27
Class 'C-H' Accumulation	0.67

M&G (Lux) European Strategic Value Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in Europe.

The Fund uses an investment process that is based on the fundamental analysis of companies trading on low valuations relative to their history and the market.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) European Strategic Value Fund

Investment review

For the period from 18 September 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) European Strategic Value Fund was launched in September 2018 and is run by the same manager, applying the same investment strategy, as the M&G European Strategic Value Fund, a UK-authorised OEIC, that launched on 1 February 2008. Following shareholder approval, the M&G European Strategic Value Fund merged into the SICAV on 7 December 2018.

The M&G (Lux) European Strategic Value Fund is an actively managed fund that invests in the shares of European (including UK) companies that we believe are undervalued. Our approach is underpinned by the belief that buying the shares of cheap, out-of-favour companies can deliver superior returns over the long term. In our view, stocks can become undervalued because investors' decisions are frequently driven by emotions. Many market participants tend to focus on companies' short-term problems and therefore misjudge their long-term prospects. We think investors often over-react to bad news, causing share prices to fall more than is justified by the facts. We look to exploit this behaviour and identify mispriced opportunities among cheap, unloved stocks.

Stocks are selected for the fund on the basis of their individual merits, using a combination of valuation-focused screening and in-depth company analysis. The fund's value approach involves investing in stocks in the cheapest quarter of each sector. We conduct rigorous qualitative assessment of potential investments to avoid cheap stocks with material problems that will prevent their share prices recovering – so-called 'value traps'. We search deep and wide for mispriced stocks – investing in cheap companies can be problematic and having a diversified portfolio can mitigate potential risks.

At present, we are finding value opportunities right across the market. The fund currently has large allocations to economically sensitive sectors such as financials, industrials and consumer discretionary. Energy stocks also represent a relatively large portion of the portfolio. On the other hand, the fund is underweight in information technology and consumer staples; we believe many stocks in consumer staples are overvalued and therefore this is not an attractive area of potential investments. It is important to remember that the fund's sector positioning is an outcome of the individual opportunities that we have identified rather than a view on the attractiveness of the sector overall.

We are optimistic about the outlook for value investing in Europe. Admittedly, value stocks have struggled in the past few years as investors have overlooked cheaper, troubled companies in favour of higher quality stocks with more reliable prospects. However, we believe that the large valuation gap between the most expensive stocks and cheapest represents an attractive risk/reward opportunity.

While it is almost impossible to predict when value might return to favour, history shows that it tends to snap back quickly and unexpectedly. Timing such an event is difficult, but by focusing

on cheap stocks with robust underlying characteristics, we believe the fund is well positioned to capture any potential recovery as well as being able to withstand market turbulence.

Richard Halle Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) European Strategic Value Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					1,843,520	92.81
Energy equipment & services					18,449	0.93
Northern Drilling	1,129,429	NOK			6,300	0.32
Petroleum Geo-Services	5,931,706	NOK			12,149	0.61
Oil, gas & consumable fuels					273,923	13.79
Borr Drilling	2,299,305	NOK			6,199	0.31
BP	11,226,935	£			73,021	3.68
Cobalt International Energy ^[a]	228,883	US\$			0	0.00
Euronav	2,674,395	€			19,443	0.98
Kosmos Energy	4,105,780	US\$			21,789	1.10
Royal Dutch Shell 'A'	314,924	£			8,842	0.44
Royal Dutch Shell 'B'	1,589,546	£			44,941	2.26
Total	1,407,038	€			69,838	3.52
Tullow Oil	10,772,619	£			29,850	1.50
Chemicals					32,876	1.66
Lenzing	185,554	€			17,748	0.90
Yara International	413,205	NOK			15,128	0.76
Construction materials					34,354	1.73
Buzzi Unicem	1,855,130	€			33,374	1.68
Buzzi Unicem Pref.	85,882	€			980	0.05
Containers & packaging						
Vetropack Holding	3,831	CHF			7,502	0.38
Metals & mining					47,337	2.38
APERAM	1,148,096	€			29,236	1.47
Outokumpu	5,611,708	€			18,101	0.91
Paper & forest products						
UPM-Kymmene	1,718,758	€			44,413	2.24
Aerospace & defense					37,485	1.89
Chemring Group	11,538,634	£			18,945	0.95
Leonardo	133,806	€			1,380	0.07
QinetiQ Group	4,917,050	£			17,160	0.87
Construction & engineering						
Boskalis Westminster	496,024	€			11,674	0.59
Electrical equipment						
NKT	548,926	DKK			8,651	0.44
Industrial conglomerates						
Rheinmetall	213,848	€			19,830	1.00
Machinery						
Alstom	600,309	€			23,112	1.16
Commercial services & supplies					81,530	4.10
Bilfinger	624,180	€			19,056	0.96
Securitas 'B'	3,553,408	SEK			51,071	2.57
Société BIC	143,934	€			11,403	0.57
Professional services						
Randstad	474,778	€			20,548	1.03
Airlines					55,532	2.80
Deutsche Lufthansa	1,946,532	€			38,240	1.93
easyJet	1,329,295	£			17,292	0.87
Marine						
AP Moller - Maersk	26,368	DKK			29,828	1.50
Automobiles						
Volkswagen Pref. (non voting)	304,517	€			42,876	2.16
Household durables						
Metall Zug	2,357	CHF			5,301	0.27
Hotels, restaurants & leisure					67,958	3.42
EI Group	13,554,261	£			33,414	1.68
William Hill	19,122,581	£			34,544	1.74
Media						
Vivendi	744,686	€			19,250	0.97
Multiline retail						
Next	441,396	£			28,361	1.43

M&G (Lux) European Strategic Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Specialty retail					40,729	2.05
CECONOMY	1,302,704	€		6,199		0.31
Fnac Darty	156,196	€		10,586		0.53
Hornbach Holding	532,394	€		23,944		1.21
Food & staples retailing					55,684	2.80
J Sainsbury	5,716,965	£		15,668		0.79
Koninklijke Ahold Delhaize	1,704,067	€		40,016		2.01
Beverages						
Britvic	2,790,011	£			30,792	1.55
Food products						
Orkla	1,585,230	NOK			10,762	0.54
Personal products					14,518	0.73
Ortex Group	278,640	€		5,496		0.28
Oriflame Holding	523,430	SEK		9,022		0.45
Health care providers & services						
Spire Healthcare Group	8,486,771	£			12,736	0.64
Pharmaceuticals					257,626	12.97
AstraZeneca	647,854	£		45,822		2.31
Bayer	701,492	€		39,982		2.01
Novartis	797,396	CHF		67,787		3.41
Roche Holding	306,322	CHF		74,250		3.74
Sanofi	197,475	€		15,452		0.78
Vectura Group	16,988,189	£		14,333		0.72
Banks					233,486	11.75
Bank of Ireland Group	6,427,120	€		34,241		1.72
Bankia	7,008,859	€		16,219		0.82
BNP Paribas	565,398	€		24,128		1.21
CaixaBank	5,606,149	€		15,596		0.79
Erste Group Bank	783,682	€		25,399		1.28
ING Groep	1,844,028	€		19,851		1.00
Lloyds Banking Group	55,251,080	£		40,097		2.02
Permanent TSB Group Holdings	11,718,747	€		14,695		0.74
Royal Bank of Scotland Group	10,115,924	£		29,483		1.48
Société Générale	533,377	€		13,777		0.69
Insurance					69,446	3.50
FBD Holdings	2,415,987	€		21,695		1.09
Mapfre	6,832,234	€		16,787		0.85
Muenchener Rueckversicherungs-Gesellschaft in Muenchen	69,981	€		14,773		0.74
Storebrand	2,321,975	NOK		16,191		0.82
IT services						
Tieto	512,892	€			13,802	0.69
Communications equipment					47,085	2.37
Nokia	6,019,000	€		30,492		1.53
Telefonaktiebolaget LM Ericsson 'B'	2,040,123	SEK		16,593		0.84
Technology hardware, storage & peripherals						
Neopost	438,916	€			9,507	0.48
Semiconductors & semiconductor equipment						
ASM International	273,423	€			13,082	0.66
Diversified telecommunication services					54,403	2.74
Deutsche Telekom	2,347,553	€		34,732		1.75
Elisa	455,893	€		18,204		0.92
Orange	101,910	€		1,467		0.07
Wireless telecommunication services						
Vodafone Group	12,869,305	£			20,833	1.05
Electric utilities						
BKW	261,117	CHF			15,784	0.79
Multi-utilities						
E.ON	1,762,739	€			17,498	0.88
Real estate management & development						
St Modwen Properties	3,241,548	£			14,957	0.75
Portfolio of investments					1,843,520	92.81

M&G (Lux) European Strategic Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
CASH EQUIVALENTS					67,459	3.39
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	68,801,206	€			67,459	3.39
Total portfolio					1,910,979	96.20
Net other assets/(liabilities)					75,422	3.80
NET ASSETS					1,986,401	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					1,843,520	92.81
Total Investment assets					1,843,520	92.81
Total portfolio					1,843,520	92.81
Cash equivalents					67,459	3.39
Net other assets/(liabilities)					75,422	3.80
NET ASSETS					1,986,401	100.00

[a] Unlisted/unquoted.

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

M&G (Lux) European Strategic Value Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the M&G European Strategic Value Fund which merged into the M&G (Lux) European Strategic Value Fund on 7 December 2018.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 18 September 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	9.3191	n/a	n/a
Class 'C' Accumulation	9.3777	n/a	n/a
Class 'CI' Accumulation	9.3596	n/a	n/a
Class 'J' Accumulation	9.3692	n/a	n/a
Class 'JI' Accumulation	9.3721	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	8.9315	n/a	n/a
Class 'C' Accumulation	8.9661	n/a	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	1,986,401	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	1,986,401	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.72 ^[a]		
Class 'C' Accumulation	0.97 ^[a]		
Class 'CI' Accumulation	0.93 ^[a]		
Class 'J' Accumulation	0.72 ^[a]		
Class 'JI' Accumulation	0.68 ^[a]		
US dollar	%		
Class 'A' Accumulation	1.72 ^[a]		
Class 'C' Accumulation	0.97 ^[a]		

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Floating Rate High Yield Solution

Investment objective and policy

Investment objective

The Fund aims to provide a competitive global high yield bond market exposure whilst limiting interest rate risk. Performance will be measured versus a global high yield composite index over any five year period.

Investment policy

The Fund invests at least 70% of its Net Asset Value synthetically in floating rate high yield bonds. This exposure is achieved via a combination of high yield credit default swap indices ("CDX") and government floating rate bonds (rated A or above by S&P), from anywhere in the world, or cash. This synthetic structure achieves the Fund's desired credit exposure in a highly liquid manner and with low interest rate risk.

CDX are over the counter agreements which exchange the credit risk of the bonds composing the index between parties. The components of the index and their relative weightings are determined by an index provider (e.g. Markit) according to a set of pre-defined and published rules. There is no minimum credit rating requirement for entities included in the indices.

This exchange of credit risk allows one party, known as the protection buyer, to hedge credit risk, and the other party, known as the protection seller, to add long credit exposure. When acting as the protection seller, the Fund may use CDX to gain exposure to an index of bonds. This is similar to holding a physical portfolio of these bonds in that the Fund will receive coupons and be exposed to the capital value of the bonds, in return for assuming the default risk of those bonds. However in comparison to physical bonds, Credit Default Swaps allow the Fund to gain this credit exposure in a highly liquid manner and without interest rate risk.

The Fund uses a top down macro driven investment process within the following parameters:

- high yield bond market exposure is managed between 70% and 130%
- geographical allocations to US and European indices are limited to 25% above or below the composite index allocations.

Currency exposures within the Fund will be typically in USD or hedged into USD.

Derivatives can be used to meet the Fund's investment objective for hedging purposes and for efficient portfolio management. The derivative instruments that the Fund may invest in include Credit Default Swaps, Spot and Forward Contracts, Exchange Traded Futures, Swaps and Total Return Swaps.

The Fund may also invest in government bonds, cash, currencies, near cash, deposits, other debt instruments, other derivatives, preferred shares, warrants and other funds.

M&G (Lux) Floating Rate High Yield Solution

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Floating Rate High Yield Solution delivered a modestly positive total return (the combination of capital growth and income) across its various share classes, except for its euro B-Hedged and Swiss franc A-Hedged class shares, which recorded marginally negative total returns.

The fund's annualised return over this period and since its launch in August 2017 is below its performance comparator, which is a global high yield composite index consisting of 2/3rds CDX.NA.HY index on-the-run contract, 1/3rd iTraxx Crossover index on-the-run contract. However, the fund retains the potential to deliver on its objective, which is to provide a total return higher than its performance comparator over any five-year period. The composite index returned 5.9% in USD terms over the review period.

Performance review

The M&G (Lux) Floating Rate High Yield Solution was launched in August 2017 and is designed to provide an attractive level of income while mitigating the negative impact of rising interest rates. The fund combines high yield credit default swap (CDS) indices with government bonds or cash. A high yield CDS index is a derivative instrument that gives investors indirect exposure to a basket of high yield bonds; high yield bonds are so-called as they generally pay relatively high rates of interest to compensate investors for the greater risk that they might fail to repay the money they have borrowed.

The fund provides a floating rate income stream that is periodically adjusted depending on the change in a reference interest rate. If the reference interest rate rises, investors will benefit from a higher income as coupons are automatically adjusted upwards; should the reference interest rate fall, then the coupons will be adjusted downwards and investors' income will be lower.

We have the flexibility to adjust the fund's high yield exposure and regional allocation depending on current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

The 12-month period under review was a volatile period for high yield bond markets. A variety of factors weighed on sentiment throughout 2018, including concerns about the negative impact of rising US interest rates, escalating trade war tensions between the US and China, and political turmoil in Europe and several emerging markets.

From a regional perspective, US high yield outperformed, thanks in part to the continued resilience of the US economy. While a sharp fall in oil prices weighed on US energy names in the final quarter of 2018, other sectors, such as healthcare and real estate, continued to hold up well. However, high yields bonds in

Europe and emerging markets endured a more challenging backdrop, with ongoing political uncertainty and slowing economic momentum weighing on returns.

High yield markets bounced back strongly in the first month of 2019, with the asset class recovering some of its earlier losses. Despite signs of a further slowdown in global economic activity, sentiment was boosted by the likelihood that further US interest rate rises would be postponed for the time being, as well as by signs of progress in the US-China trade talks.

The fund delivered a modestly positive total return (the combination of capital growth and income) across its various share classes, except for its euro B-Hedged and Swiss franc A-Hedged class shares, which recorded marginally negative total returns. Relative returns, however, were held back by our defensive credit positioning and holding a net cash allocation throughout much of the period.

Investment activities

We were active in managing the fund's high yield exposure throughout the period. By using CDS indices, we were able to react quickly to market developments and adjust positioning based on our assessment of valuations. For example, as high yield valuations sold off towards the end of 2018, we increased credit exposure; this allowed the fund to capture more of the subsequent recovery in high yield markets.

More recently, we have trimmed credit exposure as high yield markets have rallied since the start of 2019. At this stage of the market cycle we believe a cautious approach is warranted and the fund is relatively defensively positioned with an almost 4% net allocation to cash or government bonds. In terms of geographic positioning, the fund has an approximately 66% allocation to US high yield and a 31% exposure to European high yield, broadly in line with its neutral position.

Outlook

In the current environment where interest rates are low and many assets are generating a low prospective return, or yield, we think high yield bonds offer an attractive source of income. Following market weakness throughout 2018, we believe these assets now look attractively priced against a backdrop of modest economic expansion and with the expectation that company default rates remain at historically low levels. Moreover, we believe the fund's floating rate characteristics give it the ability to cope in an environment where markets start to price in the likelihood of higher global inflation and rising interest rates.

Stefan Isaacs and James Tomlins
Co-fund managers

Investment review information as at 31 March 2019.

Employees of M&G 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.

M&G (Lux) Floating Rate High Yield Solution

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
DEBT SECURITIES					54,242	83.83
Investment grade government bonds					49,871	77.08
US Treasury Note FRN	8,500,000	US\$	30.04.2019		8,500	13.14
US Treasury Note 0.875%	8,000,000	US\$	15.05.2019		7,985	12.34
US Treasury Note FRN	5,900,000	US\$	31.07.2019		5,900	9.12
US Treasury Note FRN	8,000,000	US\$	31.10.2019		8,001	12.37
US Treasury Note FRN	5,000,000	US\$	31.01.2020		4,997	7.72
US Treasury Note FRN	6,000,000	US\$	30.04.2020		5,996	9.27
US Treasury Note FRN	8,500,000	US\$	31.07.2020		8,492	13.12
Debt derivatives					4,371	6.75
Credit default swaps					4,371	6.75
Markit CDX North American High Yield Series 32 5 Year Jun 2024	40,300,000	US\$			2,515	3.88
Markit iTraxx Europe Xover Series 31 5 Year Jun 2024	15,970,000	€			1,856	2.87
Portfolio of investments					54,242	83.83
SHARE CLASS HEDGING					(310)	(0.48)
Bought for £ 45,428,819.05, Sold for US\$ 59,836,719.38			10.04.2019		(274)	(0.42)
Bought for € 4,090,891.82, Sold for US\$ 4,636,668.22			10.04.2019		(39)	(0.06)
Bought for CHF 92,784.96, Sold for US\$ 92,637.94			10.04.2019		0	0.00
Bought for SG\$ 70,070.26, Sold for US\$ 51,642.21			10.04.2019		0	0.00
Bought for US\$ 580,126.91, Sold for £ 439,928.03			10.04.2019		3	0.00
Bought for US\$ 77,002.91, Sold for € 68,060.25			10.04.2019		0	0.00
Bought for US\$ 655.90, Sold for CHF 657.49			10.04.2019		0	0.00
Bought for US\$ 179.70, Sold for SG\$ 243.88			10.04.2019		0	0.00
Total portfolio					53,932	83.35
Net other assets/(liabilities)					10,771	16.65
NET ASSETS					64,703	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					49,871	77.08
Unrealised gains on forward currency contracts					3	0.00
Unrealised gains on swap contracts					4,371	6.75
Total Investment assets					54,245	83.83
Investment liabilities						
Unrealised losses on forward currency contracts					(313)	(0.48)
Total Investment liabilities					(313)	(0.48)
Total portfolio					53,932	83.35
Net other assets/(liabilities)					10,771	16.65
NET ASSETS					64,703	100.00

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps US\$'000	Forward currency contracts US\$'000	Collateral held as deposit US\$'000
Barclays Bank London	4,293	0	0
Citigroup Global Markets Limited	78	0	0
State Street Bank and Trust Company	0	65,276	386

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Floating Rate High Yield Solution

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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A-H'	+0.2	n/a	n/a	+0.4 ^[c]
Class 'B-H'	-0.3	n/a	n/a	-0.1 ^[c]
Class 'C-H'	+0.6	n/a	n/a	+0.8 ^[c]
Sterling ^[b]				
Class 'C-H'	+2.3	n/a	n/a	+2.4 ^[c]
Singapore dollar ^[b]				
Class 'A-H'	+2.3	n/a	n/a	+2.4 ^[c]
Class 'A-H M'	+2.3	n/a	n/a	+2.4 ^[c]
Class 'C-H M'	+2.7	n/a	n/a	+2.9 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-0.2	n/a	n/a	-0.0 ^[c]
Class 'C-H'	+0.3	n/a	n/a	+0.4 ^[c]
US dollar ^[b]				
Class 'A'	+3.2	n/a	n/a	+3.2 ^[c]
Class 'AM'	+3.2	n/a	n/a	+3.2 ^[c]
Class 'C'	+3.7	n/a	n/a	+3.7 ^[c]
Class 'CI'	+3.7	n/a	n/a	+3.7 ^[c]
Class 'CM'	+3.7	n/a	n/a	+3.7 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 24 August 2017, the launch date of the fund.

Distribution details for holders of distribution shares

This fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.04.18	18.05.18	22.05.18	25.05.18
Second interim	01.05.18	31.05.18	15.06.18	18.06.18	21.06.18
Third interim	01.06.18	30.06.18	20.07.18	23.07.18	26.07.18
Fourth interim	01.07.18	31.07.18	17.08.18	20.08.18	23.08.18
Fifth interim	01.08.18	31.08.18	21.09.18	24.09.18	27.09.18
Sixth interim	01.09.18	30.09.18	19.10.18	22.10.18	25.10.18
Seventh interim	01.10.18	31.10.18	16.11.18	19.11.18	22.11.18
Eighth interim	01.11.18	30.11.18	21.12.18	24.12.18	31.12.18
Ninth interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Tenth interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Eleventh interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A-H'	Euro Class 'B-H'	Euro Class 'C-H'	Singapore dollar Class 'A-H'	Sterling Class 'C-H'
to 31 March 2019	Euro €	Euro €	Euro €	SGD €	UK p
First interim	0.1391	0.1384	0.1393	0.1400	0.1404
Second interim	0.1369	0.1362	0.1374	0.1400	0.1388
Third interim	0.1536	0.1527	0.1545	0.1572	0.1589
Final	0.1433	0.1422	0.1443	0.1490	0.1474

	Swiss franc Class 'A-H'	Swiss franc Class 'C-H'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	Swiss €	Swiss €	US €	US €
First interim	0.1368	0.1372	0.1430	0.1434
Second interim	0.1357	0.1363	0.1417	0.1423
Third interim	0.1507	0.1514	0.1597	0.1605
Final	0.1416	0.1426	0.1512	0.1523

	Singapore dollar Class 'A-H M'	Singapore dollar Class 'C-H M'	US dollar Class 'A M'	US dollar Class 'C M'
to 31 March 2019	SGD €	SGD €	US €	US €
First interim	0.0530	0.0531	0.0546	0.0548
Second interim	0.0461	0.0463	0.0467	0.0468
Third interim	0.0402	0.0403	0.0409	0.0410
Fourth interim	0.0460	0.0463	0.0463	0.0466
Fifth interim	0.0487	0.0489	0.0497	0.0499
Sixth interim	0.0446	0.0447	0.0449	0.0451
Seventh interim	0.0520	0.0524	0.0529	0.0531
Eighth interim	0.0522	0.0525	0.0522	0.0525
Ninth interim	0.0533	0.0537	0.0538	0.0541
Tenth interim	0.0530	0.0533	0.0538	0.0542
Eleventh interim	0.0465	0.0468	0.0476	0.0478
Final	0.0483	0.0486	0.0490	0.0493

M&G (Lux) Floating Rate High Yield Solution

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A-H' Accumulation	10.0561	10.0391	n/a
Class 'A-H' Distribution	9.3002	9.8641	n/a
Class 'B-H' Accumulation	9.9777	10.0116	n/a
Class 'B-H' Distribution	9.2239	9.8345	n/a
Class 'C-H' Accumulation	10.1288	10.0655	n/a
Class 'C-H' Distribution	9.3670	9.8874	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Distribution	9.6061	9.9694	n/a
Class 'A-H M' Distribution	9.5072	9.8857	n/a
Class 'C-H M' Distribution	9.5765	9.9121	n/a
Sterling	£	£	£
Class 'C-H' Accumulation	10.2990	10.1217	n/a
Class 'C-H' Distribution	9.5253	9.9451	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.9992	10.0148	n/a
Class 'A-H' Distribution	9.2476	9.8381	n/a
Class 'C-H' Accumulation	10.0621	10.0362	n/a
Class 'C-H' Distribution	9.3142	9.8619	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.5147	10.1884	n/a
Class 'A' Distribution	9.7291	10.0078	n/a
Class 'A M' Distribution	9.6277	9.9144	n/a
Class 'C' Accumulation	10.5926	10.2161	n/a
Class 'C' Distribution	9.7990	10.0349	n/a
Class 'C M' Distribution	9.6962	9.9407	n/a
Class 'CI' Accumulation	10.5976	10.2187	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	64,703	1,034	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	64,703	1,034	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A-H' Accumulation	0.97
Class 'A-H' Distribution	0.96
Class 'B-H' Accumulation	1.47
Class 'B-H' Distribution	1.46
Class 'C-H' Accumulation	0.52
Class 'C-H' Distribution	0.51
Singapore dollar	%
Class 'A-H' Distribution	0.97
Class 'A-H M' Distribution	0.97
Class 'C-H M' Distribution	0.52
Sterling	%
Class 'C-H' Accumulation	0.52
Class 'C-H' Distribution	0.52
Swiss franc	%
Class 'A-H' Accumulation	0.96
Class 'A-H' Distribution	0.97
Class 'C-H' Accumulation	0.52
Class 'C-H' Distribution	0.52
US dollar	%
Class 'A' Accumulation	0.95
Class 'A' Distribution	0.95
Class 'A M' Distribution	0.95
Class 'C' Accumulation	0.49
Class 'C' Distribution	0.51
Class 'C M' Distribution	0.51
Class 'CI' Accumulation	0.46

M&G (Lux) Global Convertibles Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the convertibles market over any five-year period.

Investment policy

The Fund invests at least 70% of its Net Asset Value in convertible securities denominated in any currency. Issuers of these securities may be located in any country, including emerging markets. Exposure to these securities may be achieved, either directly or indirectly, through various combinations of corporate bonds, equities and derivatives.

The investment process of the Fund is based on a bottom-up, global approach to stock picking among convertibles based on a thorough analysis of the issuer's credit quality, equity fundamentals and the technical characteristics of the convertible.

The Fund may also hold up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities.

Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purposes of hedging. These derivative instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options and Credit Default Swaps.

The Fund may also invest in other assets including debt securities, equity securities, collective investment schemes, cash and near cash, deposits and warrants.

M&G (Lux) Global Convertibles Fund

Investment review

For the period from 9 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Convertibles Fund launched in November 2018 and is run by the same fund manager, applying the same investment strategy, as the M&G Global Convertibles Fund, a UK-authorised OEIC that launched on 13 July 2007. Following shareholder approval, the non-sterling assets of the M&G Global Convertibles Fund merged into the SICAV on 9 November 2018.

The M&G (Lux) Global Convertibles Fund is an actively managed fund that seeks to take advantage of the characteristic price behaviour of convertibles. Since convertibles are fixed income securities (bonds) that can be exchanged for predetermined amounts of company shares (equities) at certain times during their life, they share the features of each asset class. When share prices are weak, convertibles are supported by the value of their regular interest payments and potential repayment, known as the bond value, but when share prices recover, the value of the convertibles rises as the value of the shares that would be received on conversion increases. Participating more when the underlying shares rise than when they fall is a basic feature of convertibles.

We take a bottom-up, global approach to the selection of our investments, based on the fundamental analysis of both equity and bond characteristics, as well as the technical aspects of convertibles. This should enable us to identify issues we believe are mispriced by other investors. We have a long-term investment horizon as it may take time for the mispricing to be recognised by the rest of the market.

In our opinion, the convertibles universe offers compelling opportunities for stock selection, enabling us to gain exposure to under-researched companies in a wide variety of countries and sectors. We search for those convertibles that offer the best balance of risk and reward by rigorous analysis of the convertibles market, focusing on the basic characteristics of the issuing companies and by developing a deep understanding of the underlying business.

As we follow a bottom-up approach towards stock selection, the breakdown of the fund is purely dependent on where we find convertibles that satisfy our fundamental and technical requirements for inclusion in the portfolio. At the end of the review period, the selection process resulted in the fund having its highest weighting in convertibles from the US, the world's largest convertibles market. This also partly explains why the US dollar has most representation in the fund's currency exposure, with the weighting boosted by the many non-US companies that issue convertibles in US dollars. In terms of sectors, we have identified more attractive convertibles in the technology, industrial and healthcare industries.

Léonard Vinville

Fund manager

Investment review information as at 31 March 2019

Employee of M&G 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.

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					34,967	3.37
United Kingdom					236	0.02
UK equities options						
Glencore Call £ 4.00	2,765	GBP		236	236	0.02
Italy					7,059	0.68
Italy equities						
Eni	401,636	EUR			7,059	0.68
Netherlands (The)					6,464	0.62
Netherlands (The) equities					6,464	0.62
Gemalto	68,345	EUR			3,915	0.38
Koninklijke KPN	812,492	EUR			2,549	0.24
United States					7,078	0.68
US equities					6,860	0.66
Electronic Arts	35,939	USD			3,673	0.35
Medidata Solution	43,735	USD			3,187	0.31
US equities options						
Western Digital Call US\$ 60.00	879	USD		218	218	0.02
Mexico					3,026	0.29
Mexican equities						
Cemex ADR	662,965	USD			3,026	0.29
Japan					2,837	0.28
Japan equities						
ORIX	197,700	JPY			2,837	0.28
Israel					4,162	0.40
Israel equities						
Teva Pharmaceutical Industries ADR	267,209	USD			4,162	0.40
Luxembourg					4,105	0.40
Luxembourg equities						
APERAM	143,552	EUR			4,105	0.40
FIXED INCOME					997,415	96.14
United Kingdom					1,465	0.14
Below investment grade corporate bonds						
Inmarsat Finance 6.5%	1,393,000	USD	01.10.2024		1,465	0.14
Austria					3,648	0.35
Corporate bonds with no credit rating						
ams 0%	4,800,000	EUR	05.03.2025		3,648	0.35
Finland					10,739	1.04
Corporate bonds with no credit rating						
Outokumpu 3.25%	9,400,000	EUR	26.02.2020		10,739	1.04
France					75,479	7.28
Investment grade corporate bonds					60,880	5.87
Total 0.5%	29,200,000	USD	02.12.2022		31,010	2.99
Vinci 0.375%	27,200,000	USD	16.02.2022		29,870	2.88
Corporate bonds with no credit rating						
Cie Generale des Etablissements Michelin 0%	16,400,000	USD	10.11.2023		14,599	1.41
Germany					29,765	2.87
Below investment grade corporate bonds						
Fresenius Medical Care 1.125%	7,300,000	EUR	31.01.2020		8,812	0.85
Corporate bonds with no credit rating						
Adidas 0.05%	17,400,000	EUR	12.09.2023		20,953	2.02
Ireland					9,008	0.87
Corporate bonds with no credit rating						
Jazz Investments I 1.5%	9,265,000	USD	15.08.2024		9,008	0.87
Italy					10,175	0.98
Investment grade corporate bonds						
Eni 0%	8,500,000	EUR	13.04.2022		10,175	0.98
Netherlands (The)					127,434	12.28
Investment grade corporate bonds					43,580	4.20
Airbus 0%	12,300,000	EUR	14.06.2021		15,500	1.49
Siemens Financieringsmaatschappij 1.65%	27,250,000	USD	16.08.2019		28,080	2.71
Below investment grade corporate bonds					48,435	4.67
Bayer Capital 5.625%	2,600,000	EUR	22.11.2019		2,069	0.20

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Netherlands (The) (continued)						
Below investment grade corporate bonds (continued)						
NXP Semiconductors 1%	26,724,000	USD	01.12.2019		27,305	2.63
STMicroelectronics 0%	18,400,000	USD	03.07.2022		19,061	1.84
Corporate bonds with no credit rating					35,419	3.41
ELM BV for Swiss Re 3.25%	9,600,000	USD	13.06.2024		9,766	0.94
Fugro 4%	8,200,000	EUR	26.10.2021		8,189	0.79
Qiagen 0.5%	5,600,000	USD	13.09.2023		6,364	0.61
QIAGEN 1%	10,200,000	USD	13.11.2024		11,100	1.07
Spain					10,465	1.01
Below investment grade corporate bonds						
Almirall 0.25%	9,000,000	EUR	14.12.2021		10,465	1.01
United States					377,199	36.36
Investment grade corporate bonds					56,812	5.48
Booking Holdings 0.9%	27,280,000	USD	15.09.2021		30,208	2.91
JPMorgan Chase Bank 0%	5,700,000	USD	30.12.2020		6,463	0.63
JPMorgan Chase Financial 0.25%	20,736,000	USD	01.05.2023		20,141	1.94
Below investment grade corporate bonds					122,640	11.82
Citrix Systems 4.5%	8,147,000	USD	01.12.2027		8,040	0.77
Euronet Worldwide 0.75%	132,000	USD	15.03.2049		141	0.01
Fortive 0.875%	10,507,000	USD	15.02.2022		11,004	1.06
Live Nation Entertainment 2.5%	10,211,000	USD	15.03.2023		11,803	1.14
Nuance Communications 1.25%	9,774,000	USD	01.04.2025		9,670	0.93
Nuance Communications 1.5%	14,034,000	USD	01.11.2035		13,965	1.35
ON Semiconductor 1%	19,212,000	USD	01.12.2020		23,603	2.28
QVC 4.375%	4,319,000	USD	15.03.2023		4,375	0.42
Teva Pharmaceutical Finance 0.25%	22,108,000	USD	01.02.2026		20,459	1.97
Western Digital 1.5%	22,266,000	USD	01.02.2024		19,580	1.89
Corporate bonds with no credit rating					197,747	19.06
Akamai Technologies 0.125%	20,070,000	USD	01.05.2025		19,950	1.92
Chegg 0.125%	2,115,000	USD	15.03.2025		2,082	0.20
Exact Sciences 0.375%	11,626,000	USD	15.03.2027		11,706	1.13
Extra Space Storage 3.125%	21,674,000	USD	01.10.2035		25,078	2.42
Guidewire Software 1.25%	5,397,000	USD	15.03.2025		5,844	0.56
Helix Energy Solutions Group 4.25%	7,664,000	USD	01.05.2022		7,587	0.73
II VI 0.25%	12,718,000	USD	01.09.2022		13,276	1.28
JPMorgan Chase Bank 0%	11,000,000	USD	11.01.2021		10,808	1.04
Ligand Pharmaceuticals 0.75%	13,485,000	USD	15.05.2023		11,516	1.11
Oil States International 1.5%	4,644,000	USD	15.02.2023		4,005	0.39
OSI Systems 1.25%	4,173,000	USD	01.09.2022		4,212	0.41
Palo Alto Networks 0.75%	13,311,000	USD	01.07.2023		14,682	1.41
Pure Storage 0.125%	7,990,000	USD	15.04.2023		8,522	0.82
RingCentral 0%	8,826,000	USD	15.03.2023		12,554	1.21
Supernus Pharmaceuticals 0.625%	23,220,000	USD	01.04.2023		22,269	2.15
Tabula Rasa HealthCare 1.75%	5,934,000	USD	15.02.2026		6,284	0.61
Twitter 0.25%	18,736,000	USD	15.06.2024		17,372	1.67
Canada					8,619	0.83
Corporate bonds with no credit rating					8,619	0.83
Osisko Gold Royalties 4%	8,837,000	CAD	31.12.2022		6,766	0.65
SSR Mining 2.5%	1,849,000	USD	01.04.2039		1,853	0.18
Mexico					30,384	2.93
Investment grade corporate bonds						
Cemex SAB de 3.72%	14,213,000	USD	15.03.2020		14,159	1.37
Corporate bonds with no credit rating					16,225	1.56
Cemex 3.72%	16,286,000	USD	15.03.2020		16,225	1.56
Japan					70,616	6.81
Corporate bonds with no credit rating					70,616	6.81
MINEBEA MITSUMI 0%	440,000,000	JPY	03.08.2022		4,430	0.43
Mitsubishi Chemical Holdings 0%	1,430,000,000	JPY	30.03.2022		12,945	1.25
Mitsubishi Chemical Holdings 0%	2,030,000,000	JPY	29.03.2024		18,491	1.78
Ship Healthcare Holdings 0%1	760,000,000	JPY	13.12.2023		7,411	0.71
Sony 0%	2,585,000,000	JPY	30.09.2022		27,339	2.64
China					69,730	6.72
Corporate bonds with no credit rating					69,730	6.72
CRRC Corp 0%	28,250,000	USD	05.02.2021		29,408	2.83

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
China (continued)						
Corporate bonds with no credit rating (continued)						
Weibo 1.25%	24,659,000	USD	15.11.2022		22,582	2.18
Zhejiang Expressway 0%	5,000,000	EUR	21.04.2022		5,590	0.54
Zhongsheng Group Holdings 0%	97,000,000	HKD	23.05.2023		12,150	1.17
Hong Kong					9,194	0.89
Corporate bonds with no credit rating						
Lenovo Group 3.375%	7,962,000	USD	24.01.2024		9,194	0.89
New Zealand					6,682	0.64
Corporate bonds with no credit rating						
Xero Investments 2.375%	6,702,000	USD	04.10.2023		6,682	0.64
Singapore					14,430	1.39
Corporate bonds with no credit rating						
Suntec Real Estate Investment Trust 1.75%	19,750,000	SGD	30.11.2024		14,430	1.39
South Korea					13,494	1.30
Corporate bonds with no credit rating						
LG Chem 0%	13,400,000	USD	16.04.2021		13,494	1.30
United Arab Emirates					16,084	1.55
Below investment grade corporate bonds						
DP World 1.75%	16,600,000	USD	19.06.2024		16,084	1.55
Bermuda					41,719	4.02
Below investment grade corporate bonds						
Horizon Pharma Investment 2.5%	7,624,000	USD	15.03.2022		36,005	3.47
Jazz Investments I 1.875%	27,147,000	USD	15.08.2021		8,609	0.83
Corporate bonds with no credit rating						
Johnson Electric Holdings 1%	5,250,000	USD	02.04.2021		27,396	2.64
Cayman Islands					9,269	0.89
Corporate bonds with no credit rating						
China Education Group Holdings 2%	22,000,000	HKD	28.03.2024		9,269	0.89
Ctrip.com International 1.99%	5,611,000	USD	01.07.2025		2,921	0.28
Cyprus					6,348	0.61
Below investment grade corporate bonds						
Abigrove 0%	16,600,000	USD	16.02.2022		18,284	1.76
Luxembourg					33,533	3.23
Below investment grade corporate bonds						
APERAM 0.625%	14,800,000	USD	08.07.2021		31,435	3.03
Grand City Properties 0.25%	11,100,000	EUR	02.03.2022		15,558	1.50
Severstal Via Steel Capital 5.9%	2,351,000	USD	17.10.2022		13,408	1.29
Corporate bonds with no credit rating						
ADO Properties 1.25%	1,700,000	EUR	23.11.2023		2,469	0.24
CURRENCY					(464)	(0.05)
Bought for ¥ 8,300,000,000.00, Sold for US\$ 75,673,924.16			14.05.2019		(464)	(0.05)
Portfolio of investments					1,031,918	99.46
SHARE CLASS HEDGING					(5,079)	(0.50)
Bought for € 329,085.07, Sold for £ 282,249.68			10.04.2019		0	0.00
Bought for € 394,193,049.15, Sold for US\$ 446,810,736.03			10.04.2019		(3,806)	(0.37)
Bought for € 3,932,853.82, Sold for CA\$ 5,960,017.47			10.04.2019		(24)	0.00
Bought for € 79,594,970.56, Sold for ¥ 10,057,986,596.00			10.04.2019		(1,428)	(0.14)
Bought for € 7,900,931.63, Sold for SG\$ 12,149,693.34			10.04.2019		(88)	(0.01)
Bought for £ 392,682.88, Sold for € 455,332.33			10.04.2019		2	0.00
Bought for € 7,811,159.34, Sold for HK\$ 69,396,960.99			10.04.2019		(64)	(0.01)
Bought for CHF 1,313,153.24, Sold for € 1,157,158.86			10.04.2019		19	0.00
Bought for € 125,780.49, Sold for CHF 142,413.19			10.04.2019		(1)	0.00
Bought for SG\$ 1,020,726.94, Sold for € 665,229.21			10.04.2019		6	0.00
Bought for CA\$ 696,098.81, Sold for € 461,566.27			10.04.2019		0	0.00
Bought for US\$ 557,985.64, Sold for SG\$ 757,096.35			10.04.2019		(1)	0.00
Bought for US\$ 285,748.88, Sold for CA\$ 382,167.83			10.04.2019		0	0.00
Bought for US\$ 563,976.46, Sold for HK\$ 4,423,164.95			10.04.2019		0	0.00
Bought for US\$ 5,665,809.51, Sold for ¥ 631,800,245.00			10.04.2019		(42)	0.00
Bought for £ 25,784.65, Sold for US\$ 33,898.13			10.04.2019		0	0.00
Bought for US\$ 36,437,381.78, Sold for € 32,203,705.44			10.04.2019		244	0.02
Bought for HK\$ 31,470.87, Sold for US\$ 4,013.08			10.04.2019		0	0.00
Bought for CHF 132,780.12, Sold for HK\$ 1,041,828.71			10.04.2019		1	0.00

M&G (Lux) Global Convertibles Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for CHF 66,339.17, Sold for CA\$ 88,569.36			10.04.2019		1	0.00
Bought for CHF 1,327,920.14, Sold for ¥ 147,843,198.00			10.04.2019		(1)	0.00
Bought for CHF 6,519,473.01, Sold for US\$ 6,509,148.31			10.04.2019		42	0.00
Bought for £ 5,881.37, Sold for CHF 7,695.58			10.04.2019		0	0.00
Bought for CHF 129,240.01, Sold for SG\$ 175,080.41			10.04.2019		1	0.00
Bought for US\$ 2,139.18, Sold for CHF 2,146.87			10.04.2019		0	0.00
Bought for CHF 5,400.34, Sold for £ 4,097.60			10.04.2019		0	0.00
Bought for CA\$ 6,742.94, Sold for CHF 5,071.78			10.04.2019		0	0.00
Bought for ¥ 1,743,953.00, Sold for CHF 15,662.94			10.04.2019		0	0.00
Bought for ¥ 576,227,458.00, Sold for € 4,581,890.65			10.04.2019		57	0.01
Bought for HK\$ 2,550,525.52, Sold for € 286,926.14			10.04.2019		3	0.00
Bought for US\$ 24,221.74, Sold for £ 18,423.92			10.04.2019		0	0.00
Bought for CA\$ 36,962.32, Sold for US\$ 27,713.68			10.04.2019		0	0.00
Bought for SG\$ 24,545.16, Sold for US\$ 18,148.22			10.04.2019		0	0.00
Bought for ¥ 10,875,726.00, Sold for US\$ 98,345.03			10.04.2019		0	0.00
Total portfolio					1,026,839	98.96
Net other assets/(liabilities)					10,661	1.04
NET ASSETS					1,037,500	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					34,513	3.33
Debt securities					997,415	96.14
Unrealised gains on forward currency contracts					376	0.03
Unrealised gains on options contracts					454	0.04
Total Investment assets					1,032,758	99.54
Investment liabilities						
Unrealised losses on forward currency contracts					(5,919)	(0.58)
Total Investment liabilities					(5,919)	(0.58)
Total portfolio					1,026,839	98.96
Net other assets/(liabilities)					10,661	1.04
NET ASSETS					1,037,500	100.00

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts US\$'000	Collateral held as cash US\$'000
Barclays Bank London	75,674	629
State Street Bank and Trust Company	742,953	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Convertibles Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Global Convertibles Fund which merged into the M&G (Lux) Global Convertibles Fund on 9 November 2018.

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 9 November 2018 (the launch date of the fund) 31 March 2019.

Annual distribution periods

	Start	End	Record date	Xd	Payment
Final	09.11.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'A-H'	Euro Class 'B'	Euro Class 'B-H'	Euro Class 'C'
to 31 March 2019	Euro €	Euro €	Euro €	Euro €	Euro €
Final	0.0431	0.0358	0.0286	0.0272	0.0474

	Euro Class 'C-H'	US dollar Class 'A-H'	US dollar Class 'C-H'
to 31 March 2019	Euro €	US \$	US \$
Final	0.0384	0.0354	0.0369

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	16.0496	n/a	n/a
Class 'A' Distribution	14.5041	n/a	n/a
Class 'A-H' Accumulation	13.2941	n/a	n/a
Class 'A-H' Distribution	12.0431	n/a	n/a
Class 'B' Accumulation	12.4515	n/a	n/a
Class 'B' Distribution	9.6132	n/a	n/a
Class 'B-H' Accumulation	10.5376	n/a	n/a
Class 'B-H' Distribution	9.1262	n/a	n/a
Class 'C' Accumulation	17.5199	n/a	n/a
Class 'C' Distribution	15.7953	n/a	n/a
Class 'C-H' Accumulation	14.3402	n/a	n/a
Class 'C-H' Distribution	12.9242	n/a	n/a
Class 'CI' Accumulation	10.2697	n/a	n/a
Class 'CI-H' Accumulation	10.0198	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	11.6049	n/a	n/a
Class 'C-H' Accumulation	12.1797	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	12.9520	n/a	n/a
Class 'A-H' Distribution	11.9119	n/a	n/a
Class 'C-H' Accumulation	13.6064	n/a	n/a
Class 'C-H' Distribution	12.3770	n/a	n/a
Class 'CI-H' Accumulation	10.1388	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	1,037,500	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	1,037,500	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.71		
Class 'A' Distribution	1.71		
Class 'A-H' Accumulation	1.73		
Class 'A-H' Distribution	1.73		
Class 'B' Accumulation	2.21		
Class 'B' Distribution	2.21		
Class 'B-H' Accumulation	2.23		
Class 'B-H' Distribution	2.23		
Class 'C' Accumulation	0.96		
Class 'C' Distribution	0.95		
Class 'C-H' Accumulation	0.98		
Class 'C-H' Distribution	0.98		
Class 'CI' Accumulation	0.92		
Class 'CI-H' Accumulation	0.94		
Swiss franc	%		
Class 'A-H' Accumulation	1.73		
Class 'C-H' Accumulation	0.98		
US dollar	%		
Class 'A-H' Accumulation	1.73		
Class 'A-H' Distribution	1.73		
Class 'C-H' Accumulation	0.98		
Class 'C-H' Distribution	0.98		
Class 'CI-H' Accumulation	0.94		

M&G (Lux) Global Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global investment grade corporate bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in investment grade corporate bonds denominated in any currency. The Fund does not take currency views and aims to hedge any non-USD assets to USD. Issuers of these securities may be located in any country, including emerging markets.

The Fund may also invest in high yield corporate bonds, government and public securities denominated in any currency. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The Fund uses an investment process that is based on both a top-down macroeconomic view and fundamental analysis of individual securities.

The Fund may invest up to a combined maximum of 20% of the Fund's Net Asset Value in below investment grade and unrated securities.

The Fund may hold up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities and up to 20% of its Net Asset Value in Contingent Convertible Debt Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchanged Traded Futures, Credit Default Swaps and Interest Rate Swaps.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants and other debt securities.

M&G (Lux) Global Corporate Bond Fund

Investment review

For the period from 7 December 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Corporate Bond Fund, a Luxembourg-authorized SICAV, launched on 7 December 2018. On the same date, the M&G Global Corporate Bond (a UK-authorized OEIC) merged into the SICAV. The SICAV is run by the same fund manager, applying the same investment strategy, as the UK-authorized OEIC.

The M&G (Lux) Global Corporate Bond Fund is a global investment grade corporate bond fund that aims to provide a higher total return (the combination of income and growth of capital) than that of the global investment grade corporate bond market over any five-year period.

Bonds are loans that are extended by an investor to an issuing entity – such as a company or government – in exchange for regular interest payments. The initial amount borrowed by the entity is usually repaid at the end of the loan's life. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'.

Investment grade corporate bonds refer to debt 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 of non-repayment than those issued by companies with lower credit ratings (known as high yield bonds). The performance of investment grade corporate bond markets can be influenced by the performance of government bonds.

There have been several key areas in which we have found value. These include financials, floating rate notes and inflation-linked bonds.

The financials sector has offered good relative value opportunities, from issuers such as Morgan Stanley and Bank of America. We retain a significant exposure to financials, although we have been reducing some risk in this area in early 2019 following strong performance.

In our opinion, the asset-backed securities market offers interesting prospects, particularly those bonds that are backed by residential and commercial mortgages. Such securities tend to be floating rate in nature, meaning they adjust periodically depending on the change in a reference interest rate, and should therefore perform well even when interest rates rise.

Similarly, we have found value in inflation-linked bonds (also known as index-linked bonds), although we reduced our exposure to these in March. These are bonds where both the value of the loans and the interest payments are adjusted in line with inflation over the life of the securities, thus providing protection from rising inflation. Most of our exposure has been to index-linked US government bonds.

An important driver of a bond fund's performance is its ability to adjust its sensitivity to changes in interest rates, known as 'duration'. While we made certain small changes to the fund's duration over the course of reporting period, we kept it short versus a comparable index, meaning that the portfolio would be less sensitive to interest rate changes than the market average.

Ben Lord

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					17,774	88.49
Debt securities					17,834	88.79
'AAA' credit rated bonds					2,423	12.06
DLL UK Equipment Finance FRN	100,000	£	25.03.2028		131	0.65
Kreditanstalt fuer Wiederaufbau 2.625%	750,000	US\$	28.02.2024		759	3.78
Microsoft 2.4%	400,000	US\$	08.08.2026		389	1.94
Microsoft 3.5%	400,000	US\$	12.02.2035		406	2.02
US Treasury I/I 0.125%	100,000	US\$	15.04.2021		105	0.52
US Treasury I/I 0.125%	200,000	US\$	15.07.2022		218	1.08
US Treasury Note 2.5%	410,000	US\$	31.01.2025		415	2.07
'AA' credit rated bonds					1,089	5.42
MassMutual Global Funding II 2.75%	500,000	US\$	22.06.2024		495	2.47
New York Life Global Funding 2.9%	504,000	US\$	17.01.2024		507	2.52
United Kingdom I/L 0.125%	50,000	£	22.03.2024		87	0.43
'A' credit rated bonds					3,468	17.27
Anheuser-Busch InBev Worldwide 5.45%	82,000	US\$	23.01.2039		89	0.44
Anheuser-Busch InBev Worldwide 5.8%	200,000	US\$	23.01.2059		222	1.10
Banca Monte dei Paschi di Siena 2%	143,000	€	29.01.2024		164	0.82
Bank of America FRN	400,000	US\$	24.04.2023		403	2.01
BNP Paribas FRN	200,000	US\$	10.01.2025		208	1.04
BPCE 3.5%	250,000	US\$	23.10.2027		242	1.20
Cigna 4.125%	119,000	US\$	15.11.2025		123	0.61
Cigna 4.8%	90,000	US\$	15.08.2038		92	0.46
CK Hutchison Europe Finance 18 1.25%	284,000	€	13.04.2025		324	1.61
Comcast 4.95%	102,000	US\$	15.10.2058		113	0.56
Crédit Agricole London 4.125%	250,000	US\$	10.01.2027		255	1.27
HSBC Holdings 3.9%	200,000	US\$	25.05.2026		202	1.01
ING Groep 3%	100,000	£	18.02.2026		134	0.67
JPMorgan Chase 3.3%	150,000	US\$	01.04.2026		150	0.75
Mitchells & Butlers Finance FRN	126,600	US\$	15.12.2030		118	0.59
Morgan Stanley FRN	150,000	US\$	24.10.2023		152	0.76
Morgan Stanley FRN	250,000	US\$	08.05.2024		252	1.25
S-Jets 3.967%	223,611	US\$	15.08.2042		225	1.12
'BBB' credit rated bonds					9,786	48.72
ABN AMRO Bank FRN	200,000	US\$	27.03.2028		202	1.01
Altria Group 1.7%	100,000	€	15.06.2025		114	0.57
Altria Group 2.2%	100,000	€	15.06.2027		114	0.57
Altria Group 3.125%	106,000	€	15.06.2031		122	0.61
Altria Group 5.8%	61,000	US\$	14.02.2039		64	0.32
Altria Group 6.2%	23,000	US\$	14.02.2059		25	0.12
Anglo American Capital 1.625%	300,000	€	18.09.2025		341	1.70
Anglo American Capital 4.5%	200,000	US\$	15.03.2028		200	1.00
AXA FRN	100,000	£	29.07.2049		150	0.75
Banco Santander Mexico 2.125%	100,000	€	08.02.2028		110	0.55
Bayer US Finance II 4.625%	552,000	US\$	25.06.2038		518	2.58
Citigroup 2.75%	100,000	£	24.01.2024		134	0.67
Coöperatieve Rabobank FRN	400,000	US\$	10.04.2029		396	1.97
CVS Health 4.3%	150,000	US\$	25.03.2028		152	0.76
CVS Health 4.78%	371,000	US\$	25.03.2038		367	1.83
Enel Finance International 3.625%	212,000	US\$	25.05.2027		202	1.01
Energy Transfer Operating 4.5%	16,000	US\$	15.04.2024		17	0.08
Energy Transfer Operating 5.8%	225,000	US\$	15.06.2038		239	1.19
Express Scripts Holding 4.8%	300,000	US\$	15.07.2046		306	1.52
Ford Motor Credit 3.021%	100,000	€	06.03.2024		113	0.56
Ford Motor Credit 5.596%	200,000	US\$	07.01.2022		206	1.02
GE Capital International Funding 4.418%	600,000	US\$	15.11.2035		555	2.76
General Motors Financial 4%	200,000	US\$	15.01.2025		196	0.98
Glencore Funding 4.125%	152,000	US\$	12.03.2024		154	0.77
Heimstaden Bostad 1.75%	148,000	€	07.12.2021		170	0.85
Intesa Sanpaolo 1.75%	200,000	€	20.03.2028		217	1.08
Keurig Dr Pepper 4.057%	109,000	US\$	25.05.2023		112	0.56
Keurig Dr Pepper 4.417%	98,000	US\$	25.05.2025		102	0.51
Legal & General Group FRN	150,000	£	27.10.2045		214	1.06
Legal & General Group FRN	264,000	US\$	21.03.2047		263	1.31
Lloyds Banking Group FRN	300,000	€	07.09.2028		332	1.65
Mylan 2.25%	150,000	€	22.11.2024		172	0.86
Mylan 5.4%	300,000	US\$	29.11.2043		279	1.39
Nationwide Building Society FRN	223,000	US\$	08.03.2029		226	1.12

M&G (Lux) Global Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Nationwide Building Society FRN	137,000	€	25.07.2029		151	0.75
Orange FRN	100,000	£	29.10.2049		142	0.71
Reynolds American 5.85%	550,000	US\$	15.08.2045		563	2.80
Royal Bank of Scotland Group FRN	100,000	€	02.03.2026		112	0.56
Royal Bank of Scotland Group FRN	200,000	£	19.09.2026		263	1.31
Royal Bank of Scotland Group FRN	100,000	£	28.03.2027		133	0.66
Sabine Pass Liquefaction 5.875%	200,000	US\$	30.06.2026		222	1.10
Schaeffler 1.875%	28,000	€	26.03.2024		32	0.16
Société Générale 4.25%	200,000	US\$	14.09.2023		205	1.02
Syngenta Finance 4.441%	200,000	US\$	24.04.2023		204	1.01
Telefonica Emisiones 7.045%	150,000	US\$	20.06.2036		183	0.91
Vodafone Group 3.375%	200,000	£	08.08.2049		242	1.20
Volkswagen International Finance 4.125%	200,000	€	16.11.2038		250	1.24
'BB' credit rated bonds					856	4.26
Santander UK Group Holdings 4.75%	400,000	US\$	15.09.2025		398	1.98
Telefonica Europe FRN	200,000	€	31.12.2099		219	1.09
Tesco 3.322%	50,000	£	05.11.2025		131	0.65
Tesco 6.15%	100,000	US\$	15.11.2037		108	0.54
Bonds with no credit rating					212	1.06
Iliad 1.875%	200,000	€	25.04.2025		212	1.06
Progress Residential Trust FRN	0	US\$	17.01.2034		0	0.00
Debt derivatives					(60)	(0.30)
Credit default swaps					(22)	(0.11)
America Movil Dec 2021	300,000	US\$			1	0.00
America Movil Dec 2023	100,000	US\$			(2)	(0.01)
Nordstrom Dec 2023	250,000	US\$			(5)	(0.02)
Telecom Italia Dec 2023	118,343	€			(8)	(0.04)
Telecom Italia Jun 2024	81,657	€			(8)	(0.04)
Interest rate swaps						
Pay 1.38% Receive Var. Mar 2023	900,000	£			(17)	(0.09)
Interest rate futures					(21)	(0.10)
Deutscher Bobl 5 year Futures	1	€	06.06.2019	149	0	0.00
Deutscher Bund 10 year Futures	(2)	€	06.06.2019	373	(7)	(0.03)
US Treasury Notes 10 year Futures	(5)	US\$	19.06.2019	664	(13)	(0.06)
US Treasury Notes 30 year Futures	(11)	US\$	19.06.2019	1,645	(47)	(0.23)
US Ultra Bond Futures	3	US\$	19.06.2019	503	19	0.09
UK Treasury Notes Futures	(1)	£	26.06.2019	169	(3)	(0.01)
US Treasury Notes 2 year Futures	9	US\$	28.06.2019	1,918	7	0.03
US Treasury Notes 5 year Futures	26	US\$	28.06.2019	3,012	23	0.11
CURRENCY					5	0.03
Forward currency contracts					5	0.03
Bought for US\$ 1,807,836.70, Sold for £ 1,384,374.53			10.04.2019		(7)	(0.03)
Bought for US\$ 4,078,868.71, Sold for € 3,618,457.53			10.04.2019		12	0.06
Portfolio of investments					17,779	88.52
CASH EQUIVALENTS					1,385	6.90
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	1,385,000	US\$			1,385	6.90
SHARE CLASS HEDGING					(168)	(0.84)
Bought for € 17,393,971.77, Sold for US\$ 19,717,054.13			10.04.2019		(169)	(0.84)
Bought for CHF 48,668.59, Sold for US\$ 48,597.15			10.04.2019		0	0.00
Bought for US\$ 194,485.65, Sold for € 171,672.44			10.04.2019		1	0.00
Bought for US\$ 339.25, Sold for CHF 340.07			10.04.2019		0	0.00
Total portfolio					18,996	94.58
Net other assets/(liabilities)					1,089	5.42
NET ASSETS					20,085	100.00

M&G (Lux) Global Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					17,834	88.79
Unrealised gains on futures contracts					49	0.23
Unrealised gains on forward currency contracts					13	0.06
Unrealised gains on swap contracts					1	0.00
Total Investment assets					17,897	89.08
Investment liabilities						
Unrealised losses on futures contracts					(70)	(0.33)
Unrealised losses on forward currency contracts					(176)	(0.87)
Unrealised losses on swap contracts					(40)	(0.20)
Total Investment liabilities					(286)	(1.40)
Total portfolio					17,611	87.68
Cash equivalents					1,385	6.90
Net other assets/(liabilities)					1,089	5.42
NET ASSETS					20,085	100.00

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps US\$'000	Forward currency contracts US\$'000	Futures US\$'000
Barclays Bank London	12	0	0
BNP Paribas	7	0	0
Goldman Sachs International	1	4,037	0
JP Morgan Chase	0	1,849	0
Merrill Lynch Pierce Fenner + Smith Inc	4	0	8,433
State Street Bank and Trust Company	0	19,960	0
UBS AG London	17	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Corporate Bond Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the M&G Global Corporate Bond Fund which merged into the M&G (Lux) Global Corporate Bond Fund on 7 December 2018.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 7 December 2018 (the launch date of the fund) 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
Final	07.12.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A-H'	Euro Class 'C-H'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	Euro €	Euro €	US \$	US \$
Final	0.1157	0.1166	0.1264	0.1285

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 7 December 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A-H' Accumulation	11.5864	n/a	n/a
Class 'A-H' Distribution	10.2097	n/a	n/a
Class 'C-H' Accumulation	11.9005	n/a	n/a
Class 'C-H' Distribution	10.3017	n/a	n/a
Class 'CI-H' Accumulation	10.3899	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	11.2215	n/a	n/a
Class 'C-H' Accumulation	11.5616	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	12.5026	n/a	n/a
Class 'A' Distribution	11.1447	n/a	n/a
Class 'C' Accumulation	12.8613	n/a	n/a
Class 'C' Distribution	11.3307	n/a	n/a
Class 'CI' Accumulation	10.4861	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	20,085	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	20,085	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A-H' Accumulation	1.24	[a]	
Class 'A-H' Distribution	1.24	[a]	
Class 'C-H' Accumulation	0.74	[a]	
Class 'C-H' Distribution	0.74	[a]	
Class 'CI-H' Accumulation	0.70	[a]	
Swiss franc	%		
Class 'A-H' Accumulation	1.24	[a]	
Class 'C-H' Accumulation	0.74	[a]	
US dollar	%		
Class 'A' Accumulation	1.22	[a]	
Class 'A' Distribution	1.22	[a]	
Class 'C' Accumulation	0.72	[a]	
Class 'C' Distribution	0.72	[a]	
Class 'CI' Accumulation	0.68	[a]	

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Global Dividend Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to deliver a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period and;
- to deliver an income stream that increases every year in US Dollar terms.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund usually holds fewer than 50 stocks.

The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Global Dividend Fund

Investment review

For the period from 18 September 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Dividend Fund was launched in September 2018 and is run by the same manager, applying the same investment strategy, as the M&G Global Dividend Fund, a UK-domiciled OEIC which launched on 18 July 2008. Following shareholder approval, the non-sterling share classes of the M&G Global Dividend Fund merged into the M&G (Lux) Global Dividend Fund on 7 December 2018.

The fund invests in companies with the potential for long-term dividend growth. Since the fund's launch, we have seen higher dividends from a variety of sectors and countries, and we are encouraged that most of our holdings are delivering dividend increases in the region of 5% to 15%. Technology accounted for the biggest dividend growth as Samsung Electronics and ASML boosted their payments by 50% or more. Financials accounted for the largest number of increases, led by DBS and AIA in Asia. Singaporean bank DBS enjoyed a record year for operating performance and proposed a full-year dividend which is 29% higher than the ordinary payment in 2017. AIA, a Hong Kong-listed insurer, raised its full-year dividend by 14% and announced a special dividend, reflecting the company's strong financial results and its confidence for the future.

Dividends are the ultimate sign of management confidence and the dividend progression we are seeing from the fund's holdings reflects well on the long-term potential and the financial health of the companies we are invested in.

The fund aims to be diversified across countries and sectors, and selects stocks based on fundamental company analysis. Healthcare is the fund's largest exposure among the defensive sectors, with core holdings in the Swiss pharmaceutical companies Roche and Novartis, as well as UnitedHealth in the US. The weighting in consumer staples rose after we started a position in Constellation Brands and added to Unilever and PepsiCo.

In so-called cyclical sectors which have greater economic sensitivity, the fund has a meaningful exposure to energy-related stocks, focused on energy infrastructure and petrochemicals where we see undervalued growth.

From a geographic perspective, the US accounts for the lion's share of the fund, with around 50% of the fund invested in the world's biggest stockmarket. The UK accounts for 12%, but the exposure is dominated by global businesses, such as Unilever, whose operational performance will be little affected by Brexit. Europe excluding the UK accounts for another 15%, with smaller exposures in Asia Pacific ex Japan, emerging markets and Japan.

There were 42 holdings in the fund at the end of the review period. Global stockmarkets offer excellent opportunities for stockpickers and we believe the potential for investors is best captured by a conviction-based approach.

Stuart Rhodes

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Dividend Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					2,837,887	98.83
United Kingdom					353,858	12.32
Imperial Brands	4,973,999	£			171,229	5.96
St James's Place	5,215,116	£			70,278	2.45
Standard Life Aberdeen	18,283,067	£			63,173	2.20
Unilever	857,170	£			49,178	1.71
Denmark						
Pandora	1,076,287	DKK			50,258	1.75
Finland						
Kone 'B'	906,077	€			45,536	1.59
Germany						
Siemens	562,309	€			60,634	2.11
Ireland						
Medtronic	650,592	US\$			58,524	2.04
Netherlands (The)						
ASML Holding	224,394	€			41,722	1.45
Norway						
Prosafe	3,849,160	NOK			7,167	0.25
Sweden						
Epiroc 'A'	1,235,314	SEK			12,410	0.43
Epiroc 'B'	1,302,657	SEK			12,457	0.44
Switzerland						
Novartis	942,680	CHF			89,999	3.13
Roche Holding	376,284	CHF			102,431	3.57
United States					1,095,264	38.14
Arthur J Gallagher	1,439,879	US\$			111,051	3.87
Broadcom	277,829	US\$			83,090	2.89
Cisco Systems	1,401,906	US\$			74,813	2.61
Constellation Brands 'A'	130,586	US\$			22,527	0.78
Johnson & Johnson	410,397	US\$			56,998	1.98
JPMorgan Chase	560,335	US\$			56,429	1.96
Lam Research	119,353	US\$			20,966	0.73
Las Vegas Sands	1,050,365	US\$			63,384	2.21
Microsoft	1,004,196	US\$			117,426	4.09
PepsiCo	492,310	US\$			59,981	2.09
Starbucks	578,551	US\$			42,792	1.49
Trinseo	2,871,539	US\$			132,033	4.60
Union Pacific	244,581	US\$			40,411	1.41
UnitedHealth Group	367,541	US\$			89,020	3.10
US Bancorp	296,147	US\$			14,228	0.50
Visa 'A'	367,842	US\$			56,885	1.98
Wells Fargo	1,084,450	US\$			53,230	1.85
Canada					525,291	18.29
Gibson Energy	11,106,651	CA\$			189,333	6.59
Keyera	2,893,706	CA\$			67,899	2.37
Methanex	4,215,882	US\$			236,701	8.24
Pembina Pipeline	853,333	CA\$			31,358	1.09
Japan						
Tokyo Electron	374,700	¥			54,101	1.88
Australia						
Amcor	7,698,889	AU\$			84,064	2.93
Hong Kong						
AIA Group	5,297,600	HK\$			52,706	1.84
Singapore						
DBS Group Holdings	2,708,900	SG\$			50,410	1.76
South Korea						
Samsung Electronics	1,087,255	KRW			42,744	1.49
Taiwan						
Taiwan Semiconductor Manufacturing	3,861,000	TW\$			30,723	1.07
South Africa					67,588	2.35
Imperial Logistics	7,331,359	ZAR			30,708	1.07
Motus Holdings	6,556,990	ZAR			36,880	1.28
Portfolio of investments					2,837,887	98.83

M&G (Lux) Global Dividend Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
CASH EQUIVALENTS					19,337	0.67
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	19,337,000	US\$			19,337	0.67
Total portfolio					2,857,224	99.50
Net other assets/(liabilities)					14,219	0.50
NET ASSETS					2,871,443	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					2,837,887	98.83
Total Investment assets					2,837,887	98.83
Total portfolio					2,837,887	98.83
Cash equivalents					19,337	0.67
Net other assets/(liabilities)					14,219	0.50
NET ASSETS					2,871,443	100.00

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

M&G (Lux) Global Dividend Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Global Dividend Fund which merged into the M&G (Lux) Global Dividend Fund on 7 December 2018.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following table sets out the distribution timetables and rates per share declared in respect for the financial period from 18 September 2018 (the launch date of the fund) to 31 March 2019.

Each income share class receiving a contribution in kind from non-Sterling share classes in the Merging Funds made a special pre-migration distribution. This was to ensure shareholders were treated fairly and received the income attributable to them.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	18.09.18	30.09.18	28.09.18	01.10.18	04.10.18
Special pre-migration	01.10.18	05.12.18	05.12.18	06.12.18	13.12.18
Final	06.12.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'C'	Euro Class 'CI'	Singapore dollar Class 'A'	Singapore dollar Class 'C'
to 31 March 2019	Euro €	Euro €	Euro €	SGD €	SGD €
First interim	0.0606	0.0606	0.0606	0.0608	0.0606
Special pre-migration	0.0426	0.0426	0.0426	0.0403	0.0404
Final	0.1141	0.1146	0.1161	0.1091	0.1095

	Sterling Class 'C' UK p	Sterling Class 'CI' UK p	US dollar Class 'A' US €	US dollar Class 'C' US €
Final				
First interim	n/a	n/a	0.0609	0.0609
Special pre-migration	n/a	n/a	0.0402	0.0403
Final	0.0108	0.1092	0.1093	0.1098

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 18 September 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	10.1309	n/a	n/a
Class 'A' Distribution	10.0270	n/a	n/a
Class 'C' Accumulation	10.1855	n/a	n/a
Class 'C' Distribution	10.0771	n/a	n/a
Class 'CI' Accumulation	10.1901	n/a	n/a
Class 'CI' Distribution	10.0750	n/a	n/a
Class 'G' Accumulation	10.1738	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A' Accumulation	9.6212	n/a	n/a
Class 'A' Distribution	9.5206	n/a	n/a
Class 'C' Accumulation	9.6717	n/a	n/a
Class 'C' Distribution	9.5706	n/a	n/a
Sterling	£	£	£
Class 'C' Accumulation	10.0311	n/a	n/a
Class 'C' Distribution	10.0320	n/a	n/a
Class 'CI' Accumulation	10.1376	n/a	n/a
Class 'CI' Distribution	10.1376	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	9.7092	n/a	n/a
Class 'A' Distribution	9.6094	n/a	n/a
Class 'C' Accumulation	9.7618	n/a	n/a
Class 'C' Distribution	9.6592	n/a	n/a
Class 'CI' Accumulation	9.7654	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	2,871,443	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	2,871,443	n/a	n/a
Total Expense Ratio 31.03.2019			TER
Euro			%
Class 'A' Accumulation			1.95
Class 'A' Distribution			1.95
Class 'C' Accumulation			0.95
Class 'C' Distribution			0.95
Class 'CI' Accumulation			0.91
Class 'CI' Distribution			0.91
Class 'G' Accumulation			1.20
Singapore dollar			%
Class 'A' Accumulation			1.95
Class 'A' Distribution			1.96
Class 'C' Accumulation			0.95
Class 'C' Distribution			0.96
Sterling			%
Class 'C' Accumulation			0.97 ^[a]
Class 'C' Distribution			0.97 ^[a]
Class 'CI' Accumulation			0.93 ^[a]
Class 'CI' Distribution			0.93 ^[a]
US dollar			%
Class 'A' Accumulation			1.95
Class 'A' Distribution			1.95
Class 'C' Accumulation			0.95
Class 'C' Distribution			0.95
Class 'CI' Accumulation			0.92

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Global Emerging Markets Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global emerging markets equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies domiciled in, or conducting the major part of their economic activity in, emerging market countries.

The investment process of the Fund is based on the fundamental analysis of companies with a specific focus on their return on capital profile, their corporate governance practices and the valuation of the shares.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Global Emerging Markets Fund

Investment review

For the period from 26 October 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Emerging Markets Fund was launched in October 2018 and is run by the same manager, applying the same investment strategy, as the M&G Global Emerging Markets Fund, a UK-authorised OEIC, that launched on 5 February 2009. Following shareholder approval, the non-sterling assets of the M&G Global Emerging Markets Fund merged into the SICAV on 26 October 2018.

The M&G (Lux) Global Emerging Markets Fund is an actively managed fund that invests in the shares of emerging market companies that we believe are undervalued. Our investment philosophy is founded on the belief that corporate performance is what drives share prices over the long term rather than any macroeconomic factors. In particular, we think shareholder value creation, that is, the ability to generate a return on capital above the cost of capital, ultimately determines a company's stockmarket performance.

Our disciplined stock selection approach involves in-depth analysis of individual companies. We focus on three key factors – profitability (which we measure in terms of return-on-capital), governance standards and valuations. Our aim is to find companies that understand the importance of using capital efficiently and whose future prospects are being undervalued by other investors. We take a long-term view, which enables us to exploit the turbulence and short-termism that frequently occurs in emerging markets and can lead to stocks becoming mispriced.

In order to cope with any potential unpredictability, we seek to construct a balanced portfolio containing stocks with different risk/reward characteristics. This approach is designed to help the fund perform in different market conditions.

As long-term investors focused on valuation, we find that periods of uncertainty can often provide opportunities to buy stocks at attractive valuations. Recently, we have been increasing our allocation to markets that have declined on economic or political concerns. For instance, we bought some shares in Chinese companies that fell excessively, in our view, amid worries about the trade war between the US and China. We have also found some interesting stocks in Mexico, where share prices have been hit by concerns about Mexico's trading relationship with the US and the new government's policies.

Looking ahead, we are optimistic about the prospects for emerging market companies. We think stocks are attractively valued, particularly relative to their developed market counterparts. Amid the uncertain global economic backdrop, there is likely to be continued market turbulence. However, we think this could be favourable for our value-focused stockpicking approach. We will continue to focus on the long term and seek to take advantage of any attractive stocks that become mispriced as a result of fears about the external environment

Michael Bourke
Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Emerging Markets Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					560,849	98.97
United Kingdom					20,981	3.70
Petrofac	800,627	£			5,124	0.90
Standard Chartered	1,158,780	HK\$			8,949	1.58
Tullow Oil	2,219,922	£			6,908	1.22
Russia					30,481	5.38
LUKOIL ADR	140,611	US\$			12,747	2.25
Sberbank of Russia ADR	1,062,545	US\$			14,427	2.55
XS Retail Group	129,428	US\$			3,307	0.58
Turkey					13,041	2.30
Haci Omer Sabanci Holding	5,648,223	TRY			7,775	1.37
KOC Holding	1,847,137	TRY			5,266	0.93
United States					18,456	3.26
Etalon Group	2,781,909	US\$			5,094	0.90
Kosmos Energy	2,242,039	US\$			13,362	2.36
Canada						
First Quantum Minerals	533,352	CA\$			5,862	1.04
Brazil					56,901	10.04
Banco Bradesco Pref. (voting)	1,310,551	BRL			14,277	2.52
CCR	2,710,192	BRL			8,225	1.45
Cosan 'A'	1,071,104	US\$			12,248	2.16
Cyrela Brazil Realty	1,555,172	BRL			6,437	1.14
Kroton Educacional	1,872,619	BRL			5,272	0.93
LOG Commercial Properties	108,163	BRL			484	0.08
MRV Engenharia e Participacoes	1,499,132	BRL			5,327	0.94
TOTVS	457,364	BRL			4,631	0.82
Mexico					33,609	5.93
Alfa 'A'	9,155,962	MXN			9,729	1.72
Banco Santander Mexico ADR	647,384	US\$			4,325	0.76
Fibra Uno Administracion	4,173,192	MXN			5,769	1.02
Grupo Financiero Banorte 'O'	2,170,209	MXN			11,923	2.10
Mexichem	791,980	MXN			1,863	0.33
China					143,461	25.32
Baidu ADR	86,324	US\$			14,166	2.50
China Construction Bank	14,679,000	HK\$			12,594	2.22
China Lessor Group Holdings	17,717,000	HK\$			11,454	2.02
China Petroleum & Chemical	11,190,000	HK\$			8,831	1.56
China Railway Signal & Communication	5,450,000	HK\$			4,298	0.76
CNOOC	7,045,000	HK\$			13,184	2.33
Ctrip.com International ADR	419,947	US\$			18,263	3.22
Greatview Aseptic Packaging	16,015,000	HK\$			9,854	1.74
Hollysys Automation Technologies	581,238	US\$			11,788	2.08
Lenovo Group	9,968,000	HK\$			8,952	1.58
Li Ning	5,740,000	HK\$			9,001	1.59
PICC Property & Casualty	8,720,000	HK\$			9,903	1.75
Xinyi Solar Holdings	23,172,000	HK\$			11,173	1.97
Hong Kong					28,924	5.10
AIA Group	793,600	HK\$			7,895	1.39
Far East Horizon	10,791,000	HK\$			11,465	2.02
First Pacific Hong Kong	26,341,721	HK\$			9,564	1.69
Indonesia						
Bank Mandiri Persero	17,948,000	IDR			9,374	1.65
India						
ICICI Bank ADR	885,558	US\$			10,109	1.78
Philippines						
GT Capital Holdings	208,610	PHP			3,700	0.65
Singapore					4,793	0.85
Ezion Holdings (Warrant 16.04.23) ^{[a],[b]}	16,076,030	SG\$			0	0.00
Ezion Holdings (Warrant 24.04.20)	664,068	SG\$			1	0.00
Sembcorp Industries	2,541,700	SG\$			4,792	0.85
South Korea					79,843	14.09
Hana Financial Group	339,704	KRW			10,886	1.92
Hyundai Motor	52,504	KRW			5,516	0.98
Samsung Electronics	874,951	KRW			34,398	6.07
Samsung Fire & Marine Insurance	32,482	KRW			8,620	1.52

M&G (Lux) Global Emerging Markets Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
South Korea (continued)						
Samsung Heavy Industries	569,692	KRW			4,143	0.73
Shinhan Financial Group	439,715	KRW			16,280	2.87
Taiwan					66,472	11.73
Casetek Holdings	2,168,000	TW\$			3,563	0.63
Catcher Technology	856,000	TW\$			6,575	1.16
Chicony Electronics	4,268,000	TW\$			9,922	1.75
Delta Electronics	2,392,000	TW\$			12,359	2.18
eMemory Technology	428,000	TW\$			4,479	0.79
Silicon Motion Technology ADR	93,118	US\$			3,609	0.64
Taiwan Semiconductor Manufacturing	2,688,000	TW\$			21,389	3.77
Teco Electric and Machinery	6,708,000	TW\$			4,576	0.81
United Arab Emirates						
DP World	253,891	US\$			4,062	0.72
South Africa					30,780	5.43
Absa Group	827,548	ZAR			8,610	1.52
Barloworld	831,257	ZAR			7,280	1.28
Imperial Logistics	1,298,841	ZAR			5,440	0.96
Motus Holdings	574,220	ZAR			3,230	0.57
Sanlam	1,240,512	ZAR			6,220	1.10
Portfolio of investments					560,849	98.97
CASH EQUIVALENTS						
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	5,498,000	US\$			5,498	0.97
SHARE CLASS HEDGING						
Bought for € 4,725,350.32, Sold for US\$5,356,786.86			10.04.2019		(26)	(0.01)
Bought for CHF 2,917,256.40, Sold for US\$2,912,718.27			10.04.2019		(46)	(0.01)
Bought for US\$ 305,225.29, Sold for €270,045.00			10.04.2019		19	0.00
Bought for US\$ 27,730.33, Sold for CHF27,732.21			10.04.2019		1	0.00
Total portfolio					566,321	99.93
Net other assets/(liabilities)					336	0.07
NET ASSETS					566,657	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					560,849	98.97
Unrealised gains on forward currency contracts					20	0.00
Total Investment assets					560,869	98.97
Investment liabilities						
Unrealised losses on forward currency contracts					(46)	(0.01)
Total Investment liabilities					(46)	(0.01)
Total portfolio					560,823	98.96
Cash equivalents					5,498	0.97
Net other assets/(liabilities)					336	0.07
NET ASSETS					566,657	100.00

[a] Unlisted/unquoted.

[b] Suspended.

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

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company	8,602

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Emerging Markets Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Global Emerging Markets Fund which merged into the M&G (Lux) Global Emerging Markets Fund on 26 October 2018.

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 26 October 2018 (the launch date of the fund) 31 March 2019.

Annual distribution periods

	Start	End	Record date	Xd	Payment
Final	26.10.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'C'	Singapore dollar Class 'A'	Singapore dollar Class 'C'	US dollar Class 'A'
to 31 March 2019	Euro €	Euro €	SGD €	SGD €	US €
Final	0.1646	0.1767	0.0682	0.0699	0.1439

	US dollar Class 'C'
to 31 March 2019	US €
Final	0.1542

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	28.8705	n/a	n/a
Class 'A' Distribution	26.8285	n/a	n/a
Class 'A-H' Accumulation	10.2587	n/a	n/a
Class 'C' Accumulation	31.9285	n/a	n/a
Class 'C' Distribution	28.8964	n/a	n/a
Class 'C-H' Accumulation	10.4619	n/a	n/a
Class 'CI' Accumulation	10.8984	n/a	n/a
Class 'J' Accumulation	10.3105	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A' Accumulation	11.9212	n/a	n/a
Class 'A' Distribution	11.1121	n/a	n/a
Class 'C' Accumulation	12.4282	n/a	n/a
Class 'C' Distribution	11.4004	n/a	n/a

NAV per share	31.03.2019	31.03.2018	31.03.2017
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	10.2066	n/a	n/a
Class 'C-H' Accumulation	10.4124	n/a	n/a
Class 'CI-H' Accumulation	10.5808	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	25.1813	n/a	n/a
Class 'A' Distribution	23.3965	n/a	n/a
Class 'C' Accumulation	27.8628	n/a	n/a
Class 'C' Distribution	25.2194	n/a	n/a
Class 'CI' Accumulation	10.7304	n/a	n/a
Class 'J' Accumulation	9.6749	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	566,657	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	566,657	n/a	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	2.04 [a]
Class 'A' Distribution	2.04 [a]
Class 'A-H' Accumulation	2.06 [a]
Class 'C' Accumulation	1.04 [a]
Class 'C' Distribution	1.04 [a]
Class 'C-H' Accumulation	1.06 [a]
Class 'CI' Accumulation	1.00 [a]
Class 'J' Accumulation	0.94 [a]
Singapore dollar	%
Class 'A' Accumulation	2.04 [a]
Class 'A' Distribution	2.04 [a]
Class 'C' Accumulation	1.04 [a]
Class 'C' Distribution	1.04 [a]
Swiss franc	%
Class 'A-H' Accumulation	2.06 [a]
Class 'C-H' Accumulation	1.06 [a]
Class 'CI-H' Accumulation	1.02 [a]
US dollar	%
Class 'A' Accumulation	2.04 [a]
Class 'A' Distribution	2.04 [a]
Class 'C' Accumulation	1.04 [a]
Class 'C' Distribution	1.04 [a]
Class 'CI' Accumulation	1.00 [a]
Class 'J' Accumulation	0.94 [a]

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Global Floating Rate High Yield Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global floating rate high yield bond market over any five-year period.

Investment policy

The Fund invests at least 70% of its Net Asset Value in high yield floating rate bonds issued by companies or governments anywhere in the world and denominated in any currency. The Fund does not take currency views and aims to hedge any non-USD assets to USD. Exposure to these securities may be achieved, either directly or synthetically, through various combinations of government securities, corporate bonds and derivatives.

The investment process of the Fund is based on the bottom-up analysis of individual bond issues whilst remaining aware of macroeconomics developments.

In addition to high yield securities, the Fund may invest in unrated debt securities up to a combined maximum of 100% of the Fund's Net Asset Value. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The Fund may hold up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities and up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities.

Derivative instruments, both long and short can be used to meet the Fund's objective, for efficient portfolio management and for the purpose of hedging. These derivative instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps, Interest Rate Swaps and Total Return Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, equities, warrants and other debt securities.

M&G (Lux) Global Floating Rate High Yield Fund

Investment review

For the period from 13 September 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Floating Rate High Yield Fund was launched in September 2018 and is run by the same manager, applying the same investment strategy, as the M&G Global Floating Rate High Yield Fund, a UK-domiciled OEIC that launched on 11 September 2014. Following shareholder approval, the non-sterling share classes of the M&G Global Floating Rate High Yield Fund merged into the M&G (Lux) Global Floating Rate High Yield Fund on 7 December 2018.

The fund is designed to provide an attractive level of income, along with a natural hedge against rising interest rates, by investing mainly in floating rate notes (FRNs). These are securities whose interest payments, or coupons, are periodically adjusted depending on the change in a reference interest rate.

If interest rates rise, investors in FRNs will benefit from a higher income as coupons are automatically adjusted upwards (equally, should interest rates fall, then the coupons will be adjusted downwards).

The fund invests predominantly in FRNs issued by high yield companies, so called because they generally pay relatively high rates of interest to compensate investors for the greater risk that they might fail to repay the money they have borrowed.

The fund is currently defensively positioned from a sector perspective, with a focus on companies backed by high-quality assets, and which should be able to perform well in a variety of economic conditions, such as global packaging companies and cable operators. On the other hand, we are maintaining minimal exposure to businesses that are more exposed to the economic cycle, such as energy companies and retailers.

In the current environment where interest rates are low and many assets are generating a low prospective return, or yield, we think high yield FRNs currently offer an attractive source of income. Following market weakness throughout 2018, we believe these assets now look attractively priced against a backdrop of modest economic expansion, with company default rates expected to remain at historically low levels.

However, given where we are in the market cycle, we believe a cautious approach is still warranted. With heightened volatility likely to lead to a greater divergence in bond prices, we also believe that careful individual bond selection and in-depth company analysis will become increasingly important to help identify the most attractive pockets of value.

In our view, high yield investing is as much about avoiding the losers as picking the winners. On this basis, we remain cautiously positioned in the retail sector. We believe the sector is facing long-term structural headwinds as shoppers increasingly move towards online spending and away from traditional bricks-and-mortar stores.

James Tomlins

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Floating Rate High Yield Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					2,803,711	83.53
Debt securities					2,770,601	82.54
'AAA' credit rated bonds					315,994	9.41
US Treasury Note FRN	225,799,700	US\$	30.04.2019		225,807	6.73
US Treasury Note FRN	90,248,900	US\$	30.04.2020		90,187	2.68
'AA' credit rated bonds						
Paragon Mortgages No 15 FRN	5,880,000	€	15.12.2039		5,745	0.17
'A' credit rated bonds					122,037	3.64
Bank of America FRN	16,969,000	US\$	20.01.2023		17,151	0.51
Bank of America FRN	8,218,000	US\$	24.04.2023		8,279	0.25
Citigroup FRN	24,438,000	US\$	01.09.2023		24,845	0.74
ING Groep FRN	3,155,000	US\$	29.03.2022		3,179	0.09
JPMorgan Chase FRN	11,545,000	US\$	24.10.2023		11,728	0.35
Mitchells & Butlers Finance FRN	8,846,175	US\$	15.12.2030		8,242	0.25
Mitchells & Butlers Finance FRN	2,821,914	£	15.12.2030		3,449	0.10
Morgan Stanley FRN	3,257,000	US\$	08.05.2024		3,281	0.10
UBS Group Funding Switzerland FRN	31,223,000	US\$	23.05.2023		31,400	0.94
Wells Fargo FRN	10,332,000	US\$	31.10.2023		10,483	0.31
'BBB' credit rated bonds					94,628	2.82
American International Group FRN	13,000,000	€	15.03.2067		11,161	0.33
Bank of America FRN	3,287,000	US\$	15.09.2026		3,063	0.09
Barclays FRN	7,589,000	US\$	10.08.2021		7,741	0.23
Barclays FRN	21,626,000	US\$	10.01.2023		21,607	0.65
Citigroup FRN	4,253,000	US\$	02.08.2021		4,319	0.13
Citigroup FRN	9,944,000	US\$	25.08.2036		7,844	0.23
Corestates Capital III FRN	2,055,000	US\$	15.02.2027		1,896	0.06
Crédit Suisse Group Funding Guernsey FRN	9,452,000	US\$	16.04.2021		9,756	0.29
Ford Motor Credit FRN	10,194,000	€	01.12.2024		10,180	0.30
Mitchells & Butlers Finance FRN	274,000	£	15.12.2033		292	0.01
Royal Bank of Scotland Group FRN	16,853,000	US\$	15.05.2023		16,769	0.50
'BB' credit rated bonds					775,608	23.11
AnaCap Financial Europe SICAV-RAIF FRN	25,443,000	€	01.08.2024		22,465	0.67
Ardagh Packaging Finance Via Ardagh Holdings USA 2.75%	21,845,000	€	15.03.2024		25,169	0.75
Ardagh Packaging Finance Via Ardagh Holdings USA 4.625%	28,441,000	US\$	15.05.2023		28,659	0.85
Arena Luxembourg Financial 2.875%	4,109,000	€	01.11.2024		4,739	0.14
Arena Luxembourg Financial FRN	9,800,000	€	01.11.2023		11,117	0.33
Arrow Global Finance FRN	39,544,000	€	01.04.2025		42,569	1.27
Arrow Global Finance FRN	26,770,000	€	01.03.2026		29,199	0.87
Cemex 5.7%	12,990,000	US\$	11.01.2025		13,342	0.40
Cemex Finance 6%	8,218,000	US\$	01.04.2024		8,469	0.25
CSC Holdings 5.375%	12,981,000	US\$	15.07.2023		13,272	0.40
Energy Transfer Operating FRN	51,422,000	US\$	01.11.2066		41,781	1.24
HCA 4.5%	17,833,000	US\$	15.02.2027		18,357	0.55
HT1 Funding FRN	38,120,000	€	29.07.2049		38,238	1.14
Intrum Justitia FRN	26,356,000	€	15.07.2022		29,237	0.87
IQVIA 3.25%	6,361,000	€	15.03.2025		7,316	0.22
Liberty Mutual Group FRN	9,948,000	US\$	15.03.2037		9,429	0.28
Lincoln Financing FRN	39,538,000	€	01.04.2024		44,775	1.33
Louvre Bidco FRN	9,818,000	€	30.09.2024		11,086	0.33
Naviera Armas FRN	18,303,000	€	31.07.2023		20,607	0.61
Naviera Armas FRN ^[a]	26,280,000	€	15.11.2024		27,325	0.81
ProGroup FRN	13,597,000	€	31.03.2024		15,340	0.46
Smurfit Kappa Acquisitions FRN	18,908,000	€	15.10.2020		22,024	0.66
Standard Chartered FRN	23,400,000	US\$	29.01.2049		18,769	0.56
Telenet Finance VI Luxembourg 4.875%	20,124,900	€	15.07.2027		24,353	0.73
Tenet Healthcare 4.625%	28,940,000	US\$	15.07.2024		28,978	0.86
Tenneco FRN	21,880,000	€	15.04.2024		24,815	0.74
Unitymedia Hessen Via Unitymedia NRW 4%	35,062,000	€	15.01.2025		41,148	1.23
Virgin Media Secured Finance 5.25%	12,296,000	US\$	15.01.2026		12,373	0.37
Wind Tre FRN	131,785,000	€	20.01.2024		140,657	4.19
'B' credit rated bonds					1,439,943	42.90
3AB Optique Developpement FRN	15,448,000	€	01.10.2023		17,183	0.51
Algeco Global Finance FRN	17,381,000	€	15.02.2023		19,783	0.59
Altice France 5.625%	13,315,000	€	15.05.2024		15,459	0.46
Altice France 6.25%	14,793,000	US\$	15.05.2024		14,892	0.44
Altice France 7.375%	9,468,000	US\$	01.05.2026		9,325	0.28
Ardonagh Midco 3 8.375%	6,049,000	£	15.07.2023		6,916	0.21

M&G (Lux) Global Floating Rate High Yield Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
Bormioli Pharma Bidco FRN	27,472,000	€	15.11.2024		28,648	0.85
Burger King France 6%	20,545,000	€	01.05.2024		24,652	0.73
Burger King France FRN	22,008,000	€	01.05.2023		25,017	0.75
Cabot Financial Luxembourg 7.5%	12,327,000	£	01.10.2023		15,880	0.47
Cabot Financial Luxembourg II FRN	27,327,000	€	15.11.2021		30,726	0.92
Carlson Travel FRN	20,467,000	€	15.06.2023		23,086	0.69
Chesapeake Energy FRN	14,157,000	US\$	15.04.2019		14,165	0.42
Cirsa Finance International FRN	26,466,000	€	20.12.2023		30,502	0.91
Fabric BC FRN	11,740,000	€	30.11.2024		13,128	0.39
Fire BC FRN	30,447,000	€	30.09.2024		34,226	1.02
Galaxy Bidco FRN	12,695,000	£	15.11.2020		16,575	0.49
Gamenet Group FRN	22,341,000	€	27.04.2023		24,766	0.74
Garfunkelux Holdco 3 8.5%	5,397,000	£	01.11.2022		6,401	0.19
Garfunkelux Holdco 3 FRN	26,792,000	€	01.09.2023		25,801	0.77
Garfunkelux Holdco 3 FRN	40,064,000	€	01.09.2023		37,314	1.11
Groupe Ecore Holding FRN	25,383,000	€	15.11.2023		27,402	0.82
Guala Closures Italy FRN	12,690,000	€	15.04.2024		14,391	0.43
Hema Bondco I FRN	26,176,000	€	15.07.2022		27,377	0.82
Iceland Bondco 4.625%	24,654,000	£	15.03.2025		28,260	0.84
Iceland Bondco 6.75%	6,575,000	£	15.07.2024		8,288	0.25
International Design Group FRN	16,452,000	€	15.11.2025		18,243	0.54
IPD 3 FRN	15,447,000	€	15.07.2022		17,499	0.52
Lecta FRN	10,370,000	€	01.08.2022		10,820	0.32
Limacorporate FRN	23,354,000	€	15.08.2023		26,441	0.79
LSF10 Wolverine Investments FRN	24,414,000	€	15.03.2024		27,541	0.82
Marcolin FRN	18,547,000	€	15.02.2023		20,881	0.62
Matterhorn Telecom FRN	4,754,141	€	01.02.2023		5,329	0.16
Monitchem HoldCo 3 FRN	14,815,000	€	15.06.2021		16,624	0.50
Newday Bondco FRN	13,329,000	£	01.02.2023		16,810	0.50
Nexi Capital FRN	61,647,000	€	01.05.2023		70,107	2.09
Nomad Foods Bondco 3.25%	5,350,000	€	15.05.2024		6,140	0.18
Novafives FRN	12,114,000	€	15.06.2025		11,804	0.35
Paprec Holding FRN	21,341,000	€	31.03.2025		19,923	0.59
Parts Europe FRN	28,854,354	€	01.05.2022		32,341	0.96
Picard Groupe FRN	104,080,000	€	30.11.2023		114,418	3.41
Premier Foods Finance FRN	16,263,000	£	15.07.2022		21,276	0.63
Promontoria Holding 264 FRN	23,996,000	€	15.08.2023		27,015	0.81
Reynolds Group Issuer FRN	60,744,000	US\$	15.07.2021		61,157	1.82
Rossini Sarl FRN	8,763,000	€	30.10.2025		10,088	0.30
Royal Bank of Scotland Group FRN	100,000	US\$	31.12.2049		93	0.00
Selecta Group FRN	29,172,000	€	01.02.2024		32,771	0.98
Sisal Group FRN	23,806,000	€	31.07.2022		26,869	0.80
Stonegate Pub Company Financing 4.875%	8,229,000	£	15.03.2022		10,813	0.32
Stonegate Pub Company Financing FRN	15,261,000	£	15.03.2022		20,003	0.60
Stonegate Pub Company Financing FRN	7,470,000	£	15.03.2022		9,855	0.29
Synlab Bondco FRN	72,000,000	€	01.07.2022		81,056	2.42
TeamSystem FRN	29,072,000	€	15.04.2023		32,813	0.98
Tendam Brands FRN	28,651,000	€	15.09.2024		32,080	0.96
TVL Finance FRN	10,617,000	£	15.05.2023		13,880	0.41
United Group FRN	37,741,000	€	01.07.2023		42,671	1.27
Vue International Bidco 7.875%	8,233,000	£	15.07.2020		10,793	0.32
Vue International Bidco FRN	5,755,000	€	15.07.2020		6,431	0.19
Ziggo Secured Finance 3.75%	4,109,000	€	15.01.2025		4,732	0.14
Ziggo Secured Finance 4.25%	34,938,000	€	15.01.2027		40,463	1.21
'CCC' credit rated bonds						
Verisure Midholding FRN	144,750,000	SEK	01.12.2023		15,865	0.47
Bonds with no credit rating						
House of Fraser Funding FRN	14,382,000	£	15.09.2020		781	0.02
Debt derivatives						
Credit default swaps					33,110	0.99
Markit CDX North American High Yield Series 25 5 Year Dec 2020	161,263,580	US\$			41,464	1.24
Markit CDX North American High Yield Series 26 5 Year Jun 2021	167,230,080	US\$			7,729	0.23
Markit CDX North American High Yield Series 28 5 Year Jun 2022	274,497,390	US\$			9,385	0.28
Markit CDX North American High Yield Series 29 5 Year Dec 2022	4,561,900	US\$			18,073	0.55
Markit iTraxx Europe Xover Series 5 Year Jun 2023	1,282,658	€			303	0.01
					121	0.00

M&G (Lux) Global Floating Rate High Yield Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Credit default swaps (continued)						
Markit iTraxx Europe Xover Series 26 5 Year Dec 2021	8,412,263	€			689	0.02
Markit iTraxx Europe Xover Series 29 5 Year Jun 2023	42,003,103	€			3,964	0.11
Vue International Bidco Dec 2021	8,264,000	€			423	0.01
Vue International Bidco Jun 2022	16,436,000	€			777	0.03
Interest rate swaps					(8,354)	(0.25)
Pay 6% Receive Var. Apr 2019	4,109,000	US\$			(123)	0.00
Pay 5.625% Receive Var. May 2019	5,097,000	€			(175)	0.00
Pay 6.25% Receive Var. May 2019	4,109,000	US\$			(132)	0.00
Pay 6.75% Receive Var. Jul 2019	6,574,000	£			(348)	(0.01)
Pay 7.5% Receive Var. Oct 2019	8,218,000	£			(548)	(0.02)
Pay 5.7% Receive Var. Jan 2020	4,109,000	US\$			(120)	0.00
Pay 4% Receive Var. Jan 2020	35,061,000	€			(1,322)	(0.04)
Pay 2.75% Receive Var. Mar 2020	4,109,000	€			(103)	0.00
Pay 6% Receive Var. May 2020	16,436,000	€			(957)	(0.04)
Pay 8.5% Receive Var. Nov 2020	5,397,000	£			(164)	0.00
Pay 4.875% Receive Var. Mar 2021	8,218,000	£			(84)	0.00
Pay 4.625% Receive Var. May 2021	24,725,000	US\$			60	0.00
Pay 4.875% Receive Var. Jul 2021	16,028,000	€			(1,183)	(0.03)
Pay 5.375% Receive Var. Jul 2021	12,981,000	US\$			(205)	0.00
Pay 7.5% Receive Var. Oct 2021	4,109,000	£			(104)	0.00
Pay 4.25% Receive Var. Jan 2022	26,360,000	€			(1,494)	(0.06)
Pay 2.75% Receive Var. Mar 2022	13,627,000	€			(188)	0.00
Pay 3.25% Receive Var. Mar 2022	6,361,000	€			(48)	0.00
Pay 6% Receive Var. Apr 2022	4,109,000	US\$			(40)	0.00
Pay 6% Receive Var. May 2022	4,109,000	€			(160)	(0.01)
Pay 3.25% Receive Var. May 2022	2,884,000	€			(42)	0.00
Pay 6.25% Receive Var. May 2022	10,684,000	US\$			(11)	0.00
Pay 4.875% Receive Var. Jul 2022	4,109,000	€			(223)	(0.01)
Pay 2.875% Receive Var. Nov 2022	4,109,000	€			(53)	0.00
Pay 5.7% Receive Var. Jan 2023	8,881,000	US\$			12	0.00
Pay 3.75% Receive Var. Jan 2023	822,000	€			(27)	0.00
Pay 5.25% Receive Var. Jan 2023	4,109,000	US\$			(13)	0.00
Pay 4.625% Receive Var. May 2023	3,715,000	US\$			(13)	0.00
Pay 4.25% Receive Var. Jan 2024	7,327,000	€			(463)	(0.02)
Pay 4.625% Receive Var. Apr 2024	5,759,000	US\$			(10)	0.00
Pay 7.375% Receive Var. May 2024	8,218,000	US\$			(184)	0.00
Pay 4.625% Receive Var. Jul 2024	1,250,000	US\$			(12)	0.00
Pay 3.75% Receive Var. Jan 2025	3,287,000	€			(161)	(0.01)
Pay 4.625% Receive Var. Mar 2025	24,654,000	£			288	0.00
Pay 5.25% Receive Var. Jan 2026	8,187,000	US\$			37	0.00
Pay 7.375% Receive Var. May 2026	1,250,000	US\$			(40)	0.00
Pay 4.5% Receive Var. Aug 2026	8,218,000	US\$			(20)	0.00
Pay 4.25% Receive Var. Jan 2027	1,250,000	€			(56)	0.00
Pay 4.5% Receive Var. Feb 2027	12,115,000	US\$			75	0.00
CURRENCY					14,145	0.42
Forward currency contracts					14,145	0.42
Bought for £ 5,683,889.15, Sold for US\$ 7,541,307.88			10.04.2019		(89)	0.00
Bought for US\$ 201,325,339.34, Sold for £ 153,749,005.06			10.04.2019		(253)	(0.01)
Bought for US\$ 1,728,397,810.49, Sold for € 1,524,868,339.23			10.04.2019		14,713	0.44
Bought for US\$ 15,682,370.12, Sold for SEK 147,231,418.54			10.04.2019		(226)	(0.01)
Portfolio of investments					2,817,856	83.95
CASH EQUIVALENTS					330,573	9.85
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	330,572,987	US\$			330,573	9.85
SHARE CLASS HEDGING					(19,003)	(0.57)
Bought for £ 4,203,697.66, Sold for US\$ 5,529,959.81			10.04.2019		(19)	0.00
Bought for € 2,121,865,388.06, Sold for US\$ 2,405,012,811.40			10.04.2019		(20,401)	(0.61)
Bought for CHF 102,360,314.50, Sold for US\$ 102,200,038.47			10.04.2019		671	0.02
Bought for S\$ 58,891,020.39, Sold for US\$ 43,403,069.11			10.04.2019		66	0.00
Bought for US\$ 102,784,243.78, Sold for € 90,818,844.89			10.04.2019		712	0.02
Bought for US\$ 6,404,063.23, Sold for CHF 6,403,225.22			10.04.2019		(30)	0.00

M&G (Lux) Global Floating Rate High Yield Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for US\$ 2,409,925.72, Sold for SG\$ 3,267,300.38			10.04.2019		(2)	0.00
Total portfolio					3,129,426	93.23
Net other assets/(liabilities)					227,153	6.77
NET ASSETS					3,356,579	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					2,770,601	82.54
Unrealised gains on forward currency contracts					16,162	0.48
Unrealised gains on swap contracts					41,936	1.24
Total Investment assets					2,828,699	84.26
Investment liabilities						
Unrealised losses on forward currency contracts					(21,020)	(0.63)
Unrealised losses on swap contracts					(8,826)	(0.25)
Total Investment liabilities					(29,846)	(0.88)
Total portfolio					2,798,853	83.38
Cash equivalents					330,573	9.85
Net other assets/(liabilities)					227,153	6.77
NET ASSETS					3,356,579	100.00

[a] Unlisted/unquoted.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps US\$'000	Forward currency contracts US\$'000	Collateral held as cash US\$'000
Bank of America Merrill Lynch	2,384	0	0
Barclays Bank London	5,235	0	0
Citigroup Global Markets Limited	22,175	17,718	0
Crédit Suisse First Boston	1,683	0	0
Goldman Sachs International	5,480	0	0
HSBC Bank Plc	2,711	0	2,990
JP Morgan Chase	10,525	0	0
Merrill Lynch Pierce Fenner + Smith Inc	926	0	2,581
Standard Chartered Bank	0	82	0
State Street Bank and Trust Company	0	2,667,744	0
State Street Bank London	0	1,726,420	0
UBS AG London	0	208,727	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Floating Rate High Yield Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Global Floating Rate High Yield Fund which merged into the M&G (Lux) Global Floating Rate High Yield Fund on 7 December 2018.

Distribution details for holders of distribution shares

This fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetable and rates per share declared in respect for the financial period from 13 September 2018 (the launch date of the fund) to 31 March 2019.

Each income share class receiving a contribution in kind from non-Sterling share classes in the Merging Funds made a special pre-migration distribution. This was to ensure shareholders were treated fairly and received the income attributable to them.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	13.09.18	31.10.18	31.10.18	02.11.18	07.11.18
Special pre-migration	01.11.18	05.12.18	05.12.18	06.12.18	13.12.18
Final	06.12.18	31.03.19	18.04.19	23.04.19	26.04.19

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	13.09.18	30.09.18	28.09.18	01.10.18	04.10.18
Second interim	01.10.18	31.10.18	31.10.18	02.11.18	07.11.18
Special pre-migration	01.11.18	05.12.18	05.12.18	06.12.18	13.12.18
Third interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Fourth interim	01.01.19	31.01.19	15.02.18	18.02.18	21.02.18
Fifth interim	01.02.19	28.02.19	15.03.18	18.03.18	21.03.18
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A-H'	Euro Class 'B-H'	Euro Class 'C-H'	Singapore dollar Class 'A-H'	Sterling Class 'C-H'
to 31 March 2019	Euro €	Euro €	Euro €	SGD €	UK p
First interim	0.1165	0.1165	0.1165	0.1177	n/a
Special pre-migration	0.0504	0.0509	0.0506	0.0507	n/a
Final	0.1533	0.1529	0.1536	0.1546	0.0096

	Sterling Class 'CI-H'	Swiss franc Class 'A-H'	Swiss franc Class 'C-H'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	UK p	Swiss €	Swiss €	US €	US €
First interim	n/a	0.1167	0.1174	0.1178	0.1177
Special pre-migration	n/a	0.0501	0.0505	0.0495	0.0497
Final	0.0706	0.1529	0.1533	0.1557	0.1561

	Singapore dollar Class 'A-H M'	Singapore dollar Class 'C-H M'	US dollar Class 'A M'	US dollar Class 'C M'
to 31 March 2019	SGD €	SGD €	US €	US €
First interim	0.0372	0.0372	0.0373	0.0373
Second interim	0.0382	0.0382	0.0381	0.0381

	Singapore dollar Class 'A-H M'	Singapore dollar Class 'C-H M'	US dollar Class 'A M'	US dollar Class 'C M'
to 31 March 2019	SGD €	SGD €	US €	US €
Special pre-migration	0.0502	0.0502	0.0498	0.0499
Third interim	0.0351	0.0351	0.0351	0.0352
Fourth interim	0.0412	0.0413	0.0416	0.0417
Fifth interim	0.0397	0.0398	0.0403	0.0403
Final	0.0384	0.0386	0.0388	0.0389

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 13 September 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A-H' Accumulation	9.9396	n/a	n/a
Class 'A-H' Distribution	9.7720	n/a	n/a
Class 'B-H' Accumulation	9.9100	n/a	n/a
Class 'B-H' Distribution	9.7426	n/a	n/a
Class 'C-H' Accumulation	9.9682	n/a	n/a
Class 'C-H' Distribution	9.7998	n/a	n/a
Class 'CI-H' Accumulation	9.9760	n/a	n/a

Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Distribution	9.8843	n/a	n/a
Class 'A-H M' Distribution	9.8098	n/a	n/a
Class 'C-H M' Distribution	9.8401	n/a	n/a

Sterling	£	£	£
Class 'C-H' Distribution	10.1035	n/a	n/a
Class 'CI-H' Distribution	10.0200	n/a	n/a

Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.9164	n/a	n/a
Class 'A-H' Distribution	9.7467	n/a	n/a
Class 'C-H' Accumulation	9.9478	n/a	n/a
Class 'C-H' Distribution	9.7783	n/a	n/a
Class 'CI-H' Accumulation	9.9529	n/a	n/a

US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.1026	n/a	n/a
Class 'A' Distribution	9.9334	n/a	n/a
Class 'A M' Distribution	9.8586	n/a	n/a
Class 'C' Accumulation	10.1356	n/a	n/a
Class 'C' Distribution	9.9641	n/a	n/a
Class 'C M' Distribution	9.8889	n/a	n/a
Class 'CI' Accumulation	10.1387	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	3,356,579	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	3,356,579	n/a	n/a

M&G (Lux) Global Floating Rate High Yield Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A-H' Accumulation	1.48
Class 'A-H' Distribution	1.48
Class 'B-H' Accumulation	1.98
Class 'B-H' Distribution	1.98
Class 'C-H' Accumulation	0.88
Class 'C-H' Distribution	0.88
Class 'CI-H' Accumulation	0.84
Singapore dollar	%
Class 'A-H' Distribution	1.48
Class 'A-H M' Distribution	1.48
Class 'C-H M' Distribution	0.88
Sterling	%
Class 'C-H' Distribution	0.89 ^[a]
Class 'CI-H' Distribution	0.85 ^[a]
Swiss franc	%
Class 'A-H' Accumulation	1.48
Class 'A-H' Distribution	1.48
Class 'C-H' Accumulation	0.88
Class 'C-H' Distribution	0.88
Class 'CI-H' Accumulation	0.84
US dollar	%
Class 'A' Accumulation	1.46
Class 'A' Distribution	1.46
Class 'A M' Distribution	1.46
Class 'C' Accumulation	0.86
Class 'C' Distribution	0.86
Class 'C M' Distribution	0.86
Class 'CI' Accumulation	0.82

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Global High Yield Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global high yield bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in high yield bonds issued by companies denominated in any currency. The Fund does not take any currency views and aims to hedge any non-USD assets to USD. Issuers of these securities may be located in any country, including emerging markets.

The investment process of the Fund is based on the bottom-up analysis of individual bond issues whilst remaining aware of macroeconomics developments.

In addition to high yield securities, the Fund may invest in unrated debt securities up to a combined maximum of 100% of the Fund's Net Asset Value. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest. The Fund may hold up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities and to a maximum of 20% of its Net Asset Value in Contingent Convertibles Debt Securities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps, Interest Rate Swaps and Total Return Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, equities, warrants and other debt securities.

M&G (Lux) Global High Yield Bond Fund

Investment review

For the period from 9 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global High Yield Bond Fund was launched in November 2018 and is run by the same managers, applying the same investment strategy, as the M&G Global High Yield Bond Fund, a UK-domiciled OEIC that launched on 16 October 1998. Following shareholder approval, the non-sterling share classes of the M&G Global High Yield Bond Fund merged into the M&G (Lux) Global High Yield Bond Fund on 9 November 2018.

The fund is currently defensively positioned from a sector perspective, with a focus on high yield bonds issued by companies backed by high-quality assets, and which should be able to perform well in a variety of economic conditions, such as global packaging companies and cable operators. On the other hand, we are maintaining minimal exposure to businesses that are more exposed to the economic cycle, such as energy companies and retailers.

High yield bonds are loans paying fixed interest issued by companies with a low credit rating. Credit ratings are independent assessments of a borrower's ability to repay loans. Bonds from low-rated companies are considered riskier than those issued by companies with a high credit rating. They therefore pay a higher rate of interest than their higher-rated counterparts, to compensate investors for the greater possibility that the issuer might be unable to meet its obligations, or in other words, default.

In regional allocation terms, we currently have a slight preference for European high yield bonds. Following their recent underperformance versus US high yield, we are now seeing more compelling value in European high yield markets, where we think investors can often capture a more attractive level of income relative to the risks being taken. Moreover, we believe European companies are still being conservatively managed and continue to maintain only modest levels of debt on their balance sheets.

In the current environment where interest rates are low and many assets are generating a low prospective return, or yield, we think high yield bonds currently offer an attractive source of income. Following market weakness throughout 2018, we believe these assets now look attractively priced against a backdrop of modest economic expansion, with company default rates expected to remain at historically low levels.

In our view, high yield investing is as much about avoiding the losers as picking the winners. On this basis, we remain cautiously positioned in the retail sector. We believe the sector is facing long-term structural headwinds as shoppers increasingly move towards online spending and away from traditional bricks-and-mortar stores.

Stefan Isaacs and James Tomlins
Co-fund managers

Investment review information as at 31 March 2019.

Employees of M&G 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.

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					360	0.38
Equities					360	0.38
Chaparral Energy 'A'	7,189	US\$			40	0.04
Patterson-UTI Energy	473	US\$			7	0.01
SandRidge Energy	579	US\$			5	0.01
New World Resources 'A' ^[a]	5,046,536	£			0	0.00
Codere	78,462	€			308	0.32
Warrants					0	0.00
SandRidge Energy 'A' (Warrant)	501	US\$	04.10.2022		0	0.00
SandRidge Energy 'B' (Warrant)	211	US\$	04.10.2022		0	0.00
FIXED INCOME					84,141	88.55
Debt securities					83,853	88.25
'AA' credit rated bonds						
UK Gilt 1.75%	593,423	£	22.07.2019		780	0.82
'A' credit rated bonds					392	0.41
Society of Lloyd's FRN	100,000	£	07.02.2047		139	0.15
TOTAL FRN	207,000	€	29.12.2049		253	0.26
'BBB' credit rated bonds					6,912	7.28
AA Bond 4.875%	305,000	£	31.07.2043		398	0.42
America Movil FRN	133,000	€	06.09.2073		174	0.18
American International Group FRN	200,000	€	15.03.2067		172	0.18
ArcelorMittal 7%	334,000	US\$	15.10.2039		382	0.40
Commerzbank 8.125%	400,000	US\$	19.09.2023		456	0.48
Corestates Capital III FRN	167,000	US\$	15.02.2027		154	0.16
Dell International Via EMC 5.45%	465,000	US\$	15.06.2023		496	0.52
Energy Transfer Operating 5.875%	401,000	US\$	15.01.2024		439	0.46
GE Capital International Funding 4.418%	1,079,000	US\$	15.11.2035		998	1.05
GKN Holdings 3.375%	425,000	£	12.05.2032		549	0.58
HSBC Holdings FRN	200,000	€	31.12.2099		220	0.23
Lear 5.25%	334,000	US\$	15.01.2025		347	0.37
Lear 5.375%	167,000	US\$	15.03.2024		172	0.18
Legal & General Group FRN	200,000	£	27.10.2045		286	0.30
Newfield Exploration 5.375%	83,000	US\$	01.01.2026		89	0.10
Sabine Pass Liquefaction 5.625%	280,000	US\$	01.03.2025		308	0.33
Schaeffler 2.875%	217,000	€	26.03.2027		250	0.26
S-Jets 5.682%	223,611	US\$	15.08.2042		231	0.24
Syngenta Finance 5.182%	587,000	US\$	24.04.2028		596	0.63
ZF North America Capital 4.75%	200,000	US\$	29.04.2025		195	0.21
'BB' credit rated bonds					48,282	50.81
ABN AMRO Bank FRN	400,000	€	31.12.2099		433	0.46
Ardagh Packaging Finance Via Ardagh Holdings USA 2.75%	119,000	€	15.03.2024		137	0.14
Arena Luxembourg Financial 2.875%	106,000	€	01.11.2024		122	0.13
Arrow Global Finance 5.125%	152,000	£	15.09.2024		191	0.20
Arrow Global Finance FRN	408,000	€	01.04.2025		439	0.46
Avis Budget Car Rental 5.25%	267,000	US\$	15.03.2025		257	0.27
Axalta Coating Systems 4.25%	186,000	€	15.08.2024		218	0.23
Banco Bilbao Vizcaya Argentaria FRN	600,000	€	31.12.2099		667	0.70
Banco Santander Mexico FRN	400,000	€	12.03.2049		442	0.47
Bankia FRN	200,000	€	31.12.2099		220	0.23
Belden 3.375%	149,000	€	15.07.2027		169	0.18
Belden 3.875%	100,000	€	15.03.2028		113	0.12
CaixaBank FRN	200,000	€	31.12.2099		197	0.21
CaixaBank FRN	200,000	€	31.12.2099		234	0.25
CCO Holdings Via CCO Holdings Capital 5%	250,000	US\$	01.02.2028		246	0.26
CCO Holdings Via CCO Holdings Capital 5.125%	668,000	US\$	01.05.2027		669	0.70
CCO Holdings Via CCO Holdings Capital 5.75%	734,000	US\$	15.02.2026		768	0.81
Cemex 2.75%	254,000	€	05.12.2024		286	0.30
Cemex 5.7%	267,000	US\$	11.01.2025		274	0.29
Cemex Finance 6%	200,000	US\$	01.04.2024		206	0.22
Centene 4.75%	467,000	US\$	15.01.2025		477	0.50
Centene 6.125%	156,000	US\$	15.02.2024		163	0.17
Chemours 4%	470,000	€	15.05.2026		536	0.56
Cheniere Corpus Christi Holdings 5.875%	334,000	US\$	31.03.2025		364	0.38
Cheniere Energy Partners 5.25%	134,000	US\$	01.10.2025		137	0.14
Cheniere Energy Partners 5.625%	390,000	US\$	01.10.2026		400	0.42
Citigroup FRN	334,000	US\$	29.07.2049		339	0.36
Colfax 3.25%	129,000	€	15.05.2025		149	0.16

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
CPI Property Group FRN	504,000	€	09.05.2052		561	0.59
Credit Suisse Group FRN	415,000	US\$	29.12.2049		440	0.46
Crown Americas Via Crown Americas Capital 4.25%	117,000	US\$	30.09.2026		113	0.12
Crown European Holdings 3.375%	479,000	€	15.05.2025		577	0.61
CSC Holdings 5.5%	360,000	US\$	15.04.2027		367	0.39
CSC Holdings 6.625%	563,000	US\$	15.10.2025		598	0.63
Delamare Finance 5.546%	199,737	£	19.02.2029		297	0.31
Dell International Via EMC 5.875%	234,000	US\$	15.06.2021		239	0.25
Digi Communications 5%	313,000	€	15.10.2023		366	0.39
Drax Fo 6.625%	200,000	US\$	01.11.2025		203	0.21
Dufry Finance 4.5%	243,000	€	01.08.2023		283	0.30
Equinix 2.875%	607,000	€	15.03.2024		705	0.74
Fiat Chrysler Automobiles 5.25%	387,000	US\$	15.04.2023		401	0.42
Freeport-McMoRan 3.55%	200,000	US\$	01.03.2022		198	0.21
Freeport-McMoRan 3.875%	267,000	US\$	15.03.2023		262	0.28
Freeport-McMoRan 5.4%	734,000	US\$	14.11.2034		668	0.70
Gestamp Funding Luxembourg 3.5%	453,000	€	15.05.2023		513	0.54
Goodyear Tire & Rubber 5%	334,000	US\$	31.05.2026		316	0.33
Grupo KUO 5.75%	444,000	US\$	07.07.2027		429	0.45
Hanesbrands 4.625%	657,000	US\$	15.05.2024		658	0.69
Hanesbrands 4.875%	417,000	US\$	15.05.2026		412	0.43
HCA 4.5%	568,000	US\$	15.02.2027		585	0.62
HCA 4.75%	167,000	US\$	01.05.2023		175	0.18
HCA 5%	191,000	US\$	15.03.2024		202	0.21
HCA 5.375%	501,000	US\$	01.09.2026		527	0.55
HCA 5.5%	213,000	US\$	15.06.2047		227	0.24
HCA 5.875%	17,000	US\$	01.02.2029		18	0.02
Hilton Worldwide Finance 4.625%	223,000	US\$	01.04.2025		225	0.24
IHO Verwaltungs 2.75%	120,251	€	15.09.2021		137	0.14
Inretail Pharma 5.375%	380,000	US\$	02.05.2023		397	0.42
International Game Technology 6.25%	668,000	US\$	15.02.2022		694	0.73
Intertrust Group 3.375%	100,000	€	15.11.2025		115	0.12
InterXion Holding 4.75%	269,000	€	15.06.2025		321	0.34
Intesa Sanpaolo 3.928%	105,000	€	15.09.2026		124	0.13
Intesa Sanpaolo FRN	200,000	€	29.12.2049		244	0.26
Intrum Justitia 3.125%	314,000	€	15.07.2024		344	0.36
IQVIA 3.25%	695,000	€	15.03.2025		799	0.84
IQVIA 3.5%	133,000	€	15.10.2024		154	0.16
James Hardie International Finance 3.625%	271,000	€	01.10.2026		311	0.33
Levi Strauss 3.375%	315,000	€	15.03.2027		374	0.39
Levi Strauss 5%	200,000	US\$	01.05.2025		206	0.22
Lincoln Financing 3.625%	271,000	€	01.04.2024		307	0.32
Lloyds Banking Group FRN	200,000	£	29.12.2049		263	0.28
Lloyds Banking Group FRN	200,000	€	31.12.2049		232	0.24
Louvre Bidco 4.25%	123,000	€	30.09.2024		133	0.14
MARB BondCo 6.875%	598,000	US\$	19.01.2025		581	0.61
Millicom International Cellular 6.25%	200,000	US\$	25.03.2029		202	0.21
Nabors Industries 5.75%	534,000	US\$	01.02.2025		476	0.50
National Westminster Bank FRN	134,000	€	29.10.2049		148	0.16
Netflix 3.625%	852,000	€	15.05.2027		990	1.04
NOVA Chemicals 4.875%	128,000	US\$	01.06.2024		126	0.13
Ocado Group 4%	560,000	£	15.06.2024		747	0.79
Olin 5%	668,000	US\$	01.02.2030		652	0.69
Orano 4.875%	250,000	€	23.09.2024		307	0.32
Owens-Brockway Glass Container 5%	271,000	US\$	15.01.2022		278	0.29
Park Aerospace Holdings 5.5%	134,000	US\$	15.02.2024		139	0.15
Parsley Energy Via Parsley Finance 5.375% ^[b]	200,000	US\$	15.01.2025		199	0.21
Parsley Energy Via Parsley Finance 5.625%	100,000	US\$	15.10.2027		99	0.10
Petrobras Global Finance 4.75%	128,000	€	14.01.2025		159	0.17
Petrobras Global Finance 5.75%	334,000	US\$	01.02.2029		332	0.35
Petrobras Global Finance 5.999%	200,000	US\$	27.01.2028		202	0.21
Petrobras Global Finance 6.625%	360,000	£	16.01.2034		513	0.54
Petrobras Global Finance 7.375%	684,000	US\$	17.01.2027		754	0.79
Pilgrim's Pride 5.75%	734,000	US\$	15.03.2025		743	0.78
Playtech 4.25%	405,000	€	07.03.2026		465	0.49
ProGroup FRN	475,000	€	31.03.2024		536	0.56

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
Puma International Financing 5.125%	267,000	US\$	06.10.2024		242	0.25
Rede D'or Finance 4.95%	400,000	US\$	17.01.2028		378	0.40
Repsol International Finance FRN	300,000	€	25.03.2075		369	0.39
Royal Bank of Scotland Group 6%	200,000	US\$	19.12.2023		213	0.22
Royal Bank of Scotland Group 6.1%	236,000	US\$	10.06.2023		251	0.26
Sable International Finance 6.875%	235,000	US\$	01.08.2022		245	0.26
Sally Holdings 5.625%	668,000	US\$	01.12.2025		664	0.70
Sealed Air 5.125%	334,000	US\$	01.12.2024		346	0.36
Service Corp International/US 5.375%	267,000	US\$	15.05.2024		275	0.29
Shea Homes Via Shea Homes Funding 6.125%	179,000	US\$	01.04.2025		169	0.18
Silgan Holdings 3.25%	443,000	€	15.03.2025		515	0.54
Sirius XM Radio 5%	1,114,000	US\$	01.08.2027		1,111	1.17
SM Energy 6.625%	245,000	US\$	15.01.2027		233	0.25
Smurfit Kappa Acquisitions 2.375%	102,000	€	01.02.2024		120	0.13
Société Générale FRN	339,000	US\$	29.12.2049		353	0.37
Southwestern Energy 7.75%	753,000	US\$	01.10.2027		772	0.81
Telecom Italia Finance 7.75%	38,000	€	24.01.2033		55	0.06
Telefonica Europe FRN	800,000	€	31.12.2099		923	0.97
Telenet Finance VI Luxembourg 4.875%	90,000	€	15.07.2027		109	0.11
Tenet Healthcare 4.375%	334,000	US\$	01.10.2021		339	0.36
Tenet Healthcare 4.5%	167,000	US\$	01.04.2021		169	0.18
Tenet Healthcare 6%	267,000	US\$	01.10.2020		277	0.29
Teva Pharmaceutical Finance Netherlands III 3.15%	578,000	US\$	01.10.2026		475	0.50
Teva Pharmaceutical Finance Netherlands III 4.1%	239,000	US\$	01.10.2046		171	0.18
T-Mobile USA 5.125%	111,000	US\$	15.04.2025		114	0.12
T-Mobile USA 6%	200,000	US\$	15.04.2024		208	0.22
T-Mobile USA 6.375%	200,000	US\$	01.03.2025		209	0.22
UBS FRN	267,000	€	29.12.2049		328	0.35
UBS Group Funding Switzerland FRN	401,000	US\$	29.12.2049		423	0.45
United Rentals North America 4.875%	534,000	US\$	15.01.2028		518	0.55
United Rentals North America 6.5%	200,000	US\$	15.12.2026		211	0.22
Unitymedia Hessen Via Unitymedia NRW 3.5%	351,000	€	15.01.2027		416	0.44
Unitymedia Hessen Via Unitymedia NRW 4%	431,000	€	15.01.2025		506	0.53
Unitymedia Hessen Via Unitymedia NRW 5%	200,000	US\$	15.01.2025		206	0.22
Unitymedia Hessen Via Unitymedia NRW 6.25%	119,700	€	15.01.2029		149	0.16
Videotron 5.375%	445,000	US\$	15.06.2024		466	0.49
Virgin Media Secured Finance 6.25%	286,000	£	28.03.2029		397	0.42
Volvo Car 2.125%	162,000	€	02.04.2024		182	0.19
Wind Tre 3.125%	174,000	€	20.01.2025		184	0.19
Wind Tre FRN	993,000	€	20.01.2024		1,060	1.12
WPX Energy 5.25%	701,000	US\$	15.09.2024		710	0.75
'B' credit rated bonds					23,872	25.12
1011778 BC Via New Red Finance 5%	467,000	US\$	15.10.2025		460	0.48
Adient Global Holdings 3.5%	600,000	€	15.08.2024		510	0.54
Adler Pelzer Holding 4.125%	265,000	€	01.04.2024		284	0.30
Algeco Global Finance FRN	126,000	€	15.02.2023		143	0.15
Altice France 5.625%	408,000	€	15.05.2024		474	0.50
Altice Luxembourg 7.25%	215,000	€	15.05.2022		244	0.26
American Axle & Manufacturing 6.25%	250,000	US\$	01.04.2025		243	0.26
ARD Finance 6.625%	634,450	€	15.09.2023		724	0.76
Ardagh Packaging Finance Via Ardagh Holdings USA 4.75%	100,000	£	15.07.2027		124	0.13
Ardonagh Midco 3 8.375%	128,000	£	15.07.2023		146	0.15
Argentina (Republic of) 7.82%	229,699	€	31.12.2033		224	0.24
Axalta Coating Systems Dutch Holding B 3.75%	369,000	€	15.01.2025		432	0.46
Banco de Sabadell FRN	200,000	€	31.12.2099		213	0.22
Barclays FRN	200,000	£	31.12.2099		246	0.26
Bausch Health Cos 4.5%	444,000	€	15.05.2023		504	0.53
Burger King France 6%	296,000	€	01.05.2024		355	0.37
Cabot Financial Luxembourg 7.5%	600,000	£	01.10.2023		773	0.81
Caesars Resort Collection Via CRC Finco 5.25%	668,000	US\$	15.10.2025		642	0.68
Carrizo Oil & Gas 6.25%	200,000	US\$	15.04.2023		197	0.21
Catalent Pharma Solutions 4.75%	324,000	€	15.12.2024		381	0.40
CMA CGM 5.25%	246,000	€	15.01.2025		232	0.24
CommScope Finance 8.25%	67,000	US\$	01.03.2027		69	0.07
Covey Park Energy Via Covey Park Finance 7.5%	296,000	US\$	15.05.2025		276	0.29
CPUK Finance 4.25%	163,000	£	28.02.2047		214	0.23

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
CSC Holdings 7.5%	220,000	US\$	01.04.2028		236	0.25
DaVita 5%	334,000	US\$	01.05.2025		320	0.34
DaVita 5.125%	167,000	US\$	15.07.2024		165	0.17
Diamond 5.625%	102,000	€	15.08.2025		108	0.11
DKT Finance 7%	460,000	€	17.06.2023		561	0.59
Eagle Intermediate Global Holding Via Ruyi US Finance 5.375%	476,000	€	01.05.2023		530	0.56
eircom Finance 4.5%	186,000	€	31.05.2022		213	0.22
Energizer Gamma Acquisition 4.625%	206,000	€	15.07.2026		238	0.25
Gamenet Group FRN	410,000	€	27.04.2023		455	0.48
Garfunkelux Holdco 3 8.5%	279,000	€	01.11.2022		331	0.35
Grupo Antolin-Irausa 3.25%	104,000	€	30.04.2024		97	0.10
Grupo Antolin-Irausa 3.375%	372,000	€	30.04.2026		327	0.34
Hema Bondco I FRN	468,000	€	15.07.2022		489	0.52
Hertz 6.25%	200,000	US\$	15.10.2022		190	0.20
Iceland Bondco 4.625%	646,000	£	15.03.2025		740	0.78
Intesa Sanpaolo FRN	315,000	€	29.12.2049		369	0.39
Intesa Sanpaolo FRN	334,000	€	31.12.2099		369	0.39
Jaguar Land Rover Automotive 2.2%	211,000	€	15.01.2024		196	0.21
LSF10 Wolverine Investments 5%	312,000	€	15.03.2024		354	0.37
Matterhorn Telecom 3.875%	320,000	€	01.05.2022		364	0.38
Nexi Capital FRN	470,000	€	01.05.2023		534	0.56
Oasis Petroleum 6.25%	200,000	US\$	01.05.2026		190	0.20
Oasis Petroleum 6.875%	442,000	US\$	15.03.2022		445	0.47
Paprec Holding FRN	372,000	€	31.03.2025		347	0.37
Picard Groupe FRN	341,000	€	30.11.2023		375	0.40
Premier Foods Finance 6.25%	311,000	£	15.10.2023		419	0.44
Premier Foods Finance FRN	150,000	€	15.07.2022		196	0.21
Refinitiv US Holdings 6.875%	200,000	€	15.11.2026		222	0.23
Rekeep 9%	341,000	€	15.06.2022		345	0.36
SCHMOLZ + BICKENBACH Luxembourg Finance 5.625%	311,000	€	15.07.2022		307	0.32
Scientific Games International 5.5%	450,000	€	15.02.2026		475	0.50
Selecta Group 5.875%	651,000	€	01.02.2024		747	0.79
SM Energy 5%	267,000	US\$	15.01.2024		247	0.26
Sprint 7.875%	725,000	US\$	15.09.2023		763	0.80
Sprint Capital 6.875%	334,000	US\$	15.11.2028		327	0.34
Starfruit Finco Via Starfruit US Holdco 6.5%	100,000	€	01.10.2026		113	0.12
Techem Verwaltungsgesellschaft 6%	247,000	€	30.07.2026		288	0.30
UniCredit FRN	393,000	€	31.12.2099		380	0.40
Unitymedia 3.75%	266,000	€	15.01.2027		314	0.33
Vallourec 6.375%	194,000	€	15.10.2023		175	0.18
Vallourec 6.625%	315,000	€	15.10.2022		299	0.32
Veritas US Via Veritas Bermuda 7.5%	100,000	€	01.02.2023		107	0.11
VTR Finance 6.875%	677,000	US\$	15.01.2024		697	0.73
Yingde Gases Investment 6.25%	400,000	US\$	19.01.2023		403	0.42
Ziggo Bond 7.125%	215,000	€	15.05.2024		252	0.27
Ziggo Secured Finance 3.75%	124,000	€	15.01.2025		143	0.15
'CCC' credit rated bonds					3,106	3.27
Altice Finco 8.125%	200,000	US\$	15.01.2024		203	0.21
BWAY Holding 7.25%	350,000	US\$	15.04.2025		338	0.36
Newco 8%	255,282	€	15.12.2022		297	0.31
Ortho-Clinical Diagnostics 6.625%	401,000	US\$	15.05.2022		378	0.40
Swissport Financing 9.75%	284,000	€	15.12.2022		342	0.36
Tenet Healthcare 7%	267,000	US\$	01.08.2025		270	0.28
Unilabs Subholding 5.75%	236,000	€	15.05.2025		264	0.28
Verisure Midholding 5.75%	124,000	€	01.12.2023		141	0.15
Verisure Midholding FRN	3,670,000	SEK	01.12.2023		402	0.42
Vertiv Intermediate Holding 12%	491,000	US\$	15.02.2022		471	0.50
Bonds with no credit rating					509	0.54
Cattles FRN ^[c]	145,000	£	01.01.2049		0	0.00
ESC Seventy Seven Energy 6.5% ^[c]	48,405	US\$	15.07.2022		0	0.00
Hellas Telecommunications FRN ^[c]	482,000	€	01.01.2049		0	0.00
Jones Energy Holdings Via Jones Energy Finance 6.75%	334,000	US\$	01.04.2022		18	0.02
K2016470219 South Africa 3% ^[c]	30,811	US\$	31.12.2022		0	0.00
K2016470219 South Africa 10.177% ^[c]	417,745	ZAR	31.12.2022		0	0.00
Lehman Brothers Holdings FRN ^[c]	300,000	€	26.09.2040		0	0.00

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Bonds with no credit rating (continued)						
SandRidge Energy 7.5% ^[c]	257,000	US\$	15.03.2021		0	0.00
Stora Enso 7.25%	234,000	US\$	15.04.2036		275	0.29
TA MFG 3.625%	188,000	€	15.04.2023		216	0.23
Debt derivatives					288	0.30
Credit default swaps					283	0.30
Glencore International Jun 2022	242,000	€			37	0.04
Markit CDX North American High Yield Series 31 5 Year Dec 2023	4,459,000	US\$			282	0.30
Telecom Italia Dec 2021	242,000	€			(3)	0.00
Telecom Italia Dec 2023	236,686	EUR			(18)	(0.02)
Telecom Italia Jun 2024	163,314	€			(15)	(0.02)
Interest rate swaps						
Pay 5.5% Receive Var. Jun 2047	145,000	US\$			5	0.00
Interest rate futures						
Deutscher Bobl 5 year Futures	(16)	€	06.06.2019	2,390	0	0.00
CURRENCY					88	0.09
Forward currency contracts					88	0.09
Bought for SEK 1,304,767.05, Sold for US\$ 141,154.28			10.04.2019		0	0.00
Bought for US\$ 35,948,615.04, Sold for € 31,892,467.27			10.04.2019		107	0.11
Bought for US\$ 7,907,013.19, Sold for £ 6,039,626.97			10.04.2019		(11)	(0.01)
Bought for US\$ 537,215.80, Sold for SEK 5,043,671.94			10.04.2019		(8)	(0.01)
Portfolio of investments					84,589	89.02
CASH EQUIVALENTS					9,018	9.49
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	9,018,000	US\$			9,018	9.49
SHARE CLASS HEDGING					(688)	(0.72)
Bought for CHF 48,420.83, Sold for US\$ 48,344.11			10.04.2019		0	0.00
Bought for € 72,865,963.15, Sold for US\$ 82,588,918.78			10.04.2019		(696)	(0.73)
Bought for US\$ 340.30, Sold for CHF 341.12			10.04.2019		0	0.00
Bought for US\$ 1,743,722.03, Sold for € 1,541,342.45			10.04.2019		8	0.01
Total portfolio					92,919	97.79
Net other assets/(liabilities)					2,105	2.21
NET ASSETS					95,024	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					360	0.38
Debt securities					83,853	88.25
Unrealised gains on forward currency contracts					115	0.12
Unrealised gains on swap contracts					324	0.34
Total Investment assets					84,652	89.09
Investment liabilities						
Unrealised losses on forward currency contracts					(715)	(0.75)
Unrealised losses on swap contracts					(36)	(0.04)
Total Investment liabilities					(751)	(0.79)
Total portfolio					83,901	88.30
Cash equivalents					9,018	9.49
Net other assets/(liabilities)					2,105	2.21
NET ASSETS					95,024	100.00

[a] Suspended.

[b] Unlisted/unquoted.

[c] Defaulted Bond.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

M&G (Lux) Global High Yield Bond Fund

Portfolio statement

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps US\$'000	Forward currency contracts US\$'000	Futures US\$'000
Bank of America Merrill Lynch	3	0	0
Barclays Bank London	24	0	0
BNP Paribas	37	0	0
Citigroup Global Markets Limited	5	141	0
Goldman Sachs International	282	0	0
HSBC Bank Plc	0	35,949	0
Merrill Lynch Pierce Fenner + Smith Inc	9	0	2,390
State Street Bank and Trust Company	0	84,381	0
State Street Bank London	0	537	0
UBS AG London	0	7,907	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global High Yield Bond Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Global High Yield Bond Fund which merged into the M&G (Lux) Global High Yield Bond Fund on 9 November 2018.

Distribution details for holders of distribution shares

This fund pays monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 9 November 2018 (the launch date of the fund) 31 March 2019.

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	09.11.18	30.11.18	21.12.18	24.12.18	31.12.18
Second interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Third interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Fourth interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A-H'	Euro Class 'B-H'	Euro Class 'C-H'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	Euro €	Euro €	Euro €	US €	US €
First interim	0.0352	0.0286	0.0383	0.0401	0.0415
Second interim	0.0608	0.0511	0.0660	0.0695	0.0720
Third interim	0.0411	0.0294	0.0610	0.0544	0.0676
Fourth interim	0.0473	0.0397	0.0510	0.0547	0.0567
Final	0.0490	0.0412	0.0533	0.0567	0.0587

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A-H' Accumulation	14.5151	n/a	n/a
Class 'A-H' Distribution	11.1257	n/a	n/a
Class 'B-H' Accumulation	11.7852	n/a	n/a
Class 'B-H' Distribution	9.3462	n/a	n/a
Class 'C-H' Accumulation	15.2456	n/a	n/a
Class 'C-H' Distribution	12.0859	n/a	n/a
Class 'CI-H' Accumulation	10.3450	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	11.1934	n/a	n/a
Class 'C-H' Accumulation	11.4353	n/a	n/a

NAV per share	31.03.2019	31.03.2018	31.03.2017
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	15.8122	n/a	n/a
Class 'A' Distribution	12.7997	n/a	n/a
Class 'C' Accumulation	16.8379	n/a	n/a
Class 'C' Distribution	13.2619	n/a	n/a
Class 'CI' Accumulation	10.4685	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	95,024	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	95,024	n/a	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A-H' Accumulation	1.49 ^[a]
Class 'A-H' Distribution	1.49 ^[a]
Class 'B-H' Accumulation	1.99 ^[a]
Class 'B-H' Distribution	1.99 ^[a]
Class 'C-H' Accumulation	0.89 ^[a]
Class 'C-H' Distribution	0.89 ^[a]
Class 'CI-H' Accumulation	0.85 ^[a]
Swiss franc	%
Class 'A-H' Accumulation	1.49 ^[a]
Class 'C-H' Accumulation	0.89 ^[a]
US dollar	%
Class 'A' Accumulation	1.47 ^[a]
Class 'A' Distribution	1.47 ^[a]
Class 'C' Accumulation	0.87 ^[a]
Class 'C' Distribution	0.87 ^[a]
Class 'CI' Accumulation	0.83 ^[a]

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Global High Yield ESG Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide capital growth and income while considering environmental, social and governance (ESG) factors, and seeks to achieve a higher ESG rating than the global high yield market.

Investment policy

The Fund invests at least 80% of its Net Asset Value in high yield bonds issued by companies denominated in any currency. The Fund does not take currency views and aims to hedge any non-USD assets to USD. Issuers of these securities may be located in any country, including emerging markets.

There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The investment process of the Fund is based on the bottom-up analysis of individual bond issues whilst remaining aware of the macroeconomic environment.

Environmental, social and governance (ESG) considerations are fully integrated in the investment process via the use of third party ESG information and analysis and proprietary assessment of ESG characteristics.

Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption are also excluded from the investment universe.

In addition, a screen is applied which seeks to filter out companies that derive revenue of more than 5% for producers, and 10% for distributors, from the following sectors and sub-sectors: tobacco, alcohol, adult entertainment, gambling or thermal coal. In addition, and on a best-effort basis, subject to source information, companies that derive any revenue from defence and weapons are excluded.

Finally, the Fund excludes holdings which have below average ESG industry-adjusted ratings based on third party ESG ratings and proprietary information. To a limited extent the Fund may invest in securities that have not yet been ESG rated.

The Fund may invest up to a combined maximum of 100% of the Fund's Net Asset Value in high yield and unrated securities.

The Fund may hold up to a maximum of 20% of its Net Asset value in Asset-Backed Securities and up to a maximum of 20% of its Net Asset value in Contingent Convertible Debt Securities.

The Fund may invest indirectly via derivative instruments to take long and short positions to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps and Interest Rate Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, equities, warrants and other debt securities.

M&G (Lux) Global High Yield ESG Bond Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Global High Yield ESG Bond Fund delivered a positive total return (the combination of capital growth and income) across its various share classes.

The fund's annualised return over this period and since its launch in October 2017 is below its performance comparator, the BofA Merrill Lynch Global High Yield Index (USD Hedged). However, the fund retains the potential to provide a total return higher than its performance comparator over a three to five-year period. The index returned 5.5% in US dollar terms over the review period.

Performance review

The M&G (Lux) Global High Yield ESG Bond Fund aims to provide a combination of capital growth and income while considering environmental, social and governance (ESG) factors, and seeks to achieve a higher ESG rating than the global high yield market.

Based on data from MSCI, an external provider of ESG research, the fund consistently achieved an average ESG score higher than the global high yield market (as represented by the ICE BofA ML Global High Yield Index) over the review period.

The 12-month period under review was a volatile period for high yield bond markets. A variety of factors weighed on sentiment throughout 2018, including concerns about the negative impact of rising US interest rates, escalating trade war tensions between the US and China, and political turmoil in Europe and several emerging markets.

From a regional perspective, US high yield outperformed, thanks in part to the continued resilience of the US economy. While a sharp fall in oil prices weighed on US energy names in the final quarter of 2018, other sectors, such as healthcare and real estate, continued to hold up well. However, high yields bonds in Europe and emerging markets endured a more challenging backdrop, with ongoing political uncertainty and slowing economic momentum weighing on returns.

High yield markets bounced back strongly in the first month of 2019, with the asset class recovering some of its earlier losses. Despite signs of a further slowdown in global economic activity, sentiment was boosted by the likelihood that further US interest rate rises would be postponed for the time being, as well as by signs of progress in the US-China trade talks.

The fund delivered a positive total return (the combination of capital growth and income) across its various share classes. While the fund's defensive sector positioning and modest exposure to emerging markets proved helpful overall, this was more than offset by a bias towards European issuers and the financial sector, which generally underperformed.

Investment activities

The fund remains defensively positioned from a sector perspective. Given the uncertain economic backdrop, we maintain our preference for defensive companies offering resilient cashflows irrespective of the economic environment, such as healthcare providers and cable operators.

In regional allocation terms, we now have a slight preference for European high yield. Following its recent underperformance versus the US, we are now seeing more compelling value in European high yield markets, where we think investors can often capture a more attractive level of income relative to the risks being taken.

Moreover, with the European economy at an earlier stage of the economic cycle, we believe European companies are still being conservatively managed and continue to maintain only modest levels of debt on their balance sheets. We remain cautiously positioned in the energy sector and in emerging markets, where in most cases we do not think investors are being adequately compensated for the risks.

Outlook

In the current environment where interest rates are low and many assets are generating a low prospective return, or yield, we think high yield bonds currently offer an attractive source of income. Following recent market weakness, we believe these assets now look attractively priced against a backdrop of modest economic expansion and with the expectation that company default rates remain at historically low levels.

However, given where we are in the market cycle, we believe a cautious approach is still warranted and we maintain our preference for defensive businesses offering stable cashflows and healthy balance sheets. With heightened volatility likely to lead to a greater divergence in bond prices, we believe that careful individual bond selection and in-depth company analysis will become increasingly important to help identify the most attractive pockets of value.

In our view, high yield investing is as much about avoiding the losers as picking the winners. On this basis, we remain cautiously positioned in the retail sector. UK fashion retailers in particular have been experiencing higher input costs as a result of the depreciation in sterling, coupled with signs of a slowdown in consumer spending. The sector is also facing longer-term structural headwinds as shoppers increasingly move towards online spending and away from traditional bricks-and-mortar stores. While some of these businesses will be able to adapt, we continue to be very selective in this space.

James Tomlins and Stefan Isaacs Co-fund managers

Investment review information as at 31 March 2019.

Employees of M&G 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.

M&G (Lux) Global High Yield ESG Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
DEBT SECURITIES					21,022	93.84
Investment grade corporate bonds						
TOTAL FRN	240,000	€	29.12.2049		293	1.31
Below investment grade corporate bonds					20,594	91.93
1011778 BC Via New Red Finance 5%	180,000	US\$	15.10.2025		177	0.79
AA Bond 4.875%	100,000	£	31.07.2043		130	0.58
Algeco Global Finance FRN	100,000	€	15.02.2023		114	0.51
American Axle & Manufacturing 6.25%	50,000	US\$	01.04.2025		49	0.22
Arena Luxembourg Financial FRN	100,000	€	01.11.2023		113	0.50
Arrow Global Finance FRN	225,000	€	01.04.2025		242	1.08
Assicurazioni Generali FRN	50,000	£	29.12.2049		69	0.31
Avis Budget Car Rental 5.25%	55,000	US\$	15.03.2025		53	0.24
Axalta Coating Systems Dutch Holding B 3.75%	250,000	€	15.01.2025		292	1.30
Banco Bilbao Vizcaya Argentaria FRN	200,000	€	31.12.2099		222	0.99
Banco de Sabadell FRN	200,000	€	31.12.2099		213	0.95
Banco Santander Mexico FRN	100,000	€	12.03.2049		111	0.50
Belden 3.375%	100,000	€	15.07.2027		113	0.50
Cabot Financial Luxembourg 7.5%	250,000	£	01.10.2023		322	1.44
CaixaBank FRN	200,000	€	31.12.2099		197	0.88
Catalent Pharma Solutions 4.75%	125,000	€	15.12.2024		147	0.66
Cemex 5.7%	200,000	US\$	11.01.2025		205	0.91
Centene 4.75%	170,000	US\$	15.01.2025		173	0.77
Chemours 4%	115,000	€	15.05.2026		131	0.58
Cheniere Corpus Christi Holdings 5.875%	180,000	US\$	31.03.2025		196	0.87
Cheniere Energy Partners 5.25%	60,000	US\$	01.10.2025		61	0.27
Cheniere Energy Partners 5.625%	213,000	US\$	01.10.2026		219	0.98
Citigroup FRN	110,000	US\$	29.07.2049		112	0.50
Commerzbank 8.125%	400,000	US\$	19.09.2023		456	2.04
CommScope Finance 8.25%	100,000	US\$	01.03.2027		104	0.46
Constellium 4.25%	100,000	€	15.02.2026		115	0.51
Covey Park Energy Via Covey Park Finance 7.5%	132,000	US\$	15.05.2025		123	0.55
CPI Property Group FRN	130,000	€	09.05.2052		145	0.65
CPUK Finance 4.25%	125,000	£	28.02.2047		164	0.73
Crédit Agricole FRN	200,000	€	29.04.2049		241	1.08
Crédit Suisse Group FRN	400,000	US\$	31.12.2099		412	1.84
DaVita 5%	180,000	US\$	01.05.2025		172	0.77
Dell International Via EMC 5.45%	130,000	US\$	15.06.2023		139	0.62
Drax Fo 4.25%	200,000	£	01.05.2022		264	1.18
Drax Fo 6.625%	200,000	US\$	01.11.2025		203	0.91
Eagle Intermediate Global Holding Via Ruyi US Finance 5.375%	100,000	€	01.05.2023		111	0.50
Energizer Gamma Acquisition 4.625%	100,000	€	15.07.2026		116	0.52
Equinix 2.875%	329,000	€	15.03.2024		382	1.71
Goodyear Tire & Rubber 5%	218,000	US\$	31.05.2026		206	0.92
Greif Nevada Holdings 7.375%	125,000	€	15.07.2021		160	0.71
Grupo KJO 5.75%	200,000	US\$	07.07.2027		193	0.86
Hanesbrands 4.625%	230,000	US\$	15.05.2024		231	1.03
HCA 4.75%	190,000	US\$	01.05.2023		200	0.89
HCA 5%	250,000	US\$	15.03.2024		265	1.18
HCA 5.375%	130,000	US\$	01.09.2026		137	0.61
HCA 5.875%	147,000	US\$	01.02.2029		157	0.70
Heathrow Finance 3.875%	100,000	£	01.03.2027		125	0.56
Hertz 6.25%	50,000	US\$	15.10.2022		47	0.21
Hilton Worldwide Finance 4.625%	100,000	US\$	01.04.2025		101	0.45
Iceland Bondco 4.625%	300,000	£	15.03.2025		344	1.54
Intertrust Group 3.375%	100,000	€	15.11.2025		115	0.51
InterXion Holding 4.75%	100,000	€	15.06.2025		119	0.53
Intesa Sanpaolo FRN	200,000	€	31.12.2099		221	0.99
Intrum Justitia FRN	390,000	€	15.07.2022		433	1.93
IQVIA 3.25%	290,000	€	15.03.2025		334	1.49
James Hardie International Finance 3.625%	100,000	€	01.10.2026		115	0.51
Legal & General Group FRN	200,000	£	27.10.2045		286	1.28
Levi Strauss 5%	95,000	US\$	01.05.2025		98	0.44
Levi Strauss 3.375%	100,000	€	15.03.2027		119	0.53
Lincoln Financing 3.625%	100,000	€	01.04.2024		113	0.50
Millicom International Cellular 6.25%	200,000	US\$	25.03.2029		202	0.90
Netflix 3.625%	356,000	€	15.05.2027		414	1.85
Newco 8%	100,000	€	15.12.2022		116	0.52
Newfield Exploration 5.375%	65,000	US\$	01.01.2026		70	0.31
Oasis Petroleum 6.875%	190,000	US\$	15.03.2022		191	0.85

M&G (Lux) Global High Yield ESG Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
DEBT SECURITIES (continued)						
Below investment grade corporate bonds (continued)						
Oasis Petroleum 6.25%	65,000	US\$	01.05.2026		62	0.28
Ocado Group 4%	235,000	£	15.06.2024		313	1.40
OI European Group 3.125%	350,000	€	15.11.2024		414	1.85
Ortho-Clinical Diagnostics 6.625%	195,000	US\$	15.05.2022		184	0.82
Paprec Holding 4%	200,000	€	31.03.2025		191	0.85
Pilgrim's Pride 5.75%	150,000	US\$	15.03.2025		152	0.68
Premier Foods Finance FRN	200,000	£	15.07.2022		262	1.17
Premier Foods Finance 6.25%	100,000	£	15.10.2023		135	0.60
Puma International Financing 5%	200,000	US\$	24.01.2026		175	0.78
Repsol International Finance FRN	200,000	€	25.03.2025		246	1.10
Rexel 2.75%	100,000	€	15.06.2026		113	0.50
Sabine Pass Liquefaction 5.625%	155,000	US\$	01.03.2025		170	0.76
Sable International Finance 6.875%	134,000	US\$	01.08.2022		140	0.62
Sally Holdings 5.625%	105,000	US\$	01.12.2025		104	0.46
Sealed Air 5.125%	180,000	US\$	01.12.2024		187	0.83
Selecta Group 5.875%	300,000	€	01.02.2024		344	1.54
Sirius XM Radio 6%	170,000	US\$	15.07.2024		177	0.79
Sirius XM Radio 5%	260,000	US\$	01.08.2027		259	1.16
SM Energy 5%	110,000	US\$	15.01.2024		102	0.46
SM Energy 6.625%	74,000	US\$	15.01.2027		70	0.31
Smurfit Kappa Acquisitions 2.375%	100,000	€	01.02.2024		117	0.52
Société Générale FRN	200,000	€	07.04.2049		237	1.06
Southwestern Energy 7.75%	441,000	US\$	01.10.2027		452	2.02
Sprint 7.875%	195,000	US\$	15.09.2023		205	0.91
Sprint Capital 6.875%	65,000	US\$	15.11.2028		64	0.29
Starfruit Finco Via Starfruit US Holdco 6.5%	100,000	€	01.10.2026		113	0.50
Swissport Financing 9.75%	100,000	€	15.12.2022		120	0.54
Telecom Italia Finance 7.75%	95,000	€	24.01.2033		138	0.62
Telefonica Europe FRN	200,000	€	31.12.2099		231	1.03
Telenet Finance VI Luxembourg 4.875%	90,000	€	15.07.2027		109	0.49
Tenet Healthcare 4.625%	210,000	US\$	15.07.2024		210	0.94
UBS FRN	200,000	€	29.12.2049		245	1.09
UniCredit FRN	200,000	€	31.12.2099		193	0.86
United Rentals North America 4.625%	130,000	US\$	15.10.2025		128	0.57
United Rentals North America 6.5%	41,000	US\$	15.12.2026		43	0.19
Unitymedia Hessen Via Unitymedia NRW 4%	210,000	€	15.01.2025		246	1.10
Unitymedia Hessen Via Unitymedia NRW 3.5%	330,000	€	15.01.2027		391	1.75
Vallourec 6.625%	100,000	€	15.10.2022		95	0.42
Vertiv Intermediate Holding 12%	160,000	US\$	15.02.2022		153	0.68
Videotron 5.375%	130,000	US\$	15.06.2024		136	0.61
Virgin Media Secured Finance 4.875%	100,000	£	15.01.2027		130	0.58
Volvo Car 2.125%	100,000	€	02.04.2024		112	0.50
VTR Finance 6.875%	195,000	US\$	15.01.2024		201	0.90
Wind Tre FRN	430,000	€	20.01.2024		459	2.05
Ziggo Bond Finance 4.625%	100,000	€	15.01.2025		116	0.52
Ziggo Secured Finance 3.75%	200,000	€	15.01.2025		230	1.03
Corporate bonds with no credit rating						
Stora Enso 7.25%	115,000	US\$	15.04.2036		135	0.60
CURRENCY					28	0.12
Forward currency contracts					28	0.12
Bought for US\$ 2,621,441.60, Sold for £ 2,002,174.47			10.04.2019		(4)	(0.02)
Bought for US\$ 10,102,452.29, Sold for € 8,960,864.74			10.04.2019		32	0.14
Portfolio of investments					21,050	93.96
SHARE CLASS HEDGING					(25)	(0.11)
Bought for £ 3,709,533.72, Sold for US\$ 4,885,906.91			10.04.2019		(22)	(0.10)
Bought for € 330,722.87, Sold for US\$ 374,849.35			10.04.2019		(3)	(0.01)
Bought for CHF 93,414.26, Sold for US\$ 93,268.38			10.04.2019		0	0.00
Bought for US\$ 3,388.67, Sold for € 2,991.18			10.04.2019		0	0.00
Bought for US\$ 656.79, Sold for CHF 658.38			10.04.2019		0	0.00
Total portfolio					21,025	93.85
Net other assets/(liabilities)					1,377	6.15
NET ASSETS					22,402	100.00

M&G (Lux) Global High Yield ESG Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					21,022	93.84
Unrealised gains on forward currency contracts					32	0.14
Total Investment assets					21,054	93.98
Investment liabilities						
Unrealised losses on forward currency contracts					(29)	(0.13)
Total Investment liabilities					(29)	(0.13)
Total portfolio					21,025	93.85
Net other assets/(liabilities)					1,377	6.15
NET ASSETS					22,402	100.00

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredemption date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
JP Morgan Chase	74
State Street Bank and Trust Company	5,358
State Street Bank London	9,593
UBS AG London	3,057

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global High Yield ESG 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A-H'	+0.8	n/a	n/a	-0.4 ^[c]
Class 'C-H'	+1.5	n/a	n/a	+0.2 ^[c]
Class 'CI-H'	+1.5	n/a	n/a	+0.2 ^[c]
Class 'L-H'	+1.7	n/a	n/a	+0.5 ^[c]
Sterling ^[b]				
Class 'C-H'	+2.6	n/a	n/a	+1.3 ^[c]
Class 'L-H'	+2.8	n/a	n/a	+1.5 ^[c]
Swiss franc ^[b]				
Class 'A-H'	+0.5	n/a	n/a	-0.8 ^[c]
Class 'C-H'	+1.1	n/a	n/a	-0.2 ^[c]
US dollar ^[b]				
Class 'A'	+3.9	n/a	n/a	+2.5 ^[c]
Class 'AM'	+3.9	n/a	n/a	+2.5 ^[c]
Class 'C'	+4.5	n/a	n/a	+3.1 ^[c]
Class 'CI'	+4.5	n/a	n/a	+3.1 ^[c]
Class 'L'	+4.8	n/a	n/a	+3.4 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 5 October 2017, the launch date of the fund.

Distribution details for holders of distribution shares

This fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.04.18	18.05.18	22.05.18	25.05.18
Second interim	01.05.18	31.05.18	15.06.18	18.06.18	21.06.18
Third interim	01.06.18	30.06.18	20.07.18	23.07.18	26.07.18
Fourth interim	01.07.18	31.07.18	17.08.18	20.08.18	23.08.18
Fifth interim	01.08.18	31.08.18	21.09.18	24.09.18	27.09.18
Sixth interim	01.09.18	30.09.18	19.10.18	22.10.18	25.10.18
Seventh interim	01.10.18	31.10.18	16.11.18	19.11.18	22.11.18
Eighth interim	01.11.18	30.11.18	21.12.18	24.12.18	31.12.18
Ninth interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Tenth interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Eleventh interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A-H'	Euro Class 'C-H'	Sterling Class 'C-H'	Sterling Class 'L-H'	Swiss franc Class 'A-H'
to 31 March 2019	Euro €	Euro €	UK p	UK p	Swiss €
First interim	0.1016	0.1019	0.1026	n/a	0.0996
Second interim	0.1010	0.1018	0.1027	0.1202	0.1004
Third interim	0.1099	0.1108	0.1140	0.1042	0.1077
Final	0.1004	0.1012	0.1034	0.1068	0.0991

	Swiss franc Class 'C-H'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	Swiss €	US €	US €
First interim	0.0999	0.1041	0.1046
Second interim	0.1007	0.1046	0.1052
Third interim	0.1085	0.1146	0.1152
Final	0.1000	0.1058	0.1070

	US dollar Class 'A M'
to 31 March 2019	US €
First interim	0.0359
Second interim	0.0340
Third interim	0.0340
Fourth interim	0.0385
Fifth interim	0.0338
Sixth interim	0.0323
Seventh interim	0.0392
Eighth interim	0.0362
Ninth interim	0.0384
Tenth interim	0.0352
Eleventh interim	0.0355
Final	0.0348

M&G (Lux) Global High Yield ESG Bond Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A-H' Accumulation	9.9404	9.8586	n/a
Class 'A-H' Distribution	9.4235	9.7782	n/a
Class 'C-H' Accumulation	10.0311	9.8865	n/a
Class 'C-H' Distribution	9.5022	9.8059	n/a
Class 'CI-H' Accumulation	10.0352	9.8880	n/a
Class 'L-H' Accumulation	10.0704	9.8981	n/a
Sterling	£	£	£
Class 'C-H' Accumulation	10.1930	9.9356	n/a
Class 'C-H' Distribution	9.6604	9.8564	n/a
Class 'L-H' Accumulation	10.2249	9.9470	n/a
Class 'L-H' Distribution	9.9846	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.8811	9.8349	n/a
Class 'A-H' Distribution	9.3640	9.7512	n/a
Class 'C-H' Accumulation	9.9713	9.8630	n/a
Class 'C-H' Distribution	9.4516	9.7817	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.3684	9.9822	n/a
Class 'A' Distribution	9.8336	9.8985	n/a
Class 'A M' Distribution	9.7622	9.8229	n/a
Class 'C' Accumulation	10.4574	10.0102	n/a
Class 'C' Distribution	9.9218	9.9267	n/a
Class 'CI' Accumulation	10.4650	10.0121	n/a
Class 'L' Accumulation	10.5006	10.0228	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	22,402	15,547	n/a
Swing pricing adjustment (see note 12)	n/a	51	n/a
Swung net assets	22,402	15,598	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A-H' Accumulation	1.55
Class 'A-H' Distribution	1.54
Class 'C-H' Accumulation	0.94
Class 'C-H' Distribution	0.94
Class 'CI-H' Accumulation	0.91
Class 'L-H' Accumulation	0.69
Sterling	%
Class 'C-H' Accumulation	0.95
Class 'C-H' Distribution	0.95
Class 'L-H' Accumulation	0.70
Class 'L-H' Distribution	0.73
Swiss franc	%
Class 'A-H' Accumulation	1.55
Class 'A-H' Distribution	1.55
Class 'C-H' Accumulation	0.95
Class 'C-H' Distribution	0.95
US dollar	%
Class 'A' Accumulation	1.53
Class 'A' Distribution	1.53
Class 'A M' Distribution	1.53
Class 'C' Accumulation	0.93
Class 'C' Distribution	0.93
Class 'CI' Accumulation	0.89
Class 'L' Accumulation	0.67

M&G (Lux) Global Listed Infrastructure Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to deliver a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period and;
- to deliver an income stream that increases every year in US Dollar terms.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the eligible publicly-listed equity securities issued by infrastructure companies, investment trusts and closed-ended real estate investment trusts ('REITs') across any market capitalisation that are domiciled in any country, including emerging markets.

The minimum 80% allocation may include ordinary shares, preference shares and Convertible Bonds (the Fund may hold up to a maximum of 20% of its Net Asset Value in Convertibles Bonds). Infrastructure companies include those involved in the following business activities: utilities, energy, transport, health, education, security, communications and transactions. The Fund is expected to exhibit lower volatility and offer a higher dividend yield than the global equities market which is consistent with the characteristics of infrastructure securities. The Fund usually holds fewer than 50 stocks.

The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

Sustainability considerations play an important role in assessing business models. Companies that derive more than 30% of their revenue from coal-fired and nuclear power are excluded from the investment universe. Industries such as tobacco, alcohol, adult entertainment, gambling and controversial weapons are also excluded. United Nations Global Compact principles on human rights, labour, environmental and anti-corruption are also considered in the analysis of companies.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, other transferable securities, cash and near cash, deposits and warrants. The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Global Listed Infrastructure Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Global Listed Infrastructure Fund delivered a positive total return (the combination of income and growth of capital) across its various share classes. The fund outperformed the comparative index which returned 12.8% in euros, 3.0% in US dollars and 10.9% in sterling. The comparative index was the MSCI ACWI Index until 30 September 2018 and the MSCI ACWI Net Return Index thereafter. The fund therefore met its objective of outperforming the comparative index over this short timeframe.

The fund also delivered on its objective of increasing the income stream in US dollars. The fund distributed income of 0.3344 cents per US dollar class 'A' (Income) share. The fund made just two quarterly payments totalling 0.1074 cents following its launch on 5 October 2017.

The euro class 'A' (Income) share distributed income of 0.3418 cents per euro class 'A' (Income) share, compared to two quarterly payments totalling 0.1039 cents in the previous financial year.

It is not possible to assess the fund's performance against its objective over five years because the fund was only launched on 5 October 2017.

Performance review

Against a turbulent market backdrop, the fund outperformed its comparative index by providing downside protection in falling markets and participating in the upside during market rallies. It was also pleasing to see the fund benefit from its diversified approach to listed infrastructure, with positive contributions from across the portfolio.

Our holdings in energy infrastructure performed strongly, led by Gibson Energy. The Canadian company reported record results for 2018 and remains on track to deliver on its updated strategic plan. ONEOK and Enbridge also featured prominently among the top contributors.

Elsewhere in 'economic' infrastructure, Enel and Orsted delivered impressive gains in a utilities sector which outperformed a rising market. Union Pacific and CCR made the biggest contributions in transportation infrastructure.

Ventas was the leading performer in 'social' infrastructure, followed by John Laing Infrastructure Fund (JLIF) which was a beneficiary of a takeover bid.

In the 'evolving' category, American Tower and Crown Castle enjoyed strong increases in their share price as the communication towers companies continued to benefit from the global phenomenon of growing demand for mobile data.

Turning to the detractors, PrairieSky Royalty was the biggest drag on performance, offsetting the positive contribution from its peer Franco-Nevada. Flughafen Zurich, which operates Zurich Airport, drifted lower after regulatory intervention raised concerns about future revenue and returns. Hydro One, a utility serving the Canadian province of Ontario, was hindered by governance issues.

Investment activities

We made three new purchases and four complete sales during the 12 months under review – a level of turnover consistent with our long-term investment timeframe of five years or more.

We started a position in Italian utility Enel, after concerns about the political situation in Italy led to indiscriminate selling. SDCL Energy Efficiency Income Trust was added to the 'social' category of the fund. The UK stock offers an attractive combination of high dividend yield (dividend as a percentage of the share price) and meaningful dividend growth. CSX, a US railroad transportation company, was the final purchase during the review period and complements our existing position in Union Pacific.

Turning to sales, we sold the holding in Hydro One on environmental, social and governance (ESG) grounds, after management changes imposed by the newly elected premier of Ontario raised serious governance concerns. JLIF exited the portfolio after a cash offer for the UK company was recommended by the board. The stake in CK Infrastructure, a Hong Kong-listed utility, was sold as a source of cash for better ideas. Ventas left the portfolio after its dividend growth fell short of our expectations. We would be happy to invest in Ventas again should dividend growth improve to more acceptable levels.

Outlook

We strongly believe that listed infrastructure offers more than so-called bond proxies which mimic bond price movements, and we are resolutely focused on companies with the potential for long-term growth, while capturing the defensive characteristics of the asset class. In addition to growth, valuation is a crucial aspect of the stock selection process. From this perspective, we are excited by the array of attractive prices we see for businesses with solid prospects across a variety of countries and sectors.

We are pleased with the progress of our holdings in the current reporting season and we are encouraged by their robust operating performance which is growth manifested in continued dividend growth. Dividends are the ultimate sign of management confidence and the dividend increases we are seeing from the fund's holdings reflects well on the long-term potential and the financial health of the companies we are invested in.

M&G (Lux) Global Listed Infrastructure Fund

Investment review

Outlook (continued)

We continue to believe that the combination of strong dividend growth and attractive valuation stands us in good stead to generate competitive returns over the long term.

Alex Araujo

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Listed Infrastructure Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					15,281	99.11
Oil, gas & consumable fuels					2,585	16.77
United States						
ONEOK	6,804	US\$			472	3.06
Canada					2,113	13.71
Enbridge	12,437	US\$			456	2.96
Gibson Energy	23,148	CA\$			394	2.56
Keyera	7,154	CA\$			168	1.09
PrairieSky Royalty	45,932	CA\$			627	4.07
TransCanada	10,434	US\$			468	3.03
Metals & mining					614	3.98
Canada						
Franco-Nevada	8,181	CA\$			614	3.98
Construction & engineering					1,148	7.45
France						
Vinci	7,102	€			687	4.46
Spain						
Ferrovial	19,575	€			461	2.99
Commercial services & supplies					308	2.00
United States						
Republic Services	3,819	US\$			308	2.00
Road & rail					467	3.03
United States						
Union Pacific	1,874	US\$			309	2.00
Hong Kong						
MTR	25,500	HK\$			158	1.03
Transportation infrastructure					1,459	9.46
Switzerland						
Flughafen Zurich	856	CHF			156	1.01
United States						
CSX	4,047	US\$			301	1.95
Brazil						
CCR	54,114	BRL			164	1.06
Australia					700	4.54
Sydney Airport Stapled Security	43,343	AU\$			228	1.48
Transurban Group	50,351	AU\$			472	3.06
Hong Kong						
Hopewell Highway Infrastructure	256,500	HK\$			138	0.90
Consumer finance					460	2.98
United States					460	2.98
Mastercard 'A'	1,010	US\$			237	1.54
Visa 'A'	1,438	US\$			223	1.44
Capital markets					1,374	8.91
United Kingdom						
SDCL Energy Efficiency	234,350	£			316	2.05
Guernsey					599	3.88
HICL Infrastructure	145,027	£			296	1.92
International Public Partnerships	151,489	£			303	1.96
United States					459	2.98
CME Group	1,391	US\$			227	1.47
Intercontinental Exchange	3,106	US\$			232	1.51
Diversified telecommunication services					356	2.31
Italy						
Infrastrutture Wireless Italiane	17,445	€			157	1.02
Singapore						
NetLink NBN Trust	324,500	SG\$			199	1.29
Electric utilities					2,696	17.49
Belgium						
Elia System Operator	6,538	€			458	2.97
Denmark						
Ørsted	8,081	DKK			618	4.01
Italy						
Enel	107,530	€			687	4.46
United States					933	6.05
Edison International	10,031	US\$			624	4.05
NextEra Energy	1,611	US\$			309	2.00

M&G (Lux) Global Listed Infrastructure Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Gas utilities					679	4.40
Spain						
Gas Natural	10,635	€			299	1.94
United States						
Atmos Energy	3,705	US\$			380	2.46
Multi-utilities					456	2.96
United Kingdom						
National Grid	40,688	£			456	2.96
Water utilities					301	1.95
United States						
American Water Works	2,886	US\$			301	1.95
Independent power and renewable electricity producers					301	1.95
Guernsey						
Renewables Infrastructure Group	196,066	£			301	1.95
Equity Real Estate Investment Trusts (REITs)					2,077	13.47
United Kingdom						
UNITE Group	45,268	£			542	3.51
United States					1,535	9.96
American Tower	1,539	US\$			300	1.95
CoreSite Realty	4,374	US\$			469	3.04
Crown Castle International	2,419	US\$			308	2.00
Equinix	1,019	US\$			458	2.97
Portfolio of investments					15,281	99.11
CASH EQUIVALENTS					102	0.66
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	102,000	US\$			102	0.66
Total portfolio					15,383	99.77
Net other assets/(liabilities)					35	0.23
NET ASSETS					15,418	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					15,281	99.11
Total Investment assets					15,281	99.11
Total portfolio					15,281	99.11
Cash equivalents					102	0.66
Net other assets/(liabilities)					35	0.23
NET ASSETS					15,418	100.00

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

M&G (Lux) Global Listed Infrastructure 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	+23.4	n/a	n/a	+9.6 ^[c]
Class 'C'	+24.7	n/a	n/a	+10.8 ^[c]
Class 'CI'	+24.8	n/a	n/a	+10.8 ^[c]
Class 'L'	+25.0	n/a	n/a	+11.1 ^[d]
Sterling ^[b]				
Class 'C'	+21.9	n/a	n/a	+7.9 ^[d]
Class 'L'	+22.3	n/a	n/a	+12.5 ^[c]
Swiss franc ^[b]				
Class 'A'	+17.2	n/a	n/a	+7.8 ^[c]
Class 'C'	+18.3	n/a	n/a	+8.9 ^[c]
US dollar ^[b]				
Class 'A'	+12.5	n/a	n/a	+6.4 ^[c]
Class 'AM'	+12.5	n/a	n/a	+6.4 ^[c]
Class 'C'	+13.7	n/a	n/a	+7.5 ^[c]
Class 'CI'	+13.7	n/a	n/a	+7.5 ^[c]
Class 'L'	+13.9	n/a	n/a	+7.7 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 5 October 2017, the launch date of the fund.

^[d] 22 January 2018, the launch date of the share class.

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.04.18	18.05.18	22.05.18	25.05.18
Second interim	01.05.18	31.05.18	15.06.18	18.06.18	21.06.18
Third interim	01.06.18	30.06.18	20.07.18	23.07.18	26.07.18
Fourth interim	01.07.18	31.07.18	17.08.18	20.08.18	23.08.18
Fifth interim	01.08.18	31.08.18	21.09.18	24.09.18	27.09.18
Sixth interim	01.09.18	30.09.18	19.10.18	22.10.18	25.10.18
Seventh interim	01.10.18	31.10.18	16.11.18	19.11.18	22.11.18
Eighth interim	01.11.18	30.11.18	21.12.18	24.12.18	31.12.18
Ninth interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Tenth interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Eleventh interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A' Euro €	Euro Class 'C' Euro €	Sterling Class 'C' UK p	Swiss franc Class 'A' Swiss €	Swiss franc Class 'C' Swiss €
to 31 March 2019					
First interim	0.1009	0.1016	0.1009	0.1017	0.1023
Second interim	0.0905	0.0912	0.0909	0.0891	0.0899
Third interim	0.0862	0.0873	0.0877	0.0847	0.0856
Final	0.0642	0.0651	0.0627	0.0626	0.0633

	US dollar Class 'A' US €	US dollar Class 'C' US €
to 31 March 2019		
First interim	0.1000	0.1006
Second interim	0.0891	0.0899
Third interim	0.0840	0.0850
Final	0.0613	0.0622

	US dollar Class 'A M' US €
to 31 March 2019	
First interim	0.0392
Second interim	0.0488
Third interim	0.0195
Fourth interim	0.0296
Fifth interim	0.0220
Sixth interim	0.0294
Seventh interim	0.0094
Eighth interim	0.0473
Ninth interim	0.0271
Tenth interim	0.0156
Eleventh interim	0.0179
Final	0.0277

Distribution details for holders of distribution shares

This fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

M&G (Lux) Global Listed Infrastructure Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	11.4559	9.2820	n/a
Class 'A' Distribution	11.0328	9.2340	n/a
Class 'C' Accumulation	11.6337	9.3291	n/a
Class 'C' Distribution	11.1994	9.2781	n/a
Class 'CI' Accumulation	11.6421	9.3316	n/a
Class 'L' Accumulation	11.6785	9.3410	n/a
Sterling	£	£	£
Class 'C' Accumulation	11.1903	9.1763	n/a
Class 'C' Distribution	10.7720	9.1257	n/a
Class 'L' Accumulation	11.4875	9.3967	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	11.1737	9.5370	n/a
Class 'A' Distribution	10.7539	9.4842	n/a
Class 'C' Accumulation	11.3404	9.5828	n/a
Class 'C' Distribution	10.9153	9.5299	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.9628	9.7420	n/a
Class 'A' Distribution	10.5510	9.6879	n/a
Class 'A M' Distribution	10.5116	9.6619	n/a
Class 'C' Accumulation	11.1271	9.7887	n/a
Class 'C' Distribution	10.7090	9.7344	n/a
Class 'CI' Accumulation	11.1317	9.7903	n/a
Class 'L' Accumulation	11.1675	9.8005	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	15,418	8,606	n/a
Swing pricing adjustment (see note 12)	n/a	15	n/a
Swung net assets	15,418	8,621	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	2.08		
Class 'A' Distribution	2.08		
Class 'C' Accumulation	1.08		
Class 'C' Distribution	1.10		
Class 'CI' Accumulation	1.05		
Class 'L' Accumulation	0.84		
Sterling	%		
Class 'C' Accumulation	1.09		
Class 'C' Distribution	1.08		
Class 'L' Accumulation	0.85		
Swiss franc	%		
Class 'A' Accumulation	2.08		
Class 'A' Distribution	2.09		
Class 'C' Accumulation	1.08		
Class 'C' Distribution	1.08		
US dollar	%		
Class 'A' Accumulation	2.09		
Class 'A' Distribution	2.09		
Class 'A M' Distribution	2.09		
Class 'C' Accumulation	1.09		
Class 'C' Distribution	1.09		
Class 'CI' Accumulation	1.05		
Class 'L' Accumulation	0.83		

M&G (Lux) Global Macro Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in debt securities, including investment grade bonds, high yield bonds, unrated securities and Asset-Backed Securities. These securities may be issued by governments and their agencies, public authorities, quasi-sovereigns, supranational bodies and companies. Issuers of these securities may be located in any country, including emerging markets and denominated in any currency.

The Fund may invest up to a combined maximum of 100% of the Fund's Net Asset Value in high yield and unrated securities.

The Fund may hold up to a maximum of 20% of its Net Asset Value in Contingent Convertibles Debt Securities and up to 100% of its Net Asset Value in Asset-Backed Securities.

There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

The Fund may invest in Asset-Backed Securities, including mortgage-backed securities (commercial, agency residential, prime residential, non-prime residential), cash collateralised debt obligation, cash collateralised loan obligation, auto prime, auto subprime, consumer loan, credit card, student loan, aircraft loan/lease, equipment lease, small business loan/lease, whole business securitisation, single family rentals and other securitised assets.

The Fund is a flexible bond fund that allows investment across a broad range of fixed income assets according to where the Investment Manager finds value. The Investment Manager also seeks to add value through active management of the Fund's exposure to global currencies. The Investment process of the Fund is based on macroeconomic research to identify global investment themes and opportunities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets. Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Options, Credit Default Swaps, Interest Rate Swaps, Total Return Swaps and Credit Linked Notes.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits, warrants and other debt instruments.

M&G (Lux) Global Macro Bond Fund

Investment review

For the period from 26 October 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Macro Bond Fund was launched in October 2018 and is run by the same manager, applying the same investment strategy, as the M&G Global Macro Bond Fund, a UK-domiciled OEIC that launched on 15 October 1999. The non-sterling assets of the M&G Global Macro Bond Fund merged into the M&G (Lux) Global Macro Bond Fund on 26 October 2018.

The fund's holdings are split between government bonds and high quality, or investment grade, corporate bonds, as well as high yielding corporate bonds. The fund also invests in government and corporate bonds in emerging markets. The fund's holdings are globally diversified and denominated in different currencies in both developed and emerging markets.

Bonds are loans that are extended by an investor to an issuing entity – such as a company or government – in exchange for regular interest payments. The initial amount borrowed by the entity is usually repaid at the end of the loan's life. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'.

Investment grade corporate bonds refer to debt 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 of non-repayment than those issued by companies with lower credit ratings (known as high yield bonds). The performance of investment grade corporate bond markets can be influenced by the performance of government bonds.

Investing in emerging markets involves a greater risk of loss due to greater political, tax, economic, foreign exchange, liquidity and regulatory risks, among other factors. There may be difficulties in buying, selling, safekeeping or valuing investments in such countries. The fund is exposed to different currencies, and movements in currency exchange rates can adversely affect the value of investments.

We manage the fund's positioning based on an assessment macroeconomic factors such as economic growth, interest rates and inflation. This analysis determines in which areas of the global bond markets we believe the fund should invest to achieve its objective. It also influences the subsequent selection of individual holdings, as well as the fund's currency exposures.

During the review period, we favoured a sizeable allocation to US government bonds, based on our favourable opinion of these assets' valuations. In the corporate markets, while we maintained exposure to investment grade bonds, we held a cautious view towards their high yield counterparts, given that we judged valuations in the latter area were less appealing. Elsewhere, we held positions in emerging markets on a selective basis, reflecting our view that the potential for attractive returns could be found in this area for taking on higher degrees of risk.

Jim Leaviss

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME					714,486	98.38
Debt securities					715,541	98.52
'AAA' credit rated bonds					325,092	44.76
American Tower Truste 1 3.07%	3,165,000	US\$	15.03.2023		3,165	0.44
Barings Euro CLO FRN	1,978,000	€	15.10.2030		2,218	0.30
Canadian Imperial Bank of Commerce FRN	3,957,000	£	10.01.2022		5,200	0.72
Dukinfield 2 FRN	1,503,173	£	20.12.2052		1,989	0.27
European Bank for Reconstruction & Development FRN	15,826,000	US\$	19.11.2020		15,834	2.18
European Investment Bank 5%	9,891,000	AU\$	22.08.2022		7,742	1.07
Finsbury Square FRN	1,302,571	£	12.09.2065		1,707	0.23
Germany (Federal Republic of) 0.5%	10,543,896	€	15.02.2025		12,474	1.72
Home Partners of America Trust FRN	1,071,349	US\$	17.10.2033		1,071	0.15
Lanark Master Issuer FRN	1,132,000	£	22.12.2069		1,489	0.20
National Westminster Bank FRN	1,978,000	£	15.05.2020		2,595	0.36
Paragon Mortgages No 12 FRN	756,427	US\$	15.11.2038		710	0.10
Paragon Mortgages No 14 FRN	2,198,311	US\$	15.09.2039		2,080	0.29
Paragon Mortgages No 14 FRN	521,881	£	15.09.2039		650	0.09
Santander UK FRN	1,978,000	£	05.05.2020		2,596	0.36
Singapore (Republic of) 2.5%	11,870,000	SG\$	01.06.2019		8,768	1.21
Thrones FRN	1,570,977	£	18.03.2050		2,066	0.28
Trinity Square FRN	1,560,944	£	15.07.2051		2,058	0.28
US Treasury Bond 3%	20,000,000	US\$	15.08.2048		20,655	2.84
US Treasury I/L 0.625%	45,000,000	US\$	15.01.2024		49,021	6.75
US Treasury Note 2.375%	15,000,000	US\$	31.12.2020		15,016	2.07
US Treasury Note 2.75%	159,174,700	US\$	15.02.2028		163,627	22.53
Warwick Finance Residential Mortgages No Two FRN	1,787,152	£	21.09.2049		2,361	0.32
'AA' credit rated bonds					23,539	3.24
Cooperatieve Rabobank FRN	1,978,000	€	29.05.2020		2,227	0.30
New Zealand I/L 2.5%	1,978,000	NZ\$	20.09.2035		1,727	0.24
Paragon Mortgages No 13 FRN	3,319,840	£	15.01.2039		3,499	0.48
Paragon Mortgages No 13 FRN	1,143,666	US\$	15.01.2039		1,074	0.15
Towd Point Mortgage Funding 2016-Granite1 FRN	4,703,000	£	20.07.2046		6,166	0.85
UK Gilt 2%	6,634,842	£	22.07.2020		8,846	1.22
'A' credit rated bonds					107,000	14.73
ABN AMRO Bank FRN	3,101,000	US\$	19.01.2021		3,101	0.43
Anglian Water Services Financing 4.125%	239,000	£	28.07.2020		573	0.08
Bank of America FRN	3,165,000	US\$	01.04.2019		3,164	0.43
Bank of America FRN	1,583,000	€	07.02.2022		1,790	0.25
Chile (Republic of) 5.5%	4,748,000,000	CLP	05.08.2020		7,172	0.99
Citigroup FRN	5,935,000	US\$	01.09.2023		6,034	0.83
Citigroup FRN	3,165,000	US\$	17.05.2024		3,180	0.44
Cooperatieve Rabobank 2.25%	317,000	£	22.11.2022		648	0.09
Credit Agricole FRN	5,935,000	US\$	15.04.2019		5,937	0.82
Credit Agricole FRN	2,552,000	US\$	10.06.2020		2,572	0.35
Credit Agricole FRN	4,366,000	US\$	10.01.2022		4,421	0.61
Goldman Sachs Group FRN	3,957,000	US\$	29.11.2023		4,050	0.56
Goldman Sachs Group FRN	791,000	US\$	28.10.2027		799	0.11
HSBC Holdings FRN	3,561,000	US\$	05.01.2022		3,638	0.50
IBM Credit FRN	2,000,000	US\$	20.01.2021		2,001	0.27
Israel (State of) 2.25%	29,674,000	ILS	31.05.2019		8,203	1.13
Lloyds Banking Group FRN	6,726,000	€	21.06.2024		7,371	1.01
Ludgate Funding FRN	346,358	€	01.01.2061		366	0.05
Malaysia (Federation of) 3.882% ^[a]	42,444,000	MYR	10.03.2022		10,541	1.45
Mitchells & Butlers Finance FRN	1,478,688	US\$	15.12.2030		1,378	0.19
Morgan Stanley FRN	791,000	US\$	24.10.2023		803	0.11
Morgan Stanley FRN	1,978,000	US\$	08.05.2024		1,992	0.27
National Grid Electricity Transmission 3.806%	948,000	£	27.07.2020		2,175	0.30
Nationwide Building Society 3.875%	109,003	£	30.07.2021		469	0.06
Peru (Republic of) 6.95%	16,618,000	PEN	12.08.2031		5,642	0.78
RMAC Securities No 1 FRN	1,109,458	£	12.06.2044		1,367	0.19
RMAC Securities No 1 FRN	1,472,229	US\$	12.06.2044		1,386	0.19
Silverback Finance 3.1261%	2,291,480	€	25.02.2037		2,731	0.38
Skipton Building Society 1.75%	1,465,000	£	30.06.2022		1,884	0.26
UBS Group Funding Switzerland FRN	3,957,000	US\$	01.02.2022		4,038	0.56
UBS Via Stamford FRN	1,978,000	US\$	14.08.2019		1,982	0.27
US Bancorp 3.375%	1,533,000	US\$	05.02.2024		1,567	0.22
Wells Fargo FRN	3,957,000	US\$	04.03.2021		4,025	0.55

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds					159,622	21.98
Admiral Group 5.5%	791,000	£	25.07.2024		1,100	0.15
AT&T FRN	5,935,000	€	05.09.2023		6,656	0.92
AT&T FRN	2,328,000	US\$	12.06.2024		2,311	0.32
Barclays FRN	7,913,000	US\$	10.08.2021		8,071	1.11
Barclays FRN	3,957,000	US\$	10.01.2023		3,954	0.54
BNP Paribas 4.625%	2,631,000	US\$	13.03.2027		2,687	0.37
Bogota Distrio Capital 9.75%	11,711,000,000	COP	26.07.2028		4,032	0.56
Citigroup 3.5%	2,374,000	US\$	15.05.2023		2,405	0.33
Citigroup FRN	1,978,000	US\$	26.10.2020		2,006	0.28
Citigroup FRN	1,182,000	US\$	25.08.2036		932	0.13
Credit Suisse Group Funding Guernsey 3.75%	1,978,000	US\$	26.03.2025		1,996	0.27
Energy Transfer Operating 5.875%	791,000	US\$	15.01.2024		866	0.12
Fairfax Financial Holdings 2.75%	1,953,000	€	29.03.2028		2,304	0.32
Ford Motor Credit FRN	3,957,000	US\$	04.11.2019		3,960	0.55
GE Capital International Funding 4.418%	4,000,000	US\$	15.11.2035		3,701	0.51
General Motors Financial FRN	2,000,000	US\$	15.01.2020		2,011	0.28
Greene King Finance FRN	1,189,878	£	15.12.2033		1,541	0.21
HCA 5.25%	1,583,000	US\$	15.04.2025		1,701	0.23
HSBC Holdings FRN	1,565,000	US\$	31.12.2099		1,540	0.21
Indonesia (Republic of) 8.25%	106,827,000,000	IDR	15.05.2036		7,652	1.05
Indonesia (Republic of) 9%	125,423,000,000	IDR	15.03.2029		9,551	1.32
Mexico (United Mexican States) 5.625%	2,770,000	£	19.03.2114		3,695	0.51
Mexico (United Mexican States) 10%	140,000,000	MXN	05.12.2024		7,963	1.10
Mitchells & Butlers Finance FRN	593,000	£	15.12.2033		633	0.09
Morgan Stanley FRN	3,957,000	US\$	27.01.2020		3,984	0.55
Mylan 1.25%	3,000,000	€	23.11.2020		3,408	0.47
National Grid 1.25%	625,100	£	06.10.2021		1,044	0.14
Nationwide Building Society FRN	1,426,000	€	08.03.2026		1,600	0.22
Panama (Republic of) 6.7%	2,500,000	US\$	26.01.2036		3,259	0.45
Peru (Republic of) 5.625%	2,000,000	US\$	18.11.2050		2,573	0.35
Petróleos Mexicanos 5.35%	4,500,000	US\$	12.02.2028		4,197	0.58
Romania (Republic of) 3.875%	5,000,000	€	29.10.2035		5,818	0.80
Romania (Republic of) 5.95%	15,830,000	RON	11.06.2021		3,931	0.54
Royal Bank of Scotland Group FRN	3,957,000	US\$	15.05.2023		3,937	0.54
Royal Bank of Scotland Group FRN	2,139,000	US\$	18.05.2029		2,217	0.31
Russia (Federation of) 8.15%	743,834,000	RUB	03.02.2027		11,606	1.60
Schaeffler 2.875%	652,000	€	26.03.2027		753	0.10
Société Générale 5%	1,978,000	US\$	17.01.2024		2,064	0.28
Société Générale FRN	2,100,000	€	22.05.2024		2,328	0.32
Takeda Pharmaceutical 1.125%	3,000,000	€	21.11.2022		3,457	0.48
Tesco Personal Finance 1%	303,700	£	16.12.2019		475	0.07
Thailand (Kingdom of) 1.25%	225,524,000	THB	12.03.2028		6,920	0.95
Thames Water Utilities Cayman Finance 2.375%	1,246,000	£	03.05.2023		1,601	0.22
Uruguay (Republic of) 4.375%	41,939,552	UYU	15.12.2028		2,386	0.33
Uruguay (Republic of) 8.5%	109,581,000	UYU	15.03.2028		2,861	0.39
Verizon Communications 4.522%	2,374,000	US\$	15.09.2048		2,430	0.33
Volkswagen International Finance 4.125%	2,500,000	£	17.11.2031		3,505	0.48
'BB' credit rated bonds					71,804	9.89
Bahamas (Commonwealth of) 6%	2,000,000	US\$	21.11.2028		2,108	0.29
Bail 4.375%	1,187,000	€	15.12.2023		1,518	0.21
Banco de Sabadell FRN	2,800,000	€	12.12.2028		3,235	0.45
Banco Santander Mexico FRN	1,000,000	€	12.03.2049		1,106	0.15
Barclays 4.836%	1,644,000	US\$	09.05.2028		1,630	0.22
Bolivia (Plurinational State of) 4.5%	819,000	US\$	20.03.2028		768	0.11
Brazil (Federal Republic of) 10%	49,000,000	BRL	01.01.2025		13,436	1.85
CCO Holdings Via CCO Holdings Capital 5.75%	1,800,000	US\$	15.02.2026		1,882	0.26
Crown European Holdings 3.375%	1,780,000	€	15.05.2025		2,143	0.30
Dominican (Republic of) 6.5%	2,000,000	US\$	15.02.2048		2,062	0.28
Dominican (Republic of) 6.85%	1,978,000	US\$	27.01.2045		2,116	0.29
Dominican (Republic of) 8.9%	42,100,000	DOP	15.02.2023		830	0.11
Dominican (Republic of) 10.5%	69,200,000	DOP	07.04.2023		1,413	0.19
Hanesbrands 4.625%	1,800,000	US\$	15.05.2024		1,804	0.25
HCA 5.375%	1,583,000	US\$	01.09.2026		1,666	0.23
HCA 5.875%	280,000	US\$	01.02.2029		299	0.04
Honduras (Republic of) 7.5%	1,978,000	US\$	15.03.2024		2,168	0.30
Inretail Pharma 5.375%	1,351,000	US\$	02.05.2023		1,412	0.19

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
OI European Group 3.125%	1,306,000	€	15.11.2024		1,545	0.21
Paraguay (Republic of) 4.7%	616,000	US\$	27.03.2027		643	0.09
Paraguay (Republic of) 5.6%	1,319,000	US\$	13.03.2048		1,411	0.19
Paraguay (Republic of) 6.1%	2,989,000	US\$	11.08.2044		3,383	0.47
Petrobras Global Finance 5.75%	3,957,000	US\$	01.02.2029		3,928	0.54
Petrobras Global Finance 7.25%	2,770,000	US\$	17.03.2044		2,888	0.40
Pilgrim's Pride 5.75%	1,800,000	US\$	15.03.2025		1,821	0.25
Southwestern Energy 7.75%	1,048,000	US\$	01.10.2027		1,074	0.15
Tesco 3.322%	79,000	£	05.11.2025		207	0.03
Teva Pharmaceutical Finance Netherlands II 4.5%	1,800,000	€	01.03.2025		2,073	0.29
Turkey (Republic of) 4.625%	1,250,000	€	31.12.2025		1,355	0.19
Turkey (Republic of) 5.2%	1,700,000	€	16.02.2026		1,865	0.26
Turkey (Republic of) 7.25%	2,345,000	US\$	23.12.2023		2,359	0.33
UBS FRN	791,000	€	29.12.2049		971	0.13
UBS Group Funding Switzerland FRN	3,165,000	US\$	31.12.2099		2,764	0.38
Wind Tre FRN	1,800,000	€	20.01.2024		1,921	0.26
'B' credit rated bonds					28,484	3.92
Altice France 7.375%	1,576,000	US\$	01.05.2026		1,552	0.21
Argentina (Republic of) 4.625%	2,967,000	US\$	11.01.2023		2,434	0.33
Argentina (Republic of) 7.82%	6,533,567	€	31.12.2033		6,378	0.88
Argentina (Republic of) 7.875%	1,648,000	US\$	15.06.2027		1,209	0.17
Argentina (Republic of) FRN	20,030,093	ARS	21.06.2020		513	0.07
Axalta Coating Systems Dutch Holding B 3.75%	1,800,000	€	15.01.2025		2,105	0.29
Côte d'Ivoire (Republic of) 5.125%	2,916,000	€	15.06.2025		3,352	0.46
Covey Park Energy Via Covey Park Finance 7.5%	136,000	US\$	15.05.2025		127	0.02
Egypt (Republic of) 4.75%	2,000,000	€	16.04.2026		2,220	0.31
Matterhorn Telecom 3.875%	1,068,000	€	01.05.2022		1,214	0.17
Oasis Petroleum 6.875%	1,800,000	US\$	15.03.2022		1,811	0.25
Scientific Games International 5.5%	1,800,000	€	15.02.2026		1,900	0.26
Selecta Group 5.875%	1,800,000	€	01.02.2024		2,066	0.28
Sri Lanka (Republic of) 6.85%	1,583,000	US\$	03.11.2025		1,603	0.22
Debt derivatives					(1,055)	(0.14)
Credit default swaps					(216)	(0.03)
Markit iTraxx Australia Series 30 5 Year Dec 2023	15,000,000	US\$			(216)	(0.03)
Interest rate futures					(839)	(0.11)
Deutscher Bobl 5 year Futures	(592)	€	06.06.2019	88,448	(579)	(0.08)
Deutscher Bund 10 year Futures	(223)	€	06.06.2019	41,607	(793)	(0.11)
Deutscher Buxl 30 year Futures	(52)	€	06.06.2019	11,192	(364)	(0.05)
US Treasury Notes 10 year Futures	474	US\$	19.06.2019	58,861	793	0.11
UK Treasury Notes Futures	33	£	26.06.2019	5,584	104	0.02
CURRENCY					(387)	(0.05)
Forward currency contracts					(387)	(0.05)
Bought for ¥ 4,950,000,000.00, Sold for € 39,557,894.58			10.04.2019		270	0.04
Bought for ¥ 8,150,000,000.00, Sold for US\$ 73,424,627.32			10.04.2019		215	0.03
Bought for € 78,550,000.00, Sold for US\$ 88,552,085.70			10.04.2019		(276)	(0.04)
Bought for NOK 65,000,000.00, Sold for € 6,642,187.99			10.04.2019		79	0.01
Bought for SEK 70,000,000.00, Sold for € 6,611,461.59			10.04.2019		133	0.02
Bought for US\$ 21,156,555.00, Sold for AU\$ 30,000,000.00			10.04.2019		(125)	(0.02)
Bought for US\$ 21,454,265.16, Sold for BRL 83,500,000.00			10.04.2019		(77)	(0.01)
Bought for US\$ 14,813,185.48, Sold for MXN 290,000,000.00			10.04.2019		(180)	(0.02)
Bought for US\$ 15,067,729.44, Sold for RUB 1,000,000,000.00			10.04.2019		(334)	(0.05)
Bought for US\$ 14,576,792.00, Sold for ZAR 210,000,000.00			10.04.2019		136	0.02
Bought for £ 11,500,000.00, Sold for US\$ 15,327,651.95			09.05.2019		(228)	(0.03)
Portfolio of investments					714,099	98.33
SHARE CLASS HEDGING					(1,732)	(0.24)
Bought for £ 4,754,295.74, Sold for US\$ 6,254,205.22			10.04.2019		(21)	0.00
Bought for € 186,393,743.15, Sold for US\$ 211,255,432.14			10.04.2019		(1,780)	(0.25)
Bought for CHF 505,256.01, Sold for US\$ 504,496.37			10.04.2019		4	0.00
Bought for S\$ 98,091.66, Sold for US\$ 72,297.95			10.04.2019		0	0.00
Bought for US\$ 8,944,389.59, Sold for € 7,898,985.65			10.04.2019		65	0.01
Bought for US\$ 3,548.37, Sold for CHF 3,556.96			10.04.2019		0	0.00

M&G (Lux) Global Macro Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for US\$ 248.94, Sold for SG\$ 337.86			10.04.2019		0	0.00
Total portfolio					712,367	98.09
Net other assets/(liabilities)					13,907	1.91
NET ASSETS					726,274	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					715,541	98.52
Unrealised gains on futures contracts					897	0.13
Unrealised gains on forward currency contracts					902	0.13
Total Investment assets					717,340	98.78
Investment liabilities						
Unrealised losses on futures contracts					(1,736)	(0.24)
Unrealised losses on forward currency contracts					(3,021)	(0.42)
Unrealised losses on swap contracts					(216)	(0.03)
Total Investment liabilities					(4,973)	(0.69)
Total portfolio					712,367	98.09
Net other assets/(liabilities)					13,907	1.91
NET ASSETS					726,274	100.00

[a] Unlisted/unquoted.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures			
	Swaps US\$'000	Forward currency contracts US\$'000	Futures US\$'000	Collateral held as deposit US\$'000
Citigroup Global Markets Limited	216	65,290	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	88,552	205,692	0
State Street Bank and Trust Company	0	227,035	0	591
State Street Bank London	0	229,132	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Macro Bond Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Global Macro Bond Fund which merged into the M&G (Lux) Global Macro Bond Fund on 26 October 2018.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 26 October 2018 (the launch date of the fund) 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	26.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'A-H'	Euro Class 'B'	Euro Class 'B-H'	Euro Class 'C'
to 31 March 2019	Euro €	Euro €	Euro €	Euro €	Euro €
First interim	0.0754	0.0604	0.0585	0.0557	0.0786
Final	0.1081	0.0837	0.0838	0.0772	0.1128

	Euro Class 'C-H'	Singapore dollar Class 'A-H'	Singapore dollar Class 'C-H'	Sterling Class 'C-H'	Sterling Class 'CI-H'
to 31 March 2019	Euro €	SGD €	SGD €	UK p	UK p
First interim	0.0639	0.0593	0.0602	n/a	n/a
Final	0.0885	0.0838	0.0850	0.0067	0.0571

	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	US €	US €
First interim	0.0870	0.0700
Final	0.1222	0.0983

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	13.9245	n/a	n/a
Class 'A' Distribution	12.6287	n/a	n/a
Class 'A-H' Accumulation	10.8031	n/a	n/a
Class 'A-H' Distribution	9.8021	n/a	n/a
Class 'B' Accumulation	13.4221	n/a	n/a
Class 'B' Distribution	9.7833	n/a	n/a
Class 'B-H' Accumulation	10.4199	n/a	n/a
Class 'B-H' Distribution	9.0240	n/a	n/a
Class 'C' Accumulation	14.5463	n/a	n/a
Class 'C' Distribution	13.1905	n/a	n/a
Class 'C-H' Accumulation	11.2979	n/a	n/a
Class 'C-H' Distribution	10.3804	n/a	n/a
Class 'CI' Accumulation	10.6463	n/a	n/a
Class 'CI-H' Accumulation	10.3464	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	10.5614	n/a	n/a
Class 'A-H' Distribution	9.7467	n/a	n/a
Class 'C-H' Accumulation	10.7901	n/a	n/a
Class 'C-H' Distribution	9.9027	n/a	n/a
Sterling	£	£	£
Class 'C-H' Distribution	10.1125	n/a	n/a
Class 'CI-H' Distribution	10.0703	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	11.6168	n/a	n/a
Class 'A-H' Accumulation	10.0503	n/a	n/a
Class 'C' Accumulation	12.0724	n/a	n/a
Class 'C-H' Accumulation	10.3892	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	15.4747	n/a	n/a
Class 'A' Distribution	14.2847	n/a	n/a
Class 'C' Accumulation	12.5416	n/a	n/a
Class 'C' Distribution	11.5086	n/a	n/a
Class 'CI' Accumulation	10.4812	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	726,274	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	726,274	n/a	n/a

M&G (Lux) Global Macro Bond Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.46
Class 'A' Distribution	1.46
Class 'A-H' Accumulation	1.48
Class 'A-H' Distribution	1.48
Class 'B' Accumulation	1.96
Class 'B' Distribution	1.96
Class 'B-H' Accumulation	1.98
Class 'B-H' Distribution	1.98
Class 'C' Accumulation	0.86
Class 'C' Distribution	0.86
Class 'C-H' Accumulation	0.88
Class 'C-H' Distribution	0.88
Class 'CI' Accumulation	0.82
Class 'CI-H' Accumulation	0.85
Singapore dollar	%
Class 'A-H' Accumulation	1.48
Class 'A-H' Distribution	1.48
Class 'C-H' Accumulation	0.88
Class 'C-H' Distribution	0.88
Sterling	%
Class 'C-H' Distribution	0.89 ^[a]
Class 'CI-H' Distribution	0.85 ^[a]
Swiss franc	%
Class 'A' Accumulation	1.46
Class 'A-H' Accumulation	1.48
Class 'C' Accumulation	0.86
Class 'C-H' Accumulation	0.88
US dollar	%
Class 'A' Accumulation	1.46
Class 'A' Distribution	1.46
Class 'C' Accumulation	0.86
Class 'C' Distribution	0.86
Class 'CI' Accumulation	0.82

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Global Recovery Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets.

The Investment Manager seeks to invest in companies that are out of favour with the market or whose future prospects are not fully recognised by the market at the time of investment.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Global Recovery Fund

Investment review

For the period from 18 July 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Recovery Fund was launched in July 2018 and is run by the same manager, applying the same investment strategy, as the M&G Global Recovery Fund, a UK-domiciled OEIC that launched on 17 February 2012.

The M&G (Lux) Global Recovery Fund is an unconstrained actively managed fund, using a bottom-up stockpicking approach. The fund applies M&G's well-established recovery investing philosophy to a global universe. It is a simple straightforward approach that has been practised at M&G for almost 50 years. Recovery investing involves looking at companies that are experiencing operational or financial difficulties, where the market has ascribed little or no value to long-term recovery. This often appears in the form of a 'double discount', whereby a business suffers from both a fall in earnings and the share price experiences a material decline in the market.

The fund invests in companies with the expectation that they will progress through a four-stage corporate recovery cycle of around three to five years. All new stocks enter the portfolio at stage 1 – unloved and overlooked by the market, but where there has been a change in management and/or strategy (and we can see an ability to recover). As companies transition through stage 2 of the recovery process, they will begin to evidence stabilisation in their underlying businesses. In stage 3, companies will be responding well to management action, which is also generally perceived positively by the market. The companies no longer need financial assistance; however, their valuation often exhibits further material upside potential. In stage 4, which marks the successful completion of the cycle, companies have recovered and realised their potential. In this case, we will have sold the holding if we believe the shares were fairly priced based on a number of valuation metrics. We will then recycle the capital carefully into new recovery ideas. At any one time, the fund should have around two-thirds invested in stocks in stages 1 and 2 and one-third in stages 3 and 4.

We also take profits as companies transition through their recovery cycle. Over time, most of the fund's performance is likely to be driven by the stocks transitioning from stage 2 to stage 3. This is where the improvements the companies are making are more tangible and can be recognised by the market and rewarded by increases in share prices. But companies in other stages of the recovery cycle can also contribute significantly – each case is unique.

Just under half of the portfolio is invested in the US stockmarket (US equities comprise more than half the MSCI ACWI). The other significant country positions are in the UK and Australia, and to a lesser extent Canada, Hong Kong and Germany. At a sector level, the fund's main positions are in consumer discretionary, healthcare and materials; however, it also has a substantial exposure to banks.

David Williams

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Recovery Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					1,091	95.87
United Kingdom					94	8.26
BP	3,694	£			27	2.37
GW Pharmaceuticals ADR	178	US\$			29	2.55
Reabold Resources	1,005,989	£			8	0.70
Standard Chartered	1,550	HK\$			12	1.06
Tullow Oil	5,775	£			18	1.58
Denmark					26	2.28
Pandora	557	DKK				
France					28	2.46
Fnac Darty	127	€			10	0.88
Veolia Environnement	819	€			18	1.58
Germany					52	4.57
Bayer	120	€			8	0.70
Commerzbank	990	€			8	0.70
MagForce	806	€			5	0.44
Thyssenkrupp	552	€			7	0.62
Volkswagen Pref. (non voting)	153	€			24	2.11
Ireland					48	4.22
Allergan	83	US\$			12	1.05
Bank of Ireland Group	1,065	€			6	0.53
Johnson Controls International	501	US\$			19	1.67
Kenmare Resources	4,410	£			11	0.97
Switzerland					43	3.78
Arbonia	893	CHF			9	0.79
Garmin	225	US\$			19	1.67
IWG	4,394	£			15	1.32
United States					393	34.53
Advance Auto Parts	71	US\$			12	1.06
Ally Financial	353	US\$			10	0.88
American Airlines Group	381	US\$			12	1.05
Anadarko Petroleum	302	US\$			14	1.23
Athersys	11,897	US\$			17	1.49
Carnival	254	US\$			13	1.14
Cherokee	5,875	US\$			4	0.35
Citigroup	606	US\$			38	3.34
Citizens Financial Group	449	US\$			15	1.32
Coty 'A'	600	US\$			7	0.62
eBay	499	US\$			18	1.58
GameStop 'A'	1,061	US\$			11	0.97
Hewlett Packard Enterprise	849	US\$			13	1.14
HP	678	US\$			13	1.14
Marriott Vacations Worldwide	65	US\$			6	0.53
Mattel	741	US\$			10	0.88
Microsoft	317	US\$			37	3.25
PayPal Holdings	197	US\$			20	1.76
Pfizer	651	US\$			27	2.37
Polaris Industries	166	US\$			14	1.23
Stericycle	214	US\$			11	0.97
Syneos Health	205	US\$			10	0.88
Tapestry	410	US\$			13	1.14
Wells Fargo	442	US\$			22	1.93
Western Union	629	US\$			12	1.05
Weyerhaeuser	517	US\$			14	1.23
Canada					62	5.45
First Quantum Minerals	1,103	CA\$			12	1.05
Midas Gold	32,814	CA\$			20	1.76
NexGen Energy	3,964	CA\$			6	0.53
Nutrien	339	US\$			18	1.58
Vermilion Energy	250	CA\$			6	0.53
Japan					21	1.85
Sony	500	¥				
Australia					150	13.18
Afterpay Touch Group	1,152	AU\$			17	1.49
Bionomics	21,214	AU\$			3	0.26
FAR	188,034	AU\$			8	0.70

M&G (Lux) Global Recovery Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Australia (continued)						
FBR	190,917	AU\$			10	0.88
IPH	6,519	AU\$			32	2.81
Medical Developments International	9,502	AU\$			33	2.90
Mesoblast	10,581	AU\$			11	0.97
Mesoblast ADR	1,273	US\$			7	0.62
Mineral Commodities	101,425	AU\$			11	0.97
St Barbara	5,665	AU\$			14	1.23
Vintage Energy	35,613	AU\$			4	0.35
China						
China Financial Services Holdings	312,000	HK\$			20	1.76
Kingsoft	1,000	HK\$			3	0.26
Hong Kong						
Global Brands Group Holding	504,000	HK\$			7	0.62
Hutchison China MediTech	713	£			43	3.78
Hutchison China MediTech ADR	1,079	US\$			33	2.90
Li & Fung	20,000	HK\$			3	0.26
Malaysia						
AirAsia Group	37,500	MYR			24	2.11
New Zealand						
Xero	324	AU\$			11	0.97
Singapore						
ComfortDelGro	3,800	SG\$			7	0.61
United Arab Emirates						
DP World	849	US\$			14	1.23
South Africa						
MTN Group	1,410	ZAR			9	0.79
Portfolio of investments					1,091	95.87
CASH EQUIVALENTS					37	3.25
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	37,012	US\$			37	3.25
Total portfolio					1,128	99.12
Net other assets/(liabilities)					10	0.88
NET ASSETS					1,138	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					1,091	95.87
Total Investment assets					1,091	95.87
Total portfolio					1,091	95.87
Cash equivalents					37	3.25
Net other assets/(liabilities)					10	0.88
NET ASSETS					1,138	100.00

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

M&G (Lux) Global Recovery Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 18 July 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	9.3057	n/a	n/a
Class 'C' Accumulation	9.3709	n/a	n/a
Class 'L' Accumulation	9.3872	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	8.9945	n/a	n/a
Class 'C' Accumulation	9.0572	n/a	n/a
Class 'L' Accumulation	9.0727	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	1,138	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	1,138	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	2.39		
Class 'C' Accumulation	1.39		
Class 'L' Accumulation	1.14		
US dollar	%		
Class 'A' Accumulation	2.39		
Class 'C' Accumulation	1.39		
Class 'L' Accumulation	1.14		

M&G (Lux) Global Select Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund usually holds fewer than 40 stocks.

The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.

Sustainability considerations play an important role in determining the investment universe and assessing business models. Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption are excluded from the investment universe. Industries such as tobacco and controversial weapons are also excluded.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Global Select Fund

Investment review

For the period from 9 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Select Fund was launched in November 2018 and is run by the same manager, applying the same investment strategy and maintaining the same holdings, as the M&G Global Select Fund, a UK-authorised OEIC that launched in December 1967. The non-sterling share classes of the M&G Global Select Fund merged into the M&G (Lux) Global Select Fund on 9 November 2018.

We invest in a concentrated portfolio of between 30 and 40 holdings, maintaining a watch-list of around 300 sustainable, quality companies that we would like to own when the timing and price are right. Sustainability considerations, including environmental, social and governance (ESG) factors, are fully integrated into our investment process.

During the review period we added two new holdings to the portfolio, video game publisher Electronic Arts (EA) and payments company Visa, both US businesses.

EA is one of the world's top game makers, dominating the sports games market with franchises including FIFA and Madden NFL. The company's games are a staple for both casual and hardcore gamers alike, providing an annual recurring revenue stream.

We think Visa offers superior growth and compounding ability compared to other 'stable growth' areas of the market. We also believe that risks related to the economic cycle should be low for the company, given Visa's performance during the last downturn, its exceptional pricing power and a net cash balance sheet.

Conversely, we closed three positions in the period. In 2018 Georgian lender Bank of Georgia spun off its investment arm to form Georgia Capital, with both companies subsequently held in the portfolio. In January we closed the position in Bank of Georgia, while maintaining our holding in Georgia Capital. We also sold our shares in US-listed retail operator L Brands and UK-listed addiction cessation drug maker Indivior, having lost faith in the investment case for both companies.

We think that valuations in some parts of the market are currently looking very attractive, particularly in Europe, but in the long term we have slightly lower expectations for company shares in general over the next 10 years. We think returns will likely be closer to normal, and hopefully with a more consistent return of volatility (ie, market turbulence). It is these conditions that can benefit long-term, fundamental stockpickers.

In terms of the fund, we remain confident in the quality of the stocks within the current portfolio. As long-term investors, our focus is on the ability of our holdings to generate long-term value for the fund and for our investors, and we continue to be optimistic about their prospects.

John William Olsen
Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Select Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					73,002	94.86
Energy equipment & services						
National Oilwell Varco	43,342	US\$			1,149	1.49
Chemicals						
Linde	13,397	€			2,356	3.06
Containers & packaging						
Ball	70,930	US\$			4,110	5.34
Building products						
Johnson Controls International	58,935	US\$			2,175	2.83
Industrial conglomerates						
Alphabet 'A'	3,008	US\$			3,526	4.58
Machinery						
Graco	39,300	US\$			1,924	2.50
Commercial services & supplies					4,185	5.44
ISS	76,897	DKK			2,343	3.05
Reckitt Benckiser Group	21,936	£			1,842	2.39
Specialty retail					7,051	9.16
Tiffany	23,241	US\$			2,435	3.16
WH Smith	166,201	£			4,616	6.00
Food products						
Nestle	22,804	CHF			2,173	2.82
Personal products						
Unilever	42,740	€			2,483	3.23
Health care equipment & supplies						
Becton Dickinson	15,333	US\$			3,788	4.92
Health care providers & services						
UnitedHealth Group	18,163	US\$			4,399	5.72
Pharmaceuticals					4,552	5.92
Novo Nordisk 'B'	71,732	DKK			3,705	4.82
Teva Pharmaceutical Industries ADR	54,399	US\$			847	1.10
Banks					2,911	3.78
ING Groep	133,811	€			1,618	2.10
M&T Bank	8,219	US\$			1,293	1.68
Consumer finance					4,666	6.06
American Express	21,774	US\$			2,377	3.09
Visa 'A'	14,805	US\$			2,289	2.97
Capital markets					4,707	6.12
Bank of New York Mellon	36,005	US\$			1,814	2.36
Discover Financial Services	29,284	US\$			2,071	2.69
Georgia Capital	57,564	£			822	1.07
Insurance						
Tokio Marine Holdings	57,000	¥			2,761	3.59
Software					10,153	13.19
ANSYS	11,323	US\$			2,042	2.65
Electronic Arts	11,311	US\$			1,156	1.50
Manhattan Associates	47,084	US\$			2,560	3.33
Microsoft	37,581	US\$			4,395	5.71
Tencent Music Entertainment Group ADR ^[a]	10	US\$			0	0.00
Technology hardware, storage & peripherals						
Schneider Electric	30,007	€			2,347	3.05
Interactive Media & Services						
Tencent Holdings	34,500	HK\$			1,586	2.06
Portfolio of investments					73,002	94.86
CASH EQUIVALENTS					674	0.87
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	674,000	US\$			674	0.87
Total portfolio					73,676	95.73
Net other assets/(liabilities)					3,284	4.27
NET ASSETS					76,960	100.00

M&G (Lux) Global Select Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					73,002	94.86
Total Investment assets					73,002	94.86
Total portfolio					73,002	94.86
Cash equivalents					674	0.87
Net other assets/(liabilities)					3,284	4.27
NET ASSETS					76,960	100.00

[a] Unlisted/unquoted.

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

M&G (Lux) Global Select Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Global Select Fund which merged into the M&G (Lux) Global Select Fund on 9 November 2018.

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 9 November 2018 (the launch date of the fund) 31 March 2019.

Annual distribution periods

	Start	End	Record date	Xd	Payment
Final	09.11.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'C'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	Euro €	Euro €	US \$	US \$
Final	0.1679	0.1897	0.1401	0.1509

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	28.5816	n/a	n/a
Class 'A' Distribution	27.4261	n/a	n/a
Class 'B' Accumulation	12.9283	n/a	n/a
Class 'C' Accumulation	33.2858	n/a	n/a
Class 'C' Distribution	31.0378	n/a	n/a
Class 'CI' Accumulation	10.4752	n/a	n/a

US dollar	US\$	US\$	US\$
Class 'A' Accumulation	23.9091	n/a	n/a
Class 'A' Distribution	22.8872	n/a	n/a
Class 'C' Accumulation	26.4226	n/a	n/a
Class 'C' Distribution	24.6965	n/a	n/a
Class 'CI' Accumulation	10.2955	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	76,960	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	76,960	n/a	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	2.00
Class 'A' Distribution	2.00
Class 'B' Accumulation	2.50
Class 'C' Accumulation	1.00
Class 'C' Distribution	1.00
Class 'CI' Accumulation	0.96
US dollar	%
Class 'A' Accumulation	2.00
Class 'A' Distribution	2.00
Class 'C' Accumulation	0.99
Class 'C' Distribution	0.99
Class 'CI' Accumulation	0.96

M&G (Lux) Global Target Return Fund

Investment objective and policy

Investment objective

The Fund aims to achieve a total return (the combination of income and capital growth) of at least cash plus 4% a year, before any charges are taken, in any market conditions and over any three-year period.

The Fund aims to achieve this while seeking to minimise the degree to which the value of the Fund fluctuates over time (volatility), while also seeking to limit monthly losses. Managing the Fund's volatility in this way reduces its ability to achieve returns significantly above 3-month EURIBOR plus 4%.

The Fund may also invest in other deposits and warrants which may be issued anywhere in the world and denominated in any currency.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of investment assets issued anywhere in the world.

The Fund will primarily invest in the following asset classes: bonds, shares, currencies, cash, near cash and deposits. The Fund will mostly gain exposure to these assets by investing through derivative instruments, but may also invest directly. The Fund may also invest through other collective investment schemes.

In cases where the Investment Manager believes that investment opportunities are limited to a few areas, or where the available investment opportunities would add too much risk to the Fund, the Fund may temporarily hold high levels of cash.

The Fund may take short positions (holding derivative instruments with the aim of delivering a positive return when the assets they are linked to fall in value) in markets, currencies, securities, indices and other groups of securities. The Fund also has the flexibility to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets.

Derivative instruments can be used to meet the Fund's investment objective and for efficient portfolio management. The derivative instruments that the Fund may invest in include Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

The bonds that the Fund may invest in include the following:

- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies, Convertible Bonds, bonds from issuers located in emerging markets;
- bonds which are rated above investment grade by a recognised rating agency;
- a maximum of 60% of the Fund's Net Asset Value combined in unrated bonds and sub-investment grade bonds;
- a maximum of 20% of the Fund's Net Asset Value in Contingent Convertible Debt Securities; and
- a maximum of 10% of the Fund's Net Asset Value in Asset-Backed Securities.

M&G (Lux) Global Target Return Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (start of the review period) and 31 March 2019, the M&G (Lux) Global Target Return Fund delivered a negative return across all share classes.

The fund's performance target is to deliver at least 3-month EURIBOR plus 4%, before any charges, over three years. Since its launch on 22 December 2016, the fund has delivered gross returns of 3.7% which is in line with 3-month EURIBOR plus 4% return of 3.7%.

Performance review

While the portfolio's overall performance over the past 12 months was not the result we desired and certainly frustrating, the decisions taken have been consistent with the approach we have outlined for managing the fund. That approach emphasises two main sources of returns: (i) tactical opportunities presented by investors' emotional over-reactions to market events or news; and (ii) relative valuations between asset classes as a result of economic conditions.

At the start of the review period, our assessment of asset valuations gave the opposite signal to the market's subsequent direction. Equities (company shares) had already sold off in February 2018 and appeared more attractively priced than many other asset classes on a medium-term view, which prompted us to increase our exposure. However, the remainder of 2018 turned out to be highly volatile.

In bond markets, events also defied our valuation observations. For example, German government bond yields declined from already low levels to below zero by the end of March 2019 – in other words, guaranteeing their investors a loss if held until maturity. This did not change our view that equities are priced to outperform over the medium term; however, it clearly affected short-term fund performance.

For much of 2018, the US was excluded from global stockmarket volatility. This cost us some performance, as we preferred equities in Europe, Asia and emerging markets, where valuations appeared more attractive. However, US equities also eventually experienced sharp price declines in October and December due to investors' concerns that economic growth is slowing.

Notably, US bond prices declined at the same time as stockmarkets in October. Traditionally, bonds and equities have an inverse relationship – however, our base case scenario since 2016 has been that this relationship will not always hold true. Recognising this has benefited the fund on several occasions.

Despite overall negative performance, we made several tactical decisions that contributed positively. This demonstrates the benefits a flexible investment strategy can provide compared to a purely valuation-based approach.

Investment activities

We adjusted our exposure to US government bonds in response to changing asset valuations throughout the review period, which proved to be one of our most effective diversifiers. We added short-term tactical positions in two-year US government bonds in May and October and inflation-linked bonds in January to protect against potential market shocks, which all proved profitable. In March 2019, we added 30-year bonds to the portfolio with similar intentions.

We also added Italian government bonds last June, after investors grew concerned over the formation of a Eurosceptic government and its subsequent budget disagreements with the European Union. We felt the market's response was inconsistent with events, for example, in its delayed response to the Italian election result. We held this position until March 2019, with the bonds having paid an attractive level of interest during that time.

We were active in scaling the overall allocation to equities during the review period. This was designed to both capitalise on opportunities and protect the portfolio at various points in time. In particular, we reduced equities during a bout of emerging market volatility in August, which helped us to keep the fund below its intended monthly loss threshold. We then increased equity exposure at the end of 2018, which helped us to benefit from subsequent stockmarket rallies in the first quarter of 2019. However, equities still delivered a negative return over the review period.

Outlook

The consensus view in early 2018 was one of 'synchronised global economic growth'. In April 2019, the International Monetary Fund announced that we were now facing a 'synchronised slowdown' – a view that markets have arguably expressed for some time. Indeed, today it is easier to articulate risks to the global economy stemming from China, trade wars, rising interest rates and problems in Europe than positive factors. However, the realisation that consensus views are repeatedly and profoundly surprised is the reason our investment strategy seeks to avoid forecasting and look to exploit market overconfidence in either direction.

Global equity valuations are now at similarly attractive levels to the first quarter of 2016 – the last time such pessimism over global growth was evident. Stockmarkets subsequently provided strong returns over the following two years. We believe today's compelling valuations for equities, as well as selected emerging market assets, should allow us to construct a portfolio that delivers higher prospective returns over the medium term.

M&G (Lux) Global Target Return Fund

Investment review

Outlook (continued)

Core to our approach is a belief that market volatility should be viewed as a source of opportunity provided by fluctuating markets, rather than something to fear. The combination of attractive valuation opportunities and ongoing market volatility should therefore make for an encouraging environment for our investment approach.

Tristan Hanson

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Target Return Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					16,324	15.85
Telecommunications Service Providers						
NetLink NBN Trust	1,215,300	SG\$			665	0.65
Banks					4,342	4.22
Banco Bilbao Vizcaya Argentaria	19,711	€			100	0.10
Banco BPM	126,149	€			233	0.23
Bank of America	16,665	US\$			406	0.39
Bankia	141,198	€			327	0.32
CaixaBank	28,082	€			78	0.08
Citigroup	7,154	US\$			395	0.38
Commerzbank	12,212	€			85	0.08
Erste Group Bank	3,060	€			99	0.10
ING Groep	9,744	€			105	0.10
Intesa Sanpaolo	241,363	€			525	0.51
JPMorgan Chase	4,430	US\$			397	0.39
Lloyds Banking Group	646,691	£			469	0.46
Société Générale	2,971	€			77	0.07
Standard Chartered	15,685	£			108	0.10
UniCredit	42,941	€			488	0.47
Wells Fargo	10,288	US\$			450	0.44
Finance & Credit Services						
American Express	4,545	US\$			442	0.43
Investment Banking & Brokerage Services					7,770	7.54
BioPharma Credit Fund	614,096	US\$			577	0.56
iShares MSCI Emerging Markets Investable Market Index	41,483	US\$			1,041	1.01
iShares MSCI Turkey ETF	45,046	£			603	0.59
M&G (Lux) Global Corporate Bond Fund Euro Class 'C-H' (Accumulation) ^[a]	191,702	€			2,281	2.21
M&G Japan Fund GBP Class 'A' (Accumulation) ^[b]	1,915,293	£			1,163	1.13
SPDR® Barclays 10+ Year U.S. Corporate Bond UCITS ETF	74,396	US\$			2,105	2.04
Mortgage Real Estate Investment Trusts						
Unibail-Rodamco-Westfield	3,203	€			469	0.45
Industrial Metals & Mining					1,087	1.05
Anglo American	11,332	£			269	0.26
BHP Group	12,785	£			276	0.27
Glencore	71,933	£			267	0.26
Rio Tinto	5,293	£			275	0.26
Renewable Energy					1,532	1.49
Greencoat Renewables	647,920	€			690	0.67
Greencoat UK Wind	524,013	£			842	0.82
Equity derivatives					17	0.02
Equity index futures					13	0.01
IBEX 35 Index Futures	6	€	18.04.2019	552	4	0.00
Hang Seng China Enterprises Index Futures	49	HK\$	29.04.2019	3,161	34	0.03
MSCI Singapore Index Futures	44	SG\$	29.04.2019	1,040	2	0.00
Korean Stock Exchange Futures	40	KRW	13.06.2019	2,175	8	0.01
Topix Index Futures	25	¥	13.06.2019	3,200	(32)	(0.03)
DJ Euro Stoxx 50 Futures	225	€	21.06.2019	1,006	(3)	0.00
Equity options						
DJ Euro Stoxx 50 Call € 3,700.00	362	€	21.06.2019	3	4	0.01
FIXED INCOME					12,112	11.76
Debt securities					14,166	13.75
'AAA' credit rated bonds						
US Treasury Bond 3%	5,750,000	US\$	15.02.2049		5,290	5.14
'AA' credit rated bonds						
Paragon Mortgages NO 24 FRN	200,000	£	15.07.2043		237	0.23
'BBB' credit rated bonds					3,558	3.45
Indonesia (Republic of) 8.25%	32,387,000,000	IDR	15.05.2036		2,066	2.00
Mexico (United Mexican States) 8%	24,000,000	MXN	07.11.2047		1,051	1.02
Newday Partnership Funding FRN	227,000	£	15.06.2024		266	0.26
Newday Partnership Funding FRN	150,000	£	15.04.2025		175	0.17
'BB' credit rated bonds					3,091	3.00
Brazil (Federal Republic of) 10%	4,517,000	BRL	01.01.2023		1,100	1.07
South Africa (Republic of) 8.5%	36,179,000	ZAR	31.01.2037		1,991	1.93

M&G (Lux) Global Target Return Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds						
Argentina (Republic of) 5%	1,194,000	€	15.01.2027		1,990	1.93
Argentina (Republic of) 7.82%	1,264,639	€	31.12.2033		891	0.86
					1,099	1.07
Debt derivatives						
Credit default swaps						
Brazil (Federative Republic of) Dec 2023	5,850,000	US\$			(2,054)	(1.99)
Chile (Republic of) Dec 2023	9,060,000	US\$			(1,200)	(1.16)
China (People's Republic of) Dec 2023	11,150,000	US\$			150	0.15
Korea (People's Republic of) Dec 2023	11,031,000	US\$			(218)	(0.21)
Markit CDX North American High Yield Series 31 5 Year Dec 2023	5,341,000	US\$			(268)	(0.26)
Philippines (Republic of) Dec 2023	13,474,000	US\$			(310)	(0.30)
					(307)	(0.30)
					(247)	(0.24)
Interest rate swaps						
Pay 1% Receive Var. Dec 2046	68,420,250	¥			(397)	(0.39)
Pay 1.54% Receive Var. Jan 2047	97,500	£			(43)	(0.04)
Pay 1.449% Receive Var. May 2047	255,000	£			(6)	(0.01)
Pay 1.383% Receive Var. Jun 2047	472,000	£			(8)	(0.01)
Pay 1.464% Receive Var. Aug 2047	165,000	£			(6)	(0.01)
Pay 0.8775% Receive Var. Aug 2047	25,500,000	¥			(4)	0.00
Pay 1.424% Receive Var. Dec 2047	700,000	£			(21)	(0.02)
Pay 1.747% Receive Var. Feb 2048	560,000	£			(18)	(0.02)
Pay 0.85% Receive Var. Feb 2048	51,000,000	¥			(67)	(0.07)
Pay 1.63% Receive Var. Mar 2048	280,600	£			(37)	(0.04)
Pay 0.814% Receive Var. May 2048	111,700,000	¥			(24)	(0.02)
Pay 1.713% Receive Var. May 2048	581,000	£			(73)	(0.07)
Pay 1.5955% Receive Var. Jul 2048	331,000	£			(65)	(0.06)
					(25)	(0.02)
Interest rate futures						
Deutscher Bobl 5 year Futures	(74)	€	06.06.2019	9,845	(457)	(0.44)
Deutscher Bund 10 year Futures	(50)	€	06.06.2019	8,307	(74)	(0.07)
Deutscher Buxl 30 year Futures	(17)	€	06.06.2019	3,258	(158)	(0.15)
Japan 10 year Bond Futures	(3)	¥	13.06.2019	3,697	(155)	(0.15)
UK Treasury Notes Futures	(21)	£	26.06.2019	3,164	(13)	(0.01)
					(57)	(0.06)
CURRENCY						
Forward currency contracts						
Bought for € 773,438.72, Sold for AU\$ 1,233,355.62			17.05.2019		66	0.06
Bought for € 1,040,145.02, Sold for CHF 1,178,921.06			17.05.2019		(3)	0.00
Bought for € 4,480,504.45, Sold for £ 3,903,293.18			17.05.2019		(15)	(0.02)
Bought for € 1,387,034.16, Sold for S\$ 2,136,424.30			17.05.2019		(67)	(0.07)
Bought for € 17,515,350.47, Sold for US\$ 19,946,913.99			17.05.2019		(13)	(0.01)
Bought for £ 683,117.61, Sold for € 797,012.72			17.05.2019		(179)	(0.17)
Bought for ¥ 25,581,018.00, Sold for € 203,657.72			17.05.2019		(1)	0.00
Bought for MYR 3,619,750.00, Sold for US\$ 889,592.04			17.05.2019		2	0.00
Bought for RUB 159,623,738.81, Sold for US\$ 2,363,483.08			17.05.2019		(3)	0.00
Bought for TRY 8,817,196.51, Sold for € 1,388,698.68			17.05.2019		73	0.07
Bought for US\$ 1,300,371.01, Sold for BRL 4,860,786.84			17.05.2019		(65)	(0.06)
Bought for US\$ 4,049,887.10, Sold for € 3,548,393.43			17.05.2019		45	0.04
Bought for US\$ 1,271,205.62, Sold for KRW 1,432,267,372.00			17.05.2019		44	0.04
Bought for US\$ 886,368.11, Sold for MYR 3,619,750.10			17.05.2019		8	0.01
Bought for US\$ 907,848.79, Sold for THB 28,352,117.72			17.05.2019		0	0.00
Bought for US\$ 877,522.80, Sold for TW\$ 27,032,090.00			17.05.2019		12	0.01
Bought for CNY 12,598,274.00, Sold for US\$ 1,836,376.01			06.06.2019		(1)	0.00
Bought for US\$ 1,911,000.94, Sold for CNY 12,598,273.70			06.06.2019		34	0.03
Bought for HK\$ 13,330,785.22, Sold for US\$ 1,710,339.53			11.10.2019		32	0.03
Bought for US\$ 13,716,758.93, Sold for HK\$ 106,656,250.27			11.10.2019		(3)	0.00
Bought for MXN 26,582,902.41, Sold for € 1,048,759.32			15.11.2019		54	0.05
					112	0.11
Portfolio of investments					28,502	27.67
SHARE CLASS HEDGING						
Bought for CHF 47,403.52, Sold for € 41,754.51			10.04.2019		3	0.00
Bought for £ 24,869.16, Sold for € 28,898.10			10.04.2019		1	0.00
Bought for US\$ 292,409.74, Sold for € 257,973.44			10.04.2019		0	0.00
					2	0.00
Total portfolio					28,505	27.67
Net other assets/(liabilities)					74,497	72.33
NET ASSETS					103,002	100.00

M&G (Lux) Global Target Return Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					16,307	15.83
Debt securities					14,166	13.75
Unrealised gains on futures contracts					48	0.04
Unrealised gains on forward currency contracts					419	0.39
Unrealised gains on options contracts					4	0.01
Unrealised gains on swap contracts					150	0.15
Total Investment assets					31,094	30.17
Investment liabilities						
Unrealised losses on futures contracts					(492)	(0.47)
Unrealised losses on forward currency contracts					(350)	(0.33)
Unrealised losses on swap contracts					(1,747)	(1.70)
Total Investment liabilities					(2,589)	(2.50)
Total portfolio					28,505	27.67
Net other assets/(liabilities)					74,497	72.33
NET ASSETS					103,002	100.00

[a] Crossholding (see note 13).

[b] Related Party (see note 13).

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures			
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000
Barclays Bank London	254	2,605	0	0
Citigroup Global Markets Limited	1,128	44,172	0	870
Goldman Sachs International	328	204	0	360
HSBC Bank Plc	0	5,412	0	0
JP Morgan Chase	0	14,537	0	0
Merrill Lynch Pierce Fenner + Smith Inc	0	0	39,405	0
National Australia Bank Ltd	0	773	0	0
State Street Bank and Trust Company	0	329	0	0
State Street Bank London	0	12,263	0	0
UBS AG London	188	838	0	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Global Target Return 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	-4.3	n/a	n/a	-0.7 ^[c]
Class 'B'	-4.8	n/a	n/a	-1.2 ^[c]
Class 'C'	-3.6	n/a	n/a	+0.0 ^[c]
Class 'CI'	-3.6	n/a	n/a	+0.1 ^[c]
Sterling ^[b]				
Class 'C-H'	-2.5	n/a	n/a	+1.0 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-4.7	n/a	n/a	+1.1 ^[c]
Class 'C-H'	-3.9	n/a	n/a	-0.4 ^[c]
US dollar ^[b]				
Class 'A-H'	-1.4	n/a	n/a	+1.8 ^[c]
Class 'C-H'	-0.7	n/a	n/a	+2.6 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 21 December 2016, the launch date of the fund.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	9.8319	10.2770	10.0849
Class 'B' Accumulation	9.7248	10.2163	10.0709
Class 'C' Accumulation	10.0018	10.3762	10.1057
Class 'CI' Accumulation	10.0142	10.3847	10.1077
Sterling	£	£	£
Class 'C-H' Accumulation	10.2329	10.4957	10.1290
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.7445	10.2200	10.0691
Class 'C-H' Accumulation	9.9166	10.3186	10.0900
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	10.4198	10.5682	10.1394
Class 'C-H' Accumulation	10.5976	10.6705	10.1598
NAV at fund level	€'000	€'000	€'000
Net assets	103,002	100,030	33,712
Swing pricing adjustment (see note 12)	n/a	n/a	42
Swung net assets	103,002	100,030	33,754
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.49		
Class 'B' Accumulation	1.99		
Class 'C' Accumulation	0.74		
Class 'CI' Accumulation	0.70		
Sterling	%		
Class 'C-H' Accumulation	0.75		
Swiss franc	%		
Class 'A-H' Accumulation	1.52		
Class 'C-H' Accumulation	0.78		
US dollar	%		
Class 'A-H' Accumulation	1.51		
Class 'C-H' Accumulation	0.77		

M&G (Lux) Global Themes Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equities market over any rolling five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets.

The Fund uses an investment process that combines top-down and bottom-up analysis. The Investment Manager aims to identify themes arising from long-term structural shifts, changes or trends. Stocks are then selected on the basis of their quality, growth and valuation.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Global Themes Fund

Investment review

For the period from 19 March 2019 (launch date of the fund) to 31 March 2019

The M&G (Lux) Global Themes Fund was launched on 19 March 2019 and is managed by Alex Araujo who is also responsible for the M&G Global Themes Fund, a UK-authorised OEIC. The Luxembourg-authorised SICAV will apply the same investment strategy as the UK-authorised OEIC, which was launched on 17 November 2000 and which Alex has managed since 10 January 2019.

The investment process of the M&G (Lux) Global Themes Fund combines top-down and bottom-up analysis. Top-down thematic research allows us to identify drivers of long-term growth arising from structural trends, while avoiding the pitfalls of fleeting fads and speculative manias. Hopeful, but ultimately unprofitable pursuits, are not in the interests of shareholders.

We aim to capture the long-term opportunities provided by thematic tailwinds and do so in a disciplined manner. In other words, we will invest in themes grounded in reality that are more likely to deliver sustainable growth and thereby create value for shareholders over the long term. The fund focuses on four themes: demographics, environment, infrastructure and innovation.

The bottom-up aspect of the process focuses on companies that can benefit from these themes, carefully scrutinised by a process of fundamental research. This entails the detailed assessment of cash generation, long-term growth and valuation. Only the best ideas will make their way into the portfolio.

We aim to hold 40-60 stocks in a conviction-driven portfolio, while constructing a diversified fund which is spread across different geographies. The strategy has the flexibility to seek out the most attractive opportunities in the world.

The abrupt reversal in stockmarkets towards the end of 2018 caught many investors by surprise and the pickup in volatility led to increasing discomfort among those who identify themselves as risk averse. Many have since watched the markets rebound in 2019, while looking for a new direction. Volatility is not synonymous with risk, however, and it is our strong belief that short-term swings in sentiment can present excellent opportunities for long-term investors.

What has surprised us is not so much the return of volatility but the fact that the market downturn occurred at a time when little has changed on a fundamental basis. We see excellent opportunities across a variety of countries and sectors for companies with robust cashflows and solid growth prospects. Growth is available at attractive prices, and in many cases at bargain prices, which gives us great confidence for the fund's performance in the years ahead. We look forward to the future with optimism.

Alex Araujo
Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Global Themes Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					171,702	99.56
United Kingdom					11,499	6.67
AstraZeneca	29,236	£			2,323	1.35
London Stock Exchange Group	53,891	£			3,326	1.93
National Grid	161,749	£			1,814	1.05
Nomad Foods	36,402	US\$			755	0.44
Unilever	57,183	£			3,281	1.90
Austria						
Erste Group Bank	71,801	€			2,613	1.52
Belgium						
KBC Group	35,421	€			2,485	1.44
Denmark						
Ørsted	34,147	DKK			2,610	1.51
France						
Vinci	34,191	€			3,308	1.92
Germany					9,940	5.76
Henkel	24,616	€			2,532	1.47
Infineon Technologies	158,678	€			3,131	1.81
Siemens	39,661	€			4,277	2.48
Ireland					3,343	1.94
Kerry Group 'A'	15,007	€			1,646	0.96
Linde	9,647	€			1,697	0.98
Italy						
Enel	257,434	€			1,645	0.95
Netherlands (The)						
NXP Semiconductors	18,051	US\$			1,551	0.90
Spain					5,152	2.99
Ferrovial	148,457	€			3,496	2.03
Gas Natural	58,791	€			1,656	0.96
Sweden						
Epiroc 'A'	203,886	SEK			2,048	1.19
Switzerland					6,639	3.85
Garmin	39,159	US\$			3,352	1.94
Roche Holding	12,075	CHF			3,287	1.91
United States					75,727	43.91
Air Products & Chemicals	18,886	US\$			3,591	2.08
Alphabet 'C'	1,357	US\$			1,585	0.92
American Tower	9,296	US\$			1,812	1.05
American Water Works	16,858	US\$			1,759	1.02
Atmos Energy	16,236	US\$			1,664	0.96
Becton Dickinson	13,630	US\$			3,367	1.95
Bunge	39,566	US\$			2,066	1.20
Comcast 'A'	87,234	US\$			3,526	2.04
CoreSite Realty	24,992	US\$			2,678	1.55
Crown Castle International	20,924	US\$			2,662	1.54
CSX	45,138	US\$			3,360	1.95
Edison International	55,653	US\$			3,460	2.01
Equinix	3,625	US\$			1,631	0.95
First Republic Bank	59,270	US\$			5,962	3.46
Honeywell International	10,502	US\$			1,665	0.96
Johnson & Johnson	23,906	US\$			3,320	1.92
Microsoft	44,159	US\$			5,164	2.99
Motorola Solutions	24,368	US\$			3,391	1.97
NextEra Energy	16,877	US\$			3,239	1.88
ONEOK	61,790	US\$			4,287	2.49
PepsiCo	28,528	US\$			3,476	2.02
Republic Services	41,482	US\$			3,343	1.94
ResMed	12,256	US\$			1,259	0.73
Visa 'A'	10,691	US\$			1,653	0.96
Walt Disney	30,241	US\$			3,348	1.94
Yum! Brands	24,802	US\$			2,459	1.43
Canada					13,423	7.78
Franco-Nevada	55,950	CA\$			4,199	2.43
PrairieSky Royalty	380,058	CA\$			5,187	3.01
TransCanada	90,074	US\$			4,037	2.34

M&G (Lux) Global Themes Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Japan					9,717	5.63
Shimano	29,500	¥			4,794	2.78
Toyota Motor	84,000	¥			4,923	2.85
Australia						
Transurban Group	358,887	AU\$			3,360	1.95
China						
TravelSky Technology	372,000	HK\$			982	0.57
Hong Kong					7,227	4.19
AIA Group	517,400	HK\$			5,148	2.98
Hutchison China MedTech ADR	68,711	US\$			2,079	1.21
Singapore						
DBS Group Holdings	218,200	SG\$			4,060	2.35
South Korea						
Samsung Electronics	111,245	KRW			4,373	2.54
Portfolio of investments					171,702	99.56
Total portfolio					171,702	99.56
Net other assets/(liabilities)					757	0.44
NET ASSETS					172,459	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					171,702	99.56
Total Investment assets					171,702	99.56
Total portfolio					171,702	99.56
Net other assets/(liabilities)					757	0.44
NET ASSETS					172,459	100.00

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

M&G (Lux) Global Themes Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares.

There will be no distribution payable in respect of this financial period, as the fund only recently launched on 19 March 2019.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 19 March 2019 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	10.0920	n/a	n/a
Class 'A' Distribution	10.0925	n/a	n/a
Class 'C' Accumulation	10.0957	n/a	n/a
Class 'C' Distribution	10.0965	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	172,459	n/a	n/a
Swing pricing adjustment (see note 12)	229	n/a	n/a
Swung net assets	172,688	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.97 [a]		
Class 'A' Distribution	1.97 [a]		
Class 'C' Accumulation	0.97 [a]		
Class 'C' Distribution	0.97 [a]		

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Income Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to generate a growing level of income over any three-year period through investment in a range of global assets. The Fund also aims to provide capital growth of 2-4% p.a. over any three-year period.

Investment policy

The Fund has a highly flexible investment approach with the freedom to invest in different types of assets issued anywhere in the world and denominated in any currency.

The Fund will typically invest in income-generating assets from the following asset classes: fixed income securities, equities, cash and deposits. The Fund can also invest in currencies, near cash and warrants. The Investment Manager will normally seek to hold more than 70% of the Fund's Net Asset Value in euro denominated assets or in other currencies hedged back to euro.

The Fund's exposure to these assets will mostly be gained directly. The Fund may also invest indirectly through other collective investment schemes, and via derivatives. Derivatives can be used to meet the Fund's investment objective, for hedging purposes and for efficient portfolio management. The Fund may take synthetic short positions (holding derivative instruments with the aim of delivering a positive return when the assets they are linked to fall in value) in markets, currencies, securities, indices and other groups of securities.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund will normally invest within the following net allocation ranges: 40-80% in fixed income, 10-50% in equities and 0-20% in other assets.

Fixed income instruments that the Fund may invest in include the following:

- bonds issued or guaranteed by companies, governments, local authorities, government agencies or certain public international bodies;
- bonds from issuers located in emerging markets;
- bonds which are rated investment grade by a recognised rating agency;
- unrated bonds and bonds which are rated sub-investment grade, subject to a maximum of 40% of the Fund's Net Asset Value
- Asset-Backed Securities, subject to a maximum of 10% of the Fund's Net Asset Value
- derivatives whose value is derived from bonds, interest rates or credit risk

Equity instruments that the Fund may invest in include (a) direct company shares and (b) derivatives whose value is derived from company shares.

Other assets, for this purpose, include Convertible Bonds and Contingent Convertible Debt Securities. Contingent Convertible Debt Securities are subject to a maximum of 5% of the Fund's Net Asset Value.

Derivative instruments can be used to meet the Fund's investment objective, for hedging purposes, and for efficient portfolio management. The derivative instruments that the Fund can invest in to achieve its objectives include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

M&G (Lux) Income Allocation Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (the start of the review period) and 31 March 2019, the M&G (Lux) Income Allocation Fund delivered a negative total return (the combination of capital growth and income) across most share classes, with gains from the allocation to government bonds outweighed by declines in the value of certain equities (company shares). The effect of hedging much of the fund's exposure to the US dollar and Japanese yen into euros also weighed on performance as the both currencies strengthened significantly. The exception was the Singapore share class hedged into US dollars.

Over the 12-month period, the fund distributed income of 0.3481 cents per euro class 'A' (Distribution) share, representing a yield of 3.8%.

Since its launch in January 2018, the fund has generated income but has not met its capital growth target of 2-4% per annum, albeit with the potential to deliver on its three-year investment objective.

Performance review

During the period under review, the volatility of global stockmarkets increased markedly. Share prices rose steadily during the first half of the period, but slumped in the fourth quarter of 2018 as investor sentiment deteriorated in the face of higher US interest rates, slower global growth, trade tensions and, later, political uncertainty in the US. At the beginning of 2019, stockmarkets rallied on the likelihood that interest rates will not rise further this year in either the US or Europe, as well as signs of progress in trade talks between the US and China.

Throughout the period, we maintained a belief that equities were more attractively valued than most mainstream government bonds, so the fund was positioned to be broadly pro-growth and pro-risk. While this stance was successful when investor's appetite for risk was high, as in April and July of 2018 and January and February of 2019, it was more challenging when pessimism and risk aversion built up in the last quarter of 2018.

The main drag on performance over the period was the allocation to equities, particularly during the final quarter of 2018. By contrast, government bonds added value and provided useful diversification.

Among equities, the largest detractor was our holdings of European financials, which were hit by the slowdown in the European economy and worries about the effect of lower bond yields on earnings. Our Japanese holdings also suffered. We remain positive about both European financials and Japanese banks, on the view that they are very attractively valued, particularly as their earnings are expected to grow.

South African equities also detracted modestly, but the exposure to US shares added value, especially the allocation to technology and biotechnology. Holdings of UK, South Korean and Taiwanese equities also contributed modestly.

Within fixed income, our holdings of US government bonds added substantial value, rising in price as investors became concerned about the possibility of a recession. Government bonds from emerging markets also helped, particularly those from Brazil and Colombia, as did our corporate bonds.

Investment activity

Periods of volatility were used to adjust the fund's positions in equities. For instance, in May 2018, we reduced the fund's baskets of UK equities and US banks following a period of strong performance. Conversely, following sharp sell-offs in October 2018, we added to the fund's positions in European banks and Japanese equities. Overall, the allocation to equities declined modestly over the 12-month review period, although it remained towards the top end of our target range. While exposure to the US and UK was scaled back, the weighting in European and Japanese equities was increased.

The fund's holdings of government bonds were increased; higher yields encouraged us to buy significant amounts of US Treasuries and Italian BTPs. Meanwhile, the weighting in corporate bonds was reduced after a period of good performance. We remain cautious on most other mainstream government bonds in the belief that these assets are overvalued and vulnerable to price falls in the event of better economic data. The fund has no exposure to government bonds from Japan, the UK or Germany.

We retain significant exposure to European and US bank shares, as well as Japanese equities in general, with the potential risk offset by meaningful holdings of longer-dated US Treasuries for diversification purposes. The price of these bonds would be expected to increase if weaker US economic growth is evident. They are also held as they offer a relatively attractive yield.

Outlook

The main driver of investor gloom in 2018 was the prospect of rising US interest rates, tied in with fears about US-China trade wars and anxieties attached to mixed fortunes of Turkey, Italy and others. So far in 2019 this pressure has eased, and risk appetite has increased, as the US Federal Reserve adopts a more dovish monetary policy. Importantly, equity valuations became very depressed at the end of 2018 and so it has not taken much good news to push up equities and the demand for risk assets more generally. This is why we continue to have a pro-risk view of investment opportunities in what remains a pro-growth global economy, notwithstanding some slow softening of data.

Steven Andrew Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					598,574	48.15
Software & Computer Services					21,044	1.69
Mastercard 'A'	11,507	US\$			2,406	0.19
Microsoft	179,000	US\$			18,638	1.50
Technology Hardware & Equipment						
Apple	89,633	US\$			15,061	1.21
Telecommunications Service Providers					20,191	1.62
CenturyLink	498,600	US\$			5,357	0.43
Consolidated Communications Holdings	334,700	US\$			3,244	0.26
SK Telecom	58,805	KRW			11,590	0.93
Medical Equipment & Services						
Meridian Bioscience	612,400	US\$			9,486	0.76
Pharmaceuticals & Biotechnology					17,670	1.42
GlaxoSmithKline	542,378	£			10,042	0.81
Pfizer	202,600	US\$			7,628	0.61
Banks					247,390	19.90
Banco Bilbao Vizcaya Argentaria	2,518,650	€			12,815	1.03
Banco de Sabadell	11,749,552	€			10,328	0.83
Banco Santander	3,234,201	€			13,398	1.08
Bank of America	216,674	US\$			5,276	0.42
Bank of Ireland Group	956,191	€			5,094	0.41
Bank of Montreal	184,472	CA\$			12,316	0.99
Bank of Nova Scotia	170,711	CA\$			8,077	0.65
Bankinter	1,598,463	€			10,828	0.87
BNP Paribas	224,892	€			9,597	0.77
Chiba Bank	1,562,300	¥			7,556	0.61
Citigroup	104,065	US\$			5,743	0.46
Commonwealth Bank of Australia	94,509	AU\$			4,217	0.34
Fifth Third Bancorp	160,423	US\$			3,630	0.29
HSBC Holdings	1,025,806	£			7,436	0.60
ING Groep	1,280,661	€			13,786	1.11
Intesa Sanpaolo	5,699,956	€			12,406	1.00
JPMorgan Chase	76,525	US\$			6,862	0.55
KBC Group	181,177	€			11,318	0.91
KeyCorp	309,600	US\$			4,329	0.35
M&T Bank	38,757	US\$			5,432	0.44
Mediobanca Banca di Credito Finanziario	1,853,607	€			17,081	1.37
Mitsubishi UFJ Financial Group	1,195,900	¥			5,289	0.43
Mizuho Financial Group	5,988,000	¥			8,247	0.66
PNC Financial Services Group	54,818	US\$			5,996	0.48
Resona Holdings	2,147,000	¥			8,283	0.67
Sumitomo Mitsui Financial Group	277,000	¥			8,637	0.69
Sumitomo Mitsui Trust Holdings	181,300	¥			5,794	0.47
SunTrust Banks	102,076	US\$			5,363	0.43
US Bancorp	141,368	US\$			6,048	0.49
Wells Fargo	142,040	US\$			6,208	0.50
Finance & Credit Services						
American Express	94,362	US\$			9,172	0.74
Investment Banking & Brokerage Services					43,415	3.49
Banca Mediolanum	2,190,415	€			13,865	1.12
IG Group Holdings	333,511	£			2,017	0.16
Natixis	2,500,100	€			11,963	0.96
Nomura Holdings	2,136,900	¥			6,880	0.55
ORIX	679,500	¥			8,683	0.70
Pendal Group	1,109	AU\$			7	0.00
Mortgage Real Estate Investment Trusts					22,851	1.84
Advance Residence Investment	2,322	¥			5,764	0.47
British Land	927,708	£			6,374	0.51
Japan Retail Fund Investment	3,483	¥			6,248	0.50
Stockland	1,831,417	AU\$			4,465	0.36
Life Insurance						
Legal & General Group	1,346,885	£			4,341	0.35
Non-life Insurance					17,641	1.42
Fairfax Financial Holdings	13,636	CA\$			5,453	0.44
Muenchener Rueckversicherungs-Gesellschaft in Muenchen	57,735	€			12,188	0.98

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
Automobiles & Parts					43,886	3.53
Daimler	199,135	€			10,334	0.83
Ford Motor	983,900	US\$			7,688	0.62
Honda Motor	452,700	¥			10,899	0.88
Kia Motors	195,105	KRW			5,406	0.43
Nissan Motor	1,309,500	¥			9,559	0.77
Household Goods & Home Construction					11,082	0.89
Coway	84,576	KRW			6,266	0.50
Panasonic	627,700	¥			4,816	0.39
Personal Goods						
LVMH Moët Hennessy Louis Vuitton	33,580	€			11,020	0.89
Media						
Shaw Communications	268,179	CA\$			4,964	0.40
Retailers					8,068	0.65
Inditex	208,915	€			5,498	0.44
Truworths International	607,626	ZAR			2,570	0.21
Travel & Leisure					5,298	0.43
Greene King	249,728	£			1,932	0.16
Kangwon Land	134,001	KRW			3,366	0.27
Aerospace & Defense						
BAE Systems	479,795	£			2,672	0.21
Electronic & Electrical Equipment					13,655	1.10
Hitachi	403,400	¥			11,620	0.94
Hon Hai Precision Industry	957,600	TW\$			2,035	0.16
Industrial Engineering						
Sembcorp Marine	327,800	SG\$			348	0.03
Industrial Support Services					32,862	2.64
ITOCHU	859,900	¥			13,850	1.11
Mitsubishi	449,000	¥			11,103	0.89
Sumitomo	642,400	¥			7,909	0.64
Industrial Transportation					25,317	2.04
East Japan Railway	135,700	¥			11,653	0.94
West Japan Railway	203,900	¥			13,664	1.10
Chemicals						
BASF	74,946	€			4,941	0.40
Gas, Water & Multi-utilities						
Korea Electric Power	264,063	KRW			6,199	0.50
FIXED INCOME					614,060	49.40
Bond portfolios					27,259	2.19
M&G (Lux) Emerging Markets Hard Currency Bond Fund USD Class 'C' (Distribution) ^(a)	2,063,722	US\$			18,112	1.46
SPDR® Barclays 10+ Year US Corporate Bond ETF	323,324	US\$			9,147	0.73
Debt securities					587,094	47.23
'AAA' credit rated bonds					272,814	21.95
US Treasury Note 2.75%	50,093,200	US\$	15.02.2028		45,852	3.69
US Treasury Note 2.75%	189,018,200	US\$	15.08.2042		167,388	13.47
US Treasury Note 3%	64,803,600	US\$	15.02.2048		59,574	4.79
'A' credit rated bonds					71,521	5.75
Chile (Republic of) 5.5%	11,937,000,000	CLP	05.08.2020		16,057	1.29
Peru (Republic of) 6.95%	21,942,000	PEN	12.08.2031		6,635	0.53
Poland (Republic of) 5.75%	82,859,000	PLN	23.09.2022		21,717	1.75
Spain (Kingdom of) 5.15%	16,862,000	€	31.10.2044		27,112	2.18
'BBB' credit rated bonds					144,909	11.66
Admiral Group 5.5%	3,201,000	£	25.07.2024		3,965	0.32
BUPA Finance 5%	3,016,000	£	25.04.2023		3,811	0.31
Colombia (Republic of) 10%	54,906,300,000	COP	24.07.2024		18,331	1.47
Ford Motor 7.125%	840,000	US\$	15.11.2025		846	0.07
innogy Finance 5.625%	1,131,000	£	06.12.2023		1,548	0.12
Italy (Republic of) 2.7%	71,487,000	€	01.03.2047		63,494	5.11
Italy (Republic of) 4.75%	6,657,000	€	01.09.2044		8,098	0.65
Marks & Spencer 4.75%	2,047,000	£	12.06.2025		2,583	0.21
Mexico (United Mexican States) 8.5%	820,620,300	MXN	18.11.2038		38,166	3.07
Norfolk Southern Railway 9.75%	252,000	US\$	15.06.2020		243	0.02

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Thomson Reuters 5.85%	125,000	US\$	15.04.2040		124	0.01
Western Union 6.2%	344,000	US\$	17.11.2036		317	0.03
Zoetis 3.25%	3,760,000	US\$	01.02.2023		3,383	0.27
'BB' credit rated bonds					84,431	6.79
Barclays Bank FRN	1,189,000	£	29.11.2049		1,422	0.11
Brazil (Federal Republic of) 10%	145,802,000	BRL	01.01.2023		35,491	2.86
EI Group 6%	2,917,000	£	06.10.2023		3,642	0.29
HCA 4.75%	1,840,000	US\$	01.05.2023		1,720	0.14
Ladbroke's Group Finance 5.125%	1,740,000	£	08.09.2023		2,111	0.17
Qwest 6.875%	3,316,000	US\$	15.09.2033		2,936	0.24
South Africa (Republic of) 6.25%	756,554,617	ZAR	31.03.2036		33,553	2.70
Tesco 6.125%	218,000	£	24.02.2022		283	0.02
Virgin Media Secured Finance 4.875%	2,822,000	£	15.01.2027		3,273	0.26
'B' credit rated bonds					5,200	0.42
Sprint Capital 6.875%	2,917,000	US\$	15.11.2028		2,539	0.21
Ziggo Bond Finance 4.625%	2,583,000	€	15.01.2025		2,661	0.21
'CCC' credit rated bonds						
Altice Financial 9%	3,036,000	€	15.06.2023		3,178	0.26
'D' credit rated bonds						
Windstream Services 9%	3,281,000	US\$	30.06.2025		1,930	0.15
Bonds with no credit rating					3,111	0.25
John Lewis 6.125%	2,347,000	£	21.01.2025		3,047	0.24
TRU Taj 12%	131,000	US\$	15.08.2021		64	0.01
Debt derivatives					(293)	(0.02)
Interest rate swaps					(293)	(0.02)
Pay 1.515% Receive Var. Feb 2047	4,500,000	£			(223)	(0.02)
Pay 1.523% Receive Var. Jan 2048	200,000	£			(11)	0.00
Pay 1.641% Receive Var. Mar 2048	670,000	£			(59)	0.00
CURRENCY					(8,485)	(0.67)
Forward currency contracts					(8,485)	(0.67)
Bought for € 6,891,938.32, Sold for AU\$ 11,028,652.00			12.04.2019		(69)	(0.01)
Bought for € 25,597,434.83, Sold for £ 22,746,648.51			12.04.2019		(938)	(0.07)
Bought for € 132,916,618.28, Sold for ¥ 16,488,850,127.00			12.04.2019		343	0.03
Bought for € 19,562,977.46, Sold for PLN 84,255,905.00			12.04.2019		(3)	0.00
Bought for € 390,444,318.31, Sold for US\$ 447,873,516.01			12.04.2019		(8,014)	(0.64)
Bought for € 4,040,162.05, Sold for ZAR 64,184,196.00			12.04.2019		114	0.01
Bought for US\$ 5,789,416.40, Sold for € 5,069,155.33			12.04.2019		82	0.01
Portfolio of investments					1,204,149	96.88
SHARE CLASS HEDGING					61	0.00
Bought for CHF 656,878.17, Sold for € 578,604.58			10.04.2019		9	0.00
Bought for € 3,054.39, Sold for CHF 3,450.57			10.04.2019		0	0.00
Bought for € 1,066.33, Sold for SG\$ 1,631.42			10.04.2019		0	0.00
Bought for € 249,881.36, Sold for US\$ 281,783.99			10.04.2019		0	0.00
Bought for SG\$ 194,936.76, Sold for € 126,751.18			10.04.2019		0	0.00
Bought for US\$ 6,744,082.94, Sold for € 5,949,889.89			10.04.2019		52	0.00
Total portfolio					1,204,210	96.88
Net other assets/(liabilities)					38,890	3.12
NET ASSETS					1,243,100	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					598,574	48.15
Bond portfolios					27,259	2.19
Debt securities					587,094	47.23
Unrealised gains on forward currency contracts					600	0.05
Total Investment assets					1,213,527	97.62

M&G (Lux) Income Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY (continued)						
Investment liabilities						
Unrealised losses on forward currency contracts					(9,024)	(0.72)
Unrealised losses on swap contracts					(293)	(0.02)
Total Investment liabilities					(9,317)	(0.74)
Total portfolio					1,204,210	96.88
Net other assets/(liabilities)					38,890	3.12
NET ASSETS					1,243,100	100.00

[a] Crossholding (see note 13).

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures		
	Swaps €'000	Forward currency contracts €'000	Collateral held as cash €'000
Barclays Bank London	0	10,394	0
BNP Paribas	223	19,563	290
HSBC Bank Plc	10	10,932	0
JP Morgan Chase	0	39,680	0
Merrill Lynch Pierce Fenner + Smith Inc	0	123,690	1,958
State Street Bank and Trust Company	0	6,909	1,310
State Street Bank London	0	256,585	0
UBS AG London	59	123,679	1,320

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Income Allocation 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.

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 as at 31 March 2019

	One year 29.03.18 % ^[a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro ^[b]				
Class 'A'	-2.0	n/a	n/a	-4.1 ^[c]
Class 'A F2'	n/a	n/a	n/a	-1.9 ^[d]
Class 'A F3'	n/a	n/a	n/a	-2.0 ^[d]
Class 'A Q'	-2.0	n/a	n/a	-4.1 ^[c]
Class 'B'	-2.5	n/a	n/a	-4.6 ^[c]
Class 'B F2'	n/a	n/a	n/a	-2.4 ^[d]
Class 'B F3'	n/a	n/a	n/a	-2.4 ^[d]
Class 'B Q'	-2.5	n/a	n/a	-4.6 ^[c]
Class 'C'	-1.2	n/a	n/a	-3.3 ^[c]
Class 'CI'	-1.1	n/a	n/a	-3.2 ^[c]
Class 'C Q'	-1.2	n/a	n/a	-3.3 ^[c]
Class 'ZI'	n/a	n/a	n/a	-2.0 ^[e]
Singapore dollar ^[b]				
Class 'A-H'	+0.0	n/a	n/a	-2.2 ^[c]
Class 'C-H'	+0.9	n/a	n/a	-1.3 ^[c]
Swiss franc ^[b]				
Class 'A-H'	-2.4	n/a	n/a	-4.5 ^[c]
Class 'C-H'	n/a	n/a	n/a	-3.7 ^[c]
US dollar ^[b]				
Class 'A-H'	+0.9	n/a	n/a	-1.3 ^[c]
Class 'C-H'	+1.8	n/a	n/a	-0.4 ^[c]

^[a] Absolute basis.

^[b] Price to price with income reinvested.

^[c] 16 January 2018, the launch date of the fund.

^[d] 3 April 2018, the launch date of the share class. Not annualised.

^[e] 8 May 2018, the launch date of the share class. Not annualised.

Distribution details for holders of distribution shares

This fund pays both quarterly and monthly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.06.18	20.07.18	23.07.18	26.07.18
Second interim	01.07.18	30.09.18	19.10.18	22.10.18	25.10.18
Third Interim	01.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	01.04.18	30.04.18	18.05.18	22.05.18	25.05.18
Second interim	01.05.18	31.05.18	15.06.18	18.06.18	21.06.18
Third interim	01.06.18	30.06.18	20.07.18	23.07.18	26.07.18
Fourth interim	01.07.18	31.07.18	17.08.18	20.08.18	23.08.18
Fifth interim	01.08.18	31.08.18	21.09.18	24.09.18	27.09.18
Sixth interim	01.09.18	30.09.18	19.10.18	22.10.18	25.10.18
Seventh interim	01.10.18	31.10.18	16.11.18	19.11.18	22.11.18
Eighth interim	01.11.18	30.11.18	21.12.18	24.12.18	31.12.18
Ninth interim	01.12.18	31.12.18	18.01.19	21.01.19	24.01.19
Tenth interim	01.01.19	31.01.19	15.02.19	18.02.19	21.02.19
Eleventh interim	01.02.19	28.02.19	15.03.19	18.03.19	21.03.19
Final	01.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A Q'	Euro Class 'B Q'	Euro Class 'C Q'
to 31 March 2019	Euro €	Euro €	Euro €
First interim	0.0970	0.0967	0.0972
Second interim	0.0745	0.0742	0.0748
Third interim	0.0702	0.0698	0.0707
Final	0.1082	0.1080	0.1088

	Euro Class 'A'	Euro Class 'A F2'	Euro Class 'A F3'	Euro Class 'B F2'	Euro Class 'B F3'
to 31 March 2019	Euro €	Euro €	Euro €	Euro €	Euro €
First interim	0.0482	0.0169	0.0254	0.0169	0.0254
Second interim	0.0250	0.0167	0.0250	0.0167	0.0250
Third interim	0.0228	0.0164	0.0246	0.0164	0.0246
Fourth interim	0.0250	0.0167	0.0249	0.0166	0.0249
Fifth interim	0.0244	0.0163	0.0244	0.0163	0.0243
Sixth interim	0.0245	0.0164	0.0244	0.0163	0.0244
Seventh interim	0.0234	0.0157	0.0234	0.0156	0.0233
Eighth interim	0.0235	0.0157	0.0235	0.0157	0.0234
Ninth interim	0.0227	0.0152	0.0227	0.0152	0.0226
Tenth interim	0.0254	0.0158	0.0236	0.0158	0.0235
Eleventh interim	0.0256	0.0160	0.0238	0.0159	0.0237
Final	0.0576	0.0160	0.0238	0.0160	0.0237

	Euro Class 'C'	Euro Class 'ZI'	Singapore dollar Class 'A-H'	Singapore dollar Class 'C-H'
to 31 March 2019	Euro €	Euro €	SGD €	SGD €
First interim	0.0482	n/a	0.0473	0.0475
Second interim	0.0251	0.0257	0.0252	0.0253
Third interim	0.0228	0.0163	0.0229	0.0230
Fourth interim	0.0251	0.0257	0.0252	0.0253
Fifth interim	0.0246	0.0252	0.0247	0.0248
Sixth interim	0.0246	0.0253	0.0248	0.0249
Seventh interim	0.0236	0.0242	0.0238	0.0239
Eighth interim	0.0237	0.0244	0.0239	0.0241
Ninth interim	0.0229	0.0236	0.0231	0.0233
Tenth interim	0.0256	0.0264	0.0259	0.0261
Eleventh interim	0.0258	0.0266	0.0262	0.0264
Final	0.0581	0.0583	0.0591	0.0599

M&G (Lux) Income Allocation Fund

Financial highlights

Distribution details for holders of distribution shares (continued)

	US dollar Class 'A-H'	US dollar Class 'C-H'
to 31 March 2019	US €	US €
First interim	0.0472	0.0470
Second interim	0.0253	0.0254
Third interim	0.0231	0.0231
Fourth interim	0.0254	0.0254
Fifth interim	0.0249	0.0250
Sixth interim	0.0250	0.0251
Seventh interim	0.0240	0.0241
Eighth interim	0.0241	0.0242
Ninth interim	0.0234	0.0235
Tenth interim	0.0262	0.0264
Eleventh interim	0.0265	0.0267
Final	0.0606	0.0606

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	9.5077	9.7020	n/a
Class 'A' Distribution	9.1745	9.6766	n/a
Class 'A Q' Distribution	9.2490	9.7038	n/a
Class 'A F2' Distribution	9.6268	n/a	n/a
Class 'A F3' Distribution	9.5380	n/a	n/a
Class 'B' Accumulation	9.4522	9.6940	n/a
Class 'B Q' Distribution	9.1935	9.6938	n/a
Class 'B F2' Distribution	9.5796	n/a	n/a
Class 'B F3' Distribution	9.4913	n/a	n/a
Class 'C' Accumulation	9.6051	9.7185	n/a
Class 'C' Distribution	9.2685	9.6934	n/a
Class 'C Q' Distribution	9.3317	9.7204	n/a
Class 'CI' Accumulation	9.6129	9.7220	n/a
Class 'ZI' Distribution	9.5512	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	9.7418	9.7393	n/a
Class 'A-H' Distribution	9.3926	9.7141	n/a
Class 'C-H' Accumulation	9.8430	9.7558	n/a
Class 'C-H' Distribution	9.4901	9.7299	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.4661	9.6948	n/a
Class 'C-H' Accumulation	9.5622	9.7113	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	9.8478	9.7598	n/a
Class 'A-H' Distribution	9.5123	9.7341	n/a
Class 'C-H' Accumulation	9.9522	9.7747	n/a
Class 'C-H' Distribution	9.5928	9.7492	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	1,243,100	1,333,711	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	1,243,100	1,333,711	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.72
Class 'A' Distribution	1.72
Class 'A Q' Distribution	1.72
Class 'A F2' Distribution	1.72 [a]
Class 'A F3' Distribution	1.72 [a]
Class 'B' Accumulation	2.22
Class 'B Q' Distribution	2.22
Class 'B F2' Distribution	2.22 [a]
Class 'B F3' Distribution	2.22 [a]
Class 'C' Accumulation	0.87
Class 'C' Distribution	0.87
Class 'C Q' Distribution	0.87
Class 'CI' Accumulation	0.83
Class 'ZI' Distribution	0.19
Singapore dollar	%
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.89
Class 'C-H' Distribution	0.89
Swiss franc	%
Class 'A-H' Accumulation	1.74
Class 'C-H' Accumulation	0.89
US dollar	%
Class 'A-H' Accumulation	1.74
Class 'A-H' Distribution	1.74
Class 'C-H' Accumulation	0.89
Class 'C-H' Distribution	0.90

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Japan Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the Japanese equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies that are domiciled in, or conducting the major part of their economic activity in, Japan. The Fund usually holds fewer than 50 stocks.

The Investment Manager believes that market mis-pricings can and often do occur because psychological factors (i.e. behavioural biases) may prevent investors from always assessing investments rationally. As a result, market prices do not always reflect fundamental values.

The Investment Manager believes that it is possible to profit systematically from such behavioural biases that are prevalent in the Japanese equity market.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Japan Fund

Investment review

For the period from 26 October 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Japan Fund was launched in October 2018 and is run by the same manager, applying the same investment strategy, as the M&G Japan Fund, a UK-authorised OEIC that launched on 6 April 1971. The non-sterling share classes of the M&G Japan Fund merged into the SICAV on 26 October 2018.

We take a behavioural approach to asset management, exploiting price volatility caused by other investors' tendency to let emotions drive their investment decisions.

We use a disciplined and repeatable framework, aiming to exploit 'episodes'. We define 'episodes' as occasions when investors allow emotions to drive their investment decisions, so that a company's share price moves away from its underlying value over the short term. We conduct in-depth analysis (which includes meeting the management of potential investments) to find companies that are trading at a price which is below that justified by their medium to long-term earnings prospects.

Our portfolio only includes names in which we have conducted deep due diligence and subsequently gained high conviction in the nature of the 'episode'. This creates a clear link between the research we conduct and the subsequent portfolio construction.

The fund is a high-conviction portfolio of best ideas and usually holds fewer than 50 companies. As well as being driven by the magnitude and nature of the 'episode', weightings in the fund are adjusted for the liquidity of the stock and its diversification merits.

After the shock of the global financial crisis, corporate Japan has been quietly spending the past decade restructuring its still very inefficient businesses and improving corporate governance.

We have seen many policies implemented that address some of the long-term structural problems Japan has been facing.

Encouragingly, these are now bearing fruit: we see improved economic growth, increasing real wages (wages growing faster than inflation) and very low unemployment. Japanese consumers are finally abandoning their long-held deflationary mindset (the view that the prices of goods will continue to fall).

Japanese equity valuations are now looking very attractive, in our view. Furthermore, dividend payments have become more generous and share buybacks are continuing to increase. It is also worth noting that Japan has one of the most stable political environments, out of all the major economies.

Currently, we are able to identify many opportunities in areas of the market other investors have ignored because of their focus on growth stocks. Given the long-term earning potential of these 'unloved' companies and their attractive valuation, we believe that when they re-rate, they will generate good returns for the fund.

Johan du Preez
Fund manager

Investment review information as at 31 March 2019.
Employee of M&G 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.

M&G (Lux) Japan Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥000	Market value ¥000	% of net assets
EQUITIES					15,708,753	97.57
Chemicals					1,089,771	6.77
DIC	168,100	¥			543,804	3.38
JSR	317,700	¥			545,967	3.39
Building products						
LIXIL Group	297,100	¥			439,411	2.73
Construction & engineering						
Mazda Motor	530,300	¥			657,042	4.08
Machinery					1,542,435	9.58
Mitsubishi Heavy Industries	101,200	¥			464,913	2.89
Mitsui E&S Holdings	171,600	¥			178,979	1.11
Nikon	274,200	¥			427,752	2.66
Sumitomo Heavy Industries	100,200	¥			358,966	2.23
Tadano	106,500	¥			111,825	0.69
Commercial services & supplies						
Hitachi Zosen	1,464,200	¥			496,364	3.08
Road & rail						
Mitsui OSK Lines	206,300	¥			491,097	3.05
Auto components						
Bridgestone	164,000	¥			699,214	4.34
Automobiles						
Honda Motor	292,600	¥			876,118	5.44
Household durables						
Panasonic	550,800	¥			525,573	3.27
Textiles, apparel & luxury goods						
Onward Holdings	356,600	¥			208,254	1.29
Media						
Dentsu	60,000	¥			280,350	1.74
Specialty retail					1,442,394	8.96
Lawson	95,700	¥			586,641	3.64
Seiko Holdings	72,700	¥			191,637	1.19
Shimamura	42,100	¥			394,056	2.45
United Arrows	70,100	¥			270,060	1.68
Food products						
Ajinomoto	271,400	¥			479,971	2.98
Health care providers & services						
Miraca Holdings	229,100	¥			628,880	3.91
Banks					2,030,549	12.61
Mitsubishi UFJ Financial Group	1,606,600	¥			883,791	5.49
Sumitomo Mitsui Financial Group	192,900	¥			748,066	4.64
Sumitomo Mitsui Trust Holdings	100,300	¥			398,692	2.48
Capital markets						
Nomura Holdings	1,360,000	¥			544,612	3.38
Insurance						
T&D Holdings	288,500	¥			335,526	2.09
IT services						
NEC	190,900	¥			714,920	4.44
Technology hardware, storage & peripherals						
Ricoh	519,500	¥			600,542	3.73
Electronic equipment, instruments & components					991,376	6.16
Hitachi	200,200	¥			717,217	4.46
Mitsubishi Electric	192,900	¥			274,159	1.70
Real estate management & development					634,354	3.94
Leopalace21	934,400	¥			206,502	1.28
Nomura Real Estate Holdings	201,200	¥			427,852	2.66
Equity derivatives					(1,300)	(0.01)
Equity index futures						
Topix Index Futures	7	¥	13.06.2019	111,440	(1,300)	(0.01)
Portfolio of investments					15,707,453	97.56
SHARE CLASS HEDGING					(132)	0.00
Bought for ¥ 122,674.00, Sold for US\$ 1,107.35			10.04.2019		0	0.00

M&G (Lux) Japan Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥000	Market value ¥000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for € 43,918.59, Sold for ¥ 5,551,210.00			10.04.2019		(90)	0.00
Bought for CHF 44,254.23, Sold for ¥ 4,927,030.00			10.04.2019		(4)	0.00
Bought for US\$ 45,362.40, Sold for ¥ 5,058,513.00			10.04.2019		(38)	0.00
Total portfolio					15,707,321	97.56
Net other assets/(liabilities)					393,124	2.44
NET ASSETS					16,100,445	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					15,708,753	97.57
Total Investment assets					15,708,753	97.57
Investment liabilities						
Unrealised losses on futures contracts					(1,300)	(0.01)
Unrealised losses on forward currency contracts					(132)	0.00
Total Investment liabilities					(1,432)	(0.01)
Total portfolio					15,707,321	97.56
Net other assets/(liabilities)					393,124	2.44
NET ASSETS					16,100,445	100.00

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

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts ¥000	Futures ¥000
Merrill Lynch Pierce Fenner + Smith Inc	0	111,440
State Street Bank and Trust Company	15,659	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Japan Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Japan Fund which merged into the M&G (Lux) Japan Fund on 26 October 2018.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	16.6082	n/a	n/a
Class 'A-H' Accumulation	8.9763	n/a	n/a
Class 'C' Accumulation	18.7899	n/a	n/a
Class 'C-H' Accumulation	9.0029	n/a	n/a
Class 'CI' Accumulation	9.3868	n/a	n/a
Japanese yen	¥	¥	¥
Class 'A' Accumulation	901.7685	n/a	n/a
Class 'C' Accumulation	904.4223	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	8.9772	n/a	n/a
Class 'C-H' Accumulation	9.0036	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	11.1448	n/a	n/a
Class 'A-H' Accumulation	9.1022	n/a	n/a
Class 'C' Accumulation	11.4384	n/a	n/a
Class 'C-H' Accumulation	9.1280	n/a	n/a
Class 'CI' Accumulation	9.2420	n/a	n/a
NAV at fund level	¥'000	¥'000	¥'000
Net assets	16,100,445	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	16,100,445	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.73		
Class 'A-H' Accumulation	1.75		
Class 'C' Accumulation	0.98		
Class 'C-H' Accumulation	1.00		
Class 'CI' Accumulation	0.94		
Japanese yen	%		
Class 'A' Accumulation	1.73		
Class 'C' Accumulation	0.98		
Swiss franc	%		
Class 'A-H' Accumulation	1.75		
Class 'C-H' Accumulation	1.00		
US dollar	%		
Class 'A' Accumulation	1.73		
Class 'A-H' Accumulation	1.75		
Class 'C' Accumulation	0.98		
Class 'C-H' Accumulation	1.00		
Class 'CI' Accumulation	0.94		

M&G (Lux) Japan Smaller Companies Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the Japanese Smaller Companies equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of smaller companies that are domiciled in, or conducting the major part of their economic activity in Japan. The Fund usually holds fewer than 50 stocks.

Smaller companies are defined as the bottom third in terms of total market capitalisation of all publicly listed companies in Japan.

The Investment Manager believes that market mis-pricings can and often do occur because psychological factors (i.e. behavioural biases) may prevent investors from always assessing investments rationally. As a result, market prices do not always reflect fundamental values.

The Investment Manager believes that it is possible to profit systematically from such behavioural biases that are prevalent in the Japanese Smaller Companies equity market.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Japan Smaller Companies Fund

Investment review

For the period from 26 October 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Japan Smaller Companies Fund was launched in October 2018 and is run by the same manager, applying the same investment strategy, as the M&G Japan Smaller Companies Fund, a UK-authorised OEIC that launched on 15 May 1984. The non-sterling share classes of the M&G Japan Smaller Companies Fund merged into the SICAV on 26 October 2018.

We take a behavioural approach to asset management, exploiting price volatility caused by other investors' tendency to let emotions drive their investment decisions.

We use a disciplined and repeatable framework, aiming to exploit 'episodes'. We define 'episodes' as occasions when investors allow emotions to drive their investment decisions, so that a company's share price moves away from its underlying value over the short term. We conduct in-depth analysis (which includes meeting the management of potential investments) to find companies that are trading at a price which is below that justified by their medium to long-term earnings prospects.

Our portfolio only includes names in which we have conducted deep due diligence and subsequently gained high conviction in the nature of the 'episode'. This creates a clear link between the research we conduct and the subsequent portfolio construction.

The fund is a high-conviction portfolio of best ideas and usually holds shares in fewer than 50 smaller companies. Smaller companies are defined as those in the bottom third of listed companies as measured by market capitalisation. As well as being driven by the magnitude and nature of the 'episode', weightings in the fund are adjusted for the liquidity of the stock and its diversification merits.

After the shock of the global financial crisis, corporate Japan has been quietly spending the past decade restructuring its still very inefficient businesses and improving corporate governance.

We have seen many policies implemented that address some of the long-term structural problems Japan has been facing.

Encouragingly, these are now bearing fruit: we see improved economic growth, increasing real wages (wages growing faster than inflation) and very low unemployment. Japanese consumers are finally abandoning their long-held deflationary mindset (the view that the prices of goods will continue to fall).

Japanese equity valuations are now looking very attractive, in our view. Furthermore, dividend payments have become more generous and share buybacks are continuing to increase. It is also worth noting that Japan has one of the most stable political environments, out of all the major economies.

Currently, we are able to identify many opportunities in areas of the market other investors have ignored because of their focus on growth stocks. Given the long-term earning potential of these 'unloved' companies and their attractive valuation, we believe that when they re-rate, they will generate good returns for the fund.

Johan du Preez

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Japan Smaller Companies Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥000	Market value ¥000	% of net assets
EQUITIES					14,256,119	93.25
Technology Hardware & Equipment						
Wacom	665,300	¥			309,697	2.02
Telecommunications Equipment						
Denki Kogyo	101,500	¥			338,249	2.21
Health Care Providers						
Miraca Holdings	203,900	¥			559,706	3.66
Banks					415,532	2.72
Concordia Financial Group	231,600	¥			99,009	0.65
Tokyo Kiraboshi Financial Group	201,800	¥			316,523	2.07
Finance & Credit Services						
Credit Saison	397,400	¥			580,403	3.80
Investment Banking & Brokerage Services						
IBJ Leasing	134,100	¥			350,068	2.29
Real Estate Investment & Services						
Leopalace21	934,300	¥			206,480	1.35
Automobiles & Parts					1,505,157	9.84
Mazda Motor	535,000	¥			662,865	4.34
Riken	52,600	¥			265,104	1.73
Sumitomo Riko	621,300	¥			577,188	3.77
Consumer Services						
ESCRIT	18,400	¥			12,135	0.08
Household Goods & Home Construction					1,410,847	9.23
Iida Group Holdings	281,500	¥			563,704	3.69
Janome Sewing Machine	356,800	¥			169,658	1.11
Nikon	274,800	¥			428,688	2.80
Sanyo Housing Nagoya	268,100	¥			248,797	1.63
Leisure Goods						
Mars Group Holdings	32,500	¥			71,370	0.47
Personal Goods					435,300	2.85
Onward Holdings	605,000	¥			353,320	2.31
Seiko Holdings	31,100	¥			81,980	0.54
Media						
COOKPAD	314,800	¥			87,514	0.57
Retailers					1,986,856	13.00
Asahi	364,300	¥			558,107	3.65
Lawson	90,500	¥			554,765	3.63
United Arrows	106,500	¥			410,291	2.69
Yamatane	296,100	¥			463,693	3.03
Food Producers						
Megmilk Snow Brand	128,200	¥			345,050	2.26
Electronic & Electrical Equipment					933,649	6.11
Cosel	310,300	¥			360,879	2.36
Oki Electric Industry	438,400	¥			572,770	3.75
General Industrials					677,603	4.43
LIXIL Group	202,000	¥			298,758	1.95
Sankyo Tateyama	254,600	¥			378,845	2.48
Industrial Engineering					1,187,115	7.76
Ebara	84,100	¥			262,392	1.71
Hitachi Zosen	1,451,900	¥			492,194	3.22
Mitsui E&S Holdings	164,300	¥			171,365	1.12
Sumitomo Heavy Industries	72,900	¥			261,164	1.71
Industrial Support Services						
Relia	381,800	¥			367,864	2.41
Industrial Transportation					843,247	5.51
Hamakyoirex	93,500	¥			397,141	2.59
Mitsui OSK Lines	187,400	¥			446,106	2.92
Industrial Metals & Mining						
Dowa Holdings	160,600	¥			583,781	3.82
Chemicals					1,048,496	6.86
DIC	164,000	¥			530,540	3.47
JSR	301,400	¥			517,956	3.39

M&G (Lux) Japan Smaller Companies Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value ¥000	Market value ¥000	% of net assets
Equity derivatives					(473)	0.00
Equity index futures						
Topix Index Futures	3	¥	13.06.2019	47,760	(473)	0.00
Portfolio of investments					14,255,646	93.25
SHARE CLASS HEDGING					(136)	0.00
Bought for ¥ 224,380.00, Sold for € 1,802.94			10.04.2019		0	0.00
Bought for ¥ 199,135.00, Sold for CHF 1,796.45			10.04.2019		0	0.00
Bought for ¥ 200,533.00, Sold for US\$ 1,825.08			10.04.2019		(2)	0.00
Bought for € 44,991.36, Sold for ¥ 5,686,804.00			10.04.2019		(92)	0.00
Bought for CHF 45,356.87, Sold for ¥ 5,049,792.00			10.04.2019		(4)	0.00
Bought for US\$ 45,829.33, Sold for ¥ 5,110,582.00			10.04.2019		(38)	0.00
Total portfolio					14,255,510	93.25
Net other assets/(liabilities)					1,031,762	6.75
NET ASSETS					15,287,272	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					14,256,119	93.25
Total Investment assets					14,256,119	93.25
Investment liabilities						
Unrealised losses on futures contracts					(473)	0.00
Unrealised losses on forward currency contracts					(136)	0.00
Total Investment liabilities					(609)	0.00
Total portfolio					14,255,510	93.25
Net other assets/(liabilities)					1,031,762	6.75
NET ASSETS					15,287,272	100.00

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

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts ¥000	Futures ¥000
Merrill Lynch Pierce Fenner + Smith Inc	0	47,760
State Street Bank and Trust Company	16,471	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Japan Smaller Companies Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Japan Smaller Companies Fund which merged into the M&G (Lux) Japan Smaller Companies Fund on 26 October 2018.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	28.5157	n/a	n/a
Class 'A-H' Accumulation	9.0873	n/a	n/a
Class 'C' Accumulation	32.4262	n/a	n/a
Class 'C-H' Accumulation	9.1142	n/a	n/a
Class 'CI' Accumulation	9.5002	n/a	n/a
Japanese yen	¥	¥	¥
Class 'A' Accumulation	912.6270	n/a	n/a
Class 'C' Accumulation	915.3116	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.0890	n/a	n/a
Class 'C-H' Accumulation	9.1157	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	12.2897	n/a	n/a
Class 'A-H' Accumulation	9.2131	n/a	n/a
Class 'C' Accumulation	12.6129	n/a	n/a
Class 'C-H' Accumulation	9.2403	n/a	n/a
Class 'CI' Accumulation	9.3532	n/a	n/a
NAV at fund level	¥'000	¥'000	¥'000
Net assets	15,287,272	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	15,287,272	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.73		
Class 'A-H' Accumulation	1.75		
Class 'C' Accumulation	0.98		
Class 'C-H' Accumulation	1.00		
Class 'CI' Accumulation	0.94		
Japanese yen	%		
Class 'A' Accumulation	1.73		
Class 'C' Accumulation	0.98		
Swiss franc	%		
Class 'A-H' Accumulation	1.75		
Class 'C-H' Accumulation	1.00		
US dollar	%		
Class 'A' Accumulation	1.73		
Class 'A-H' Accumulation	1.75		
Class 'C' Accumulation	0.98		
Class 'C-H' Accumulation	1.00		
Class 'CI' Accumulation	0.94		

M&G (Lux) Multi Asset 2023 Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- to pay a fixed annual distribution of 2.5% based on the initial amount invested until maturity in December 2023; and
- to grow capital over the six-year term.

Investment policy

The Fund invests in open-ended investment funds where the Investment Manager is M&G Investment Management Limited to gain exposure to a range of assets. The open-ended investment funds can be invested in single asset class or in a range of asset classes, including equities, fixed income securities, property, convertibles, currencies and money market instruments from anywhere in the world.

In the period leading up to maturity, the Fund may hold high levels of cash and near cash.

The Fund will be established for a period of six years after the Initial Offer Period, during which time no further subscriptions will be allowed. Investors who remain invested until maturity will not be subject to any redemption charge, however investors who redeem prior to maturity will be subject to a regressive redemption charge.

M&G (Lux) Multi Asset 2023 Fund

Investment review

For the year ended 31 March 2019

Performance against objective

Between 31 March 2018 (start of the review period) and 31 March 2019, the M&G (Lux) Multi Asset 2023 Fund delivered a negative return.

This means the fund is currently underperforming its objective to generate capital growth over the fixed six-year term of the investment. The fund has an annual fixed distribution of 2.5% of the initial amount invested, which was paid in December 2018.

Performance review

The 12-month review period was notable for the volatility in global stockmarkets. Concerns about the health of the global economy and US-China trade wars dominated many analysts' market commentary, while regional events such as Italy's budget negotiations with the European Union and Turkey's controversial approach to central bank policymaking exacerbated negative sentiment.

Asset prices were also heavily influenced by US interest rates. This was arguably the main cause of correlated strength and weakness between equities (company shares) and bonds, which is significant, as equities and bonds have a historically inverse relationship. The M&G Multi Asset investment team's base case scenario since 2016 has been that this relationship is no longer certain. We have therefore positioned the fund assuming that bonds will not always protect against equity volatility.

The fund has diverse exposure to equities globally, with Asian, emerging market and European stockmarkets generally preferred due to their more attractive valuations. These positions negatively affected fund performance over the review period. In addition, the fund's relatively low exposure to US equities detracted from performance at times. However, it proved highly beneficial in October and December, when US markets experienced sharp declines.

In government bonds, the fund is positioned to reflect our view that German and Japanese bonds are unsustainably overvalued. We did not benefit from these positions over the past 12 months, as yields fell to negative levels – in other words, guaranteeing their investors losses if held until maturity. US government bonds, meanwhile, provided positive contributions.

Investment activities

Our investment approach is designed to actively respond to changing market conditions and asset prices. As such, we adjusted our exposure to equities and bonds dynamically throughout the review period, with a view to capitalising on attractive asset valuations and taking some of the profits when these positions provided excess returns.

Due to ongoing uncertainty, many stockmarkets and emerging market assets have not fully recovered to their previous levels. However, as per our strategy, we retain exposure to these assets based on our view that they should outperform other assets over

the medium term from today's starting valuations. In the short term, they would also benefit from any positive surprises in economic data or US-China trade negotiations.

One of our key changes over the review period was to significantly increase exposure to US government bonds. We also took advantage of excessive sell-offs and subsequent recoveries in government bonds in Italy, Brazil and Mexico by tactically adjusting our exposure to them.

Outlook

In early 2018, the International Monetary Fund praised the 'synchronised growth' of the global economy. In April 2019, it announced we are now facing a 'synchronised slowdown' – a view that markets have arguably expressed for some time. Our investment strategy is based on the realisation that consensus views are repeatedly and profoundly surprised. This is why we avoid forecasting and look to exploit market overconfidence in either direction.

While the global economy is slowing, we do not believe that current data signal a forthcoming recession. Global equity valuations are at similarly attractive levels to 2016 – the last time such pessimism over global growth was evident. Stockmarkets subsequently provided strong returns over the following two years. We believe today's compelling valuations for equities, as well as selected emerging market assets, therefore provide significant potential to deliver attractive returns over the medium term.

Craig Moran Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Multi Asset 2023 Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					105,138	68.96
Equity portfolios					105,138	68.96
M&G (Lux) Conservative Allocation Fund Euro Class 'C' (Accumulation) ^[a]	1,622,140	€			15,277	10.02
M&G (Lux) Dynamic Allocation Fund Euro Class 'C' (Accumulation) ^[a]	2,303,140	€			21,180	13.89
M&G (Lux) Episode Macro Fund Euro Class 'S-H' (Accumulation) ^[a]	1,662,650	€			21,140	13.86
M&G (Lux) Global Dividend Fund Euro Class 'C' (Distribution) ^[a]	919,844	€			9,220	6.05
M&G (Lux) Global Target Return Fund Euro Class 'CI' (Accumulation) ^[a]	1,529,720	€			15,287	10.03
M&G (Lux) Income Allocation Fund Euro Class 'C' (Distribution) ^[a]	2,496,470	€			23,034	15.11
FIXED INCOME					45,958	30.15
Bond portfolios					45,958	30.15
M&G (Lux) Absolute Return Bond Fund Euro Class 'C' (Distribution) ^[a]	592,110	€			5,844	3.83
M&G (Lux) Emerging Markets Bond Fund Euro Class 'C-H' (Distribution) ^[a]	913,195	€			9,240	6.06
M&G (Lux) Emerging Markets Hard Currency Bond Fund Euro Class 'C-H' (Distribution) ^[a]	1,002,343	€			9,342	6.13
M&G (Lux) Global Convertibles Fund Euro Class 'C-H' (Distribution) ^[a]	237,690	€			3,069	2.01
M&G (Lux) Global High Yield Bond Fund Euro Class 'C-H' (Distribution) ^[a]	257,803	€			3,119	2.05
M&G (Lux) Optimal Income Fund Euro Class 'C' (Distribution) ^[a]	1,559,164	€			15,344	10.07
Portfolio of investments					151,096	99.11
Total portfolio					151,096	99.11
Net other assets/(liabilities)					1,362	0.89
NET ASSETS					152,458	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity portfolios					105,138	68.96
Bond portfolios					45,958	30.15
Total Investment assets					151,096	99.11
Total portfolio					151,096	99.11
Net other assets/(liabilities)					1,362	0.89
NET ASSETS					152,458	100.00

^[a] Crossholding (see note 13).

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

M&G (Lux) Multi Asset 2023 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.

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 as at 31 March 2019

	One year 29.03.18 % [a]	Three years 31.03.16 % p.a.	Five years 31.03.14 % p.a.	Since launch % p.a.
Euro [b]				
Class 'P'	-2.3	n/a	n/a	-2.8 [c]

[a] Absolute basis.

[b] Price to price with income reinvested.

[c] 14 December 2017, the launch date of the fund.

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the year ended to 31 March 2019.

Annual distribution periods

	Start	End	Record date	Xd	Payment
Final	14.12.2017	13.12.18	13.12.18	14.12.18	19.12.18

Distributions

	Euro Class 'P'
to 31 March 2019	Euro €
Final	0.2500

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the year ended to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'P' Accumulation	9.6359	9.8670	n/a
Class 'P' Distribution	9.3782	9.8670	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	152,458	168,778	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	152,458	168,778	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'P' Accumulation	1.62		
Class 'P' Distribution	1.62		

M&G (Lux) North American Dividend Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- To deliver a higher total return (the combination of capital growth and income) than that of the US equity market over any five-year period and;
- To deliver an income stream that increases every year in US Dollar terms.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in, the US and Canada. The Fund usually holds fewer than 50 stocks.

The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) North American Dividend Fund

Investment review

For the period from 9 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) North American Dividend Fund was launched in November 2018 and is run by the same manager, applying the same investment strategy, as the M&G North American Dividend Fund, a UK-domiciled OEIC. Following shareholder approval, the non-sterling share classes of the M&G North American Dividend Fund merged into the M&G (Lux) North American Dividend Fund on 9 November 2018.

The fund invests in companies with potential for long-term dividend growth, based on empirical evidence that shares of companies with long track records of dividend growth outperform the US market over time.

Since the fund's launch, we have seen higher dividends from a variety of sectors and we are encouraged that most of our holdings are delivering dividend increases in the region of 5% to 15%. Financials accounted for the biggest dividend hikes as Intercontinental Exchange and S&P Global reported double-digit growth. Blackrock raised its dividend by 5% from the previous quarter, or up 15% from the same period last year. Solid dividend progression was prevalent among our biggest holdings, including Comcast (communication services), FIS (technology) and Anthem (healthcare).

Dividends are the ultimate sign of management confidence and the dividend progression we are seeing from the fund's holdings reflects well on the long-term potential and the financial health of the companies we are invested in.

The fund aims to be diversified across sectors in the US market, and selects stocks based on fundamental company analysis. Technology is the fund's largest exposure, with Microsoft and MasterCard among the top holdings in absolute terms. The sector weighting rose during the review period following the addition of Broadridge Financial Solutions. The fund has a bias towards software companies at the expense of hardware.

The healthcare weighting fell after Medtronic exited the fund, but it remains the largest exposure among the defensive sectors in absolute terms. Healthcare remains an underweight, largely because of the limited exposure to pharmaceuticals. Managed care organisations provide the most attractive opportunities in the sector, represented by the core holdings of UnitedHealth and Anthem. The fund's exposure to consumer staples is more meaningful in relative terms, the overweight stance being supported by meaningful positions in Mondelez International and Constellation Brands.

In so-called cyclical sectors which have greater economic sensitivity, the fund has overweight positions in materials and energy. The fund is also overweight in financials.

There were 42 holdings in the fund at the end of the review period. The US market offers excellent opportunities for stockpickers and we believe the potential for investors is best captured by a conviction-based approach.

John Weavers

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) North American Dividend Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					137,571	98.13
Oil, gas & consumable fuels					11,416	8.14
EOG Resources	16,475	US\$			1,569	1.12
Gibson Energy	115,492	CA\$			1,969	1.40
ONEOK	46,296	US\$			3,212	2.29
Pembina Pipeline	60,418	CA\$			2,220	1.58
PrairieSky Royalty	179,252	CA\$			2,446	1.75
Chemicals					10,639	7.59
Air Products & Chemicals	17,258	US\$			3,282	2.34
Methanex	131,032	US\$			7,357	5.25
Electrical equipment						
Emerson Electric	25,459	US\$			1,720	1.23
Road & rail						
Union Pacific	23,929	US\$			3,954	2.82
Hotels, restaurants & leisure					8,626	6.15
Las Vegas Sands	61,839	US\$			3,732	2.66
Six Flags Entertainment	35,951	US\$			1,750	1.25
Starbucks	21,987	US\$			1,626	1.16
Yum China Holdings	34,689	US\$			1,518	1.08
Specialty retail						
Lowe's	36,095	US\$			3,911	2.79
Beverages						
Constellation Brands 'A'	35,653	US\$			6,150	4.39
Food products						
Mondelez International 'A'	102,882	US\$			5,078	3.62
Tobacco						
Altria Group	25,846	US\$			1,465	1.04
Health care equipment & supplies						
Becton Dickinson	5,960	US\$			1,472	1.05
Health care providers & services					11,562	8.25
Anthem	19,813	US\$			5,595	3.99
UnitedHealth Group	24,636	US\$			5,967	4.26
Pharmaceuticals						
Johnson & Johnson	15,305	US\$			2,126	1.51
Banks					8,941	6.38
First Republic Bank	26,269	US\$			2,642	1.89
JPMorgan Chase	23,532	US\$			2,370	1.69
M&T Bank	3,766	US\$			593	0.42
Wells Fargo	67,973	US\$			3,336	2.38
Diversified financial services						
S&P Global	3,597	US\$			747	0.53
Consumer finance					11,312	8.07
American Express	32,486	US\$			3,546	2.53
Mastercard 'A'	19,996	US\$			4,696	3.35
Visa 'A'	19,855	US\$			3,070	2.19
Capital markets					5,904	4.21
BlackRock	3,864	US\$			1,642	1.17
Intercontinental Exchange	57,002	US\$			4,262	3.04
Insurance					3,600	2.57
Arthur J Gallagher	11,063	US\$			853	0.61
Marsh & McLennan	29,552	US\$			2,747	1.96
IT services					10,958	7.82
Broadridge Financial Solutions	27,658	US\$			2,841	2.03
Cognizant Technology Solutions 'A'	39,716	US\$			2,843	2.03
Fidelity National Information Services	47,444	US\$			5,274	3.76
Software					13,666	9.75
Broadcom	17,265	US\$			5,163	3.68
Microsoft	72,716	US\$			8,503	6.07
Semiconductors & semiconductor equipment						
Lam Research	8,853	US\$			1,555	1.11
Diversified telecommunication services						
Comcast 'A'	152,510	US\$			6,164	4.40

M&G (Lux) North American Dividend Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Equity Real Estate Investment Trusts (REITs)					6,605	4.71
Crown Castle International	21,776	US\$			2,770	1.98
Equinix	8,523	US\$			3,835	2.73
Portfolio of investments					137,571	98.13
CASH EQUIVALENTS						
'AAA' rated money market funds					2,337	1.67
Northern Trust Global Funds - US Dollar Fund Class 'D'	2,337,000	US\$			2,337	1.67
SHARE CLASS HEDGING						
Bought for € 1,002,682.15, Sold for CA\$ 1,519,935.49			10.04.2019		(172)	(0.12)
Bought for € 17,674,781.50, Sold for US\$ 20,033,471.69			10.04.2019		(6)	0.00
Bought for CA\$ 218,354.62, Sold for € 144,151.44			10.04.2019		(169)	(0.12)
Bought for US\$ 588,706.88, Sold for € 520,864.34			10.04.2019		0	0.00
					3	0.00
Total portfolio					139,736	99.68
Net other assets/(liabilities)					454	0.32
NET ASSETS					140,190	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					137,571	98.13
Unrealised gains on forward currency contracts					3	0.00
Total Investment assets					137,574	98.13
Investment liabilities						
Unrealised losses on forward currency contracts					(175)	(0.12)
Total Investment liabilities					(175)	(0.12)
Total portfolio					137,399	98.01
Cash equivalents					2,337	1.67
Net other assets/(liabilities)					454	0.32
NET ASSETS					140,190	100.00

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

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company	23,215

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) North American Dividend Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G North American Dividend Fund which merged into the M&G (Lux) North American Dividend Fund on 9 November 2018.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 9 November 2018 (the launch date of the fund) 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
Final	09.11.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'C'	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	Euro €	Euro €	US \$	US \$
Final	0.1563	0.1737	0.1377	0.1489

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	23.4973	n/a	n/a
Class 'A' Distribution	21.8428	n/a	n/a
Class 'A-H' Accumulation	20.4440	n/a	n/a
Class 'C' Accumulation	26.3571	n/a	n/a
Class 'C' Distribution	24.3232	n/a	n/a
Class 'C-H' Accumulation	21.6473	n/a	n/a
Class 'CI' Accumulation	10.5862	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	20.7154	n/a	n/a
Class 'A' Distribution	19.2456	n/a	n/a
Class 'C' Accumulation	22.6617	n/a	n/a
Class 'C' Distribution	20.8337	n/a	n/a
Class 'CI' Accumulation	10.4045	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	140,190	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	140,190	n/a	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.73
Class 'A' Distribution	1.73
Class 'A-H' Accumulation	1.75
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'C-H' Accumulation	1.00
Class 'CI' Accumulation	0.94
US dollar	%
Class 'A' Accumulation	1.73
Class 'A' Distribution	1.73
Class 'C' Accumulation	0.98
Class 'C' Distribution	0.98
Class 'CI' Accumulation	0.94

M&G (Lux) North American Value Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the US equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in, the US and Canada.

The investment process of the Fund is based on the fundamental analysis of companies trading on low valuations relative to their history and the market.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) North American Value Fund

Investment review

For the period from 9 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) North American Value Fund was launched in November 2018 and is run by the same manager, applying the same investment strategy, as the M&G North American Value Fund, a UK-authorised OEIC, that launched on 1 July 2005. Following shareholder approval, the non-sterling assets of the M&G North American Value Fund merged into the SICAV on 9 November 2018.

The M&G (Lux) North American Value Fund is an actively managed fund that invests in the shares of North American companies that we believe are undervalued. Our 'value' approach is underpinned by the belief that buying shares of cheap, out-of-favour companies can deliver superior returns over the long term. In our view, many market participants focus on companies' short-term problems and therefore misjudge their long-term prospects. We think investors often over-react to bad news, causing share prices to fall more than is justified by the facts. By taking a long-term, patient approach, we try to exploit this behaviour and identify mispriced opportunities among cheap, unloved stocks.

Stocks are selected for the fund on the basis of their individual merits, using a combination of valuation-focused screening and in-depth company analysis. We only consider stocks in the cheapest quarter of each sector. We conduct rigorous qualitative assessment of potential investments to avoid cheap stocks with material problems that will prevent their share prices recovering – so-called 'value traps'. We search deep and wide for mispriced stocks – investing in cheap companies can be problematic and having a diversified portfolio can mitigate potential risks.

At present, we think the US market is a promising area for value investors; we are finding cheap stocks right across the market, not just in certain areas. The fund currently has large allocations to the energy, financial and healthcare sectors. We also have a relatively large weighting in consumer staples. Recently we have bought shares in retailers that are perceived to be vulnerable to the threat from online operators such as Amazon.com. We think the market is being too pessimistic about the ability of these businesses to compete with Amazon; the shares were therefore deemed to be attractively valued.

Although the value style of investing has struggled in recent years, we remain optimistic that investing in cheap, unloved companies can be a successful strategy. At present, we believe the large valuation gap between the most expensive stocks in the US market and the cheapest represents an attractive risk/reward opportunity for value investors.

While it is almost impossible to predict when value might return to favour, we believe the fund is well positioned to capture any potential recovery as well as being able to withstand market turbulence.

Daniel White

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) North American Value Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					392,852	94.30
Energy equipment & services					4,117	0.99
Helmerich & Payne	35,694	US\$			2,030	0.49
Rowan 'A'	189,637	US\$			2,087	0.50
Oil, gas & consumable fuels					34,847	8.37
Chevron	79,213	US\$			9,745	2.34
Cobalt International Energy	34,444	US\$			0	0.00
ConocoPhillips	77,823	US\$			5,243	1.26
Euronav	304,606	US\$			2,435	0.59
Hess	76,148	US\$			4,642	1.11
Kosmos Energy	578,116	US\$			3,446	0.83
Occidental Petroleum	81,472	US\$			5,423	1.30
Suncor Energy	120,355	CA\$			3,913	0.94
Construction materials						
Eagle Materials	58,029	US\$			4,254	1.02
Containers & packaging						
Westrock	106,213	US\$			4,036	0.97
Metals & mining					9,384	2.25
Newmont Mining	144,415	US\$			5,136	1.23
Steel Dynamics	122,585	US\$			4,248	1.02
Paper & forest products						
Domtar	30,466	US\$			1,501	0.36
Aerospace & defense						
Spirit AeroSystems Holdings 'A'	44,584	US\$			4,052	0.97
Construction & engineering						
Spx Flow	105,331	US\$			3,350	0.80
Industrial conglomerates						
Alphabet 'A'	6,265	US\$			7,343	1.76
Machinery						
Oshkosh	64,555	US\$			4,761	1.14
Commercial services & supplies						
Pitney Bowes	98,777	US\$			679	0.16
Professional services						
ManpowerGroup	53,064	US\$			4,344	1.04
Air freight & logistics						
FedEx	38,861	US\$			6,914	1.66
Auto components						
Magna International	46,780	US\$			2,274	0.55
Automobiles						
General Motors	84,257	US\$			3,123	0.75
Textiles, apparel & luxury goods					7,449	1.79
Columbia Sportswear	29,851	US\$			3,130	0.75
Tapestry	132,035	US\$			4,319	1.04
Hotels, restaurants & leisure					9,293	2.23
Carnival	94,887	US\$			4,776	1.15
Extended Stay America	247,793	US\$			4,517	1.08
Media					2,221	0.53
Gannett	51,343	US\$			535	0.13
News 'A'	136,278	US\$			1,686	0.40
Multiline retail						
Target	57,648	US\$			4,631	1.11
Specialty retail						
Foot Locker	73,740	US\$			4,453	1.07
Food & staples retailing					13,949	3.35
Kroger	261,966	US\$			6,404	1.54
Walgreens Boots Alliance	96,765	US\$			6,048	1.45
Weis Markets	36,981	US\$			1,497	0.36
Beverages					12,293	2.95
Coca-Cola European Partners	76,999	US\$			3,951	0.95
Molson Coors Brewing 'B'	140,740	US\$			8,342	2.00
Food products						
Tyson Foods 'A'	98,229	US\$			6,767	1.62

M&G (Lux) North American Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES (continued)						
Household products						
Energizer Holdings	103,516	US\$			8,241	1.98
Kimberly-Clark	28,948	US\$			4,654	1.12
					3,587	0.86
Health care providers & services						
Anthem	41,984	US\$			11,856	2.85
Biotechnology						
Biogen	27,025	US\$			6,293	1.51
Pharmaceuticals						
Bristol-Myers Squibb	229,179	US\$			50,010	12.01
Eli Lilly	25,920	US\$			10,960	2.63
Johnson & Johnson	130,273	US\$			3,343	0.80
Merck	37,371	US\$			18,093	4.35
Pfizer	343,535	US\$			3,088	0.74
					14,526	3.49
Banks						
Capitol Federal Financial	167,690	US\$			38,942	9.35
Citigroup	152,433	US\$			2,251	0.54
JPMorgan Chase	113,753	US\$			9,447	2.27
PNC Financial Services Group	56,414	US\$			11,456	2.75
Wells Fargo	180,461	US\$			6,930	1.66
					8,858	2.13
Diversified financial services						
Voya Financial	85,071	US\$			4,247	1.02
Capital markets						
Affiliated Managers Group	19,112	US\$			7,189	1.73
Goldman Sachs Group	26,977	US\$			2,032	0.49
					5,157	1.24
Insurance						
American International Group	54,107	US\$			12,927	3.10
Hartford Financial Services Group	88,994	US\$			2,333	0.56
Loews	70,371	US\$			4,392	1.05
MetLife	66,715	US\$			3,369	0.81
					2,833	0.68
IT services						
DXC Technology	61,759	US\$			3,972	0.95
Communications equipment						
Cisco Systems	212,874	US\$			11,360	2.73
Technology hardware, storage & peripherals						
Hewlett Packard Enterprise	576,778	US\$			13,788	3.31
Western Digital	51,613	US\$			8,804	2.11
Xerox	81,918	US\$			2,362	0.57
					2,622	0.63
Electronic equipment, instruments & components						
AVX	231,025	US\$			9,100	2.18
Celestica	247,984	CA\$			3,998	0.96
Vishay Intertechnology	164,970	US\$			2,066	0.49
					3,036	0.73
Semiconductors & semiconductor equipment						
Intel	218,777	US\$			19,260	4.62
Mellanox Technologies	22,588	US\$			11,620	2.79
Micron Technology	68,554	US\$			2,659	0.64
Qorvo	32,514	US\$			2,697	0.64
					2,284	0.55
Diversified telecommunication services						
AT&T	278,520	US\$			25,671	6.16
CenturyLink	239,496	US\$			8,638	2.07
Comcast 'A'	349,952	US\$			2,890	0.69
					14,143	3.40
Wireless telecommunication services						
Telephone & Data Systems	52,325	US\$			3,317	0.80
United States Cellular	37,361	US\$			1,610	0.39
					1,707	0.41
Electric utilities						
Exelon	213,883	US\$			10,644	2.56
Portfolio of investments					392,852	94.30
CASH EQUIVALENTS					21,515	5.17
'AAA' rated money market funds						
Northern Trust Global Funds - US Dollar Fund Class 'D'	21,515,000	US\$			21,515	5.17
SHARE CLASS HEDGING						
Bought for € 1,282.28, Sold for CA\$ 1,943.77			10.04.2019		0	0.00
Bought for € 71,116.87, Sold for US\$ 80,606.06			10.04.2019		0	0.00

M&G (Lux) North American Value Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for CA\$ 400.72, Sold for € 265.16			10.04.2019		0	0.00
Bought for CA\$ 238.25, Sold for CHF 178.30			10.04.2019		0	0.00
Bought for CA\$ 178.85, Sold for SG\$ 181.33			10.04.2019		0	0.00
Bought for CHF 878.14, Sold for CA\$ 1,172.52			10.04.2019		0	0.00
Bought for CHF 48,152.74, Sold for US\$ 48,076.44			10.04.2019		0	0.00
Bought for SG\$ 887.59, Sold for CA\$ 874.84			10.04.2019		0	0.00
Bought for SG\$ 48,622.89, Sold for US\$ 35,835.36			10.04.2019		0	0.00
Bought for US\$ 3,940.68, Sold for € 3,465.24			10.04.2019		0	0.00
Bought for US\$ 2,210.71, Sold for CHF 2,220.56			10.04.2019		0	0.00
Bought for US\$ 1,667.40, Sold for SG\$ 2,264.50			10.04.2019		0	0.00
Total portfolio					414,367	99.47
Net other assets/(liabilities)					2,225	0.53
NET ASSETS					416,592	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					392,852	94.30
Total Investment assets					392,852	94.30
Total portfolio					392,852	94.30
Cash equivalents					21,515	5.17
Net other assets/(liabilities)					2,225	0.53
NET ASSETS					416,592	100.00

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

Counterparty exposure

Counterparty	Derivative exposures
	Forward currency contracts US\$'000
State Street Bank and Trust Company	180

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) North American Value Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G North American Value Fund which merged into the M&G (Lux) North American Value Fund on 9 November 2018.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	21.8305	n/a	n/a
Class 'A-H' Accumulation	9.6987	n/a	n/a
Class 'C' Accumulation	24.2163	n/a	n/a
Class 'C-H' Accumulation	9.7452	n/a	n/a
Class 'CI' Accumulation	10.0041	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	9.7606	n/a	n/a
Class 'C-H' Accumulation	9.7668	n/a	n/a
Sterling	£	£	£
Class 'CI' Accumulation	9.8529	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	9.7371	n/a	n/a
Class 'C-H' Accumulation	9.7433	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	16.3837	n/a	n/a
Class 'C' Accumulation	17.9385	n/a	n/a
Class 'CI' Accumulation	9.8323	n/a	n/a
NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	416,592	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	416,592	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.73		
Class 'A-H' Accumulation	1.75		
Class 'C' Accumulation	0.98		
Class 'C-H' Accumulation	0.99 ^[a]		
Class 'CI' Accumulation	0.94		
Singapore dollar	%		
Class 'A-H' Accumulation	1.74 ^[a]		
Class 'C-H' Accumulation	0.99 ^[a]		
Sterling	%		
Class 'CI' Accumulation	0.93 ^[a]		
Swiss franc	%		
Class 'A-H' Accumulation	1.74 ^[a]		
Class 'C-H' Accumulation	0.99 ^[a]		
US dollar	%		
Class 'A' Accumulation	1.73		
Class 'C' Accumulation	0.98		
Class 'CI' Accumulation	0.94		

^[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Optimal Income Fund

Investment objective and policy

Investment objective

The Fund aims to provide a total return (the combination of capital growth and income) to investors based on exposure to optimal income streams in investment markets.

Investment policy

The Fund invests at least 50% of its Net Asset Value in debt securities, including investment grade bonds, high yield bonds, unrated securities and Asset-Backed Securities. These securities may be issued by governments and their agencies, public authorities, quasi-sovereigns, supranational bodies and companies. Issuers of these securities may be located in any country, including emerging markets, and denominated in any currency. At least 80% of the Net Asset Value will be in Euro or hedged into Euro.

While the Fund's overall duration will not be negative, the Fund may derive negative duration from individual fixed income markets.

The Fund may invest up to a combined maximum of 100% of the Fund's Net Asset Value in below investment grade and unrated securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may also hold up to a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities and up to a maximum of 20% of its Net Asset Value in Asset-Backed Securities.

The Fund is a flexible bond fund that allows investment across a broad range of fixed income assets according to where the Investment Manager finds value. In identifying the optimal income stream, the Fund also has the flexibility to invest up to a maximum of 20% of its Net Asset Value in equities.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions and to gain exposure to investments exceeding the Net Asset Value of the Fund in order to increase potential returns in both rising and falling markets. Derivative instruments can be used to meet the Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps, Total Return Swaps and Interest Rate Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, warrants and other debt securities.

M&G (Lux) Optimal Income Fund

Investment review

For the period from 5 September 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Optimal Income Fund was launched in September 2018 and is run by the same manager, applying the same investment strategy, as the M&G Optimal Income Fund, a UK-domiciled OEIC that launched in December 2006. The non-sterling share classes of the M&G Optimal Income Fund merged into the M&G (Lux) Optimal Income Fund on 8 March 2019.

The fund's holdings are split between high quality, or investment grade, corporate bonds, high yielding corporate bonds and government bonds, as these typically provide liquidity and stability in uncertain markets.

Bonds are loans that are extended by an investor to an issuing entity – such as a company or government – in exchange for regular interest payments. The initial amount borrowed by the entity is usually repaid at the end of the loan's life. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'.

Investment grade corporate bonds refer to debt 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 of non-repayment than those issued by companies with lower credit ratings (known as high yield bonds). The performance of investment grade corporate bond markets can be influenced by the performance of government bonds.

We adjust the fund's positioning to reflect changes in our outlook regarding interest rates, credit risk and changes in relative value among the different fixed income asset classes. We currently find most value in investment grade corporate bonds, where we have been active both in the primary market (the market for newly issued bonds), buying bonds that came with an attractive new issue premium, and in the secondary market (the market where existing bonds are traded), where we undertook a number of relative value trades.

We can invest a portion of the fund (up to 20%) in shares if we believe a company's shares (equity) present a more attractive investment opportunity relative to its bonds. Our equities exposure stands at around 4.5%.

One of the key drivers of the fund's performance is the ability to reduce or increase the portfolio's sensitivity to changes in bond yields, otherwise known as 'duration'. (Bond yields refer to the interest received from a fixed income security, which is usually expressed annually as a percentage based on the investment's cost, its current market value or its face value. Bond yields typically move in the opposite direction to bond prices). The longer the duration, the more sensitive a bond/bond fund is to movements in interest rates. We have kept the fund's duration short, as we believe that interest rates will likely rise further in the medium term.

Richard Woolnough
Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					871,860	4.53
Telecommunications Service Providers						
BT Group	9,190,661	£			23,933	0.13
Banks					374,155	1.94
Banco Bilbao Vizcaya Argentaria	8,748,628	€			44,513	0.23
Banco Santander	11,185,287	€			46,335	0.24
BNP Paribas	1,381,099	€			58,938	0.30
Intesa Sanpaolo	14,745,058	€			32,093	0.17
Lloyds Banking Group	91,906,610	£			66,699	0.35
Royal Bank of Scotland Group	13,760,992	£			40,106	0.21
Société Générale	2,034,945	€			52,563	0.27
Standard Chartered	2,901,045	£			4,198	0.02
UniCredit	2,526,182	€			28,710	0.15
Life Insurance						
AXA	2,486,978	€			55,752	0.29
Automobiles & Parts					134,718	0.70
Bayerische Motoren Werke	919,066	€			63,305	0.33
Daimler	1,376,099	€			71,413	0.37
Travel & Leisure					46,578	0.24
American Airlines Group	1,500,000	US\$			41,278	0.21
Codere	1,514,129	€			5,300	0.03
Tobacco					99,748	0.52
British American Tobacco	1,474,506	£			54,550	0.28
Imperial Brands	1,474,506	£			45,198	0.24
Electronic & Electrical Equipment						
Patterson-UTI Energy	15,318	US\$			195	0.00
Industrial Support Services					46,279	0.24
Adecco Group	800,000	CHF			37,871	0.20
Babcock International Group	1,434,506	£			8,408	0.04
Industrial Metals & Mining						
New World Resources 'A' ^(a)	13,243,773	£			0	0.00
Chemicals						
BASF	550,000	€			36,259	0.19
Non-Renewable Energy					1,698	0.01
Chaparral Energy 'A'	116,440	US\$			578	0.00
Denbury Resources	603,399	US\$			1,120	0.01
Gas, Water & Multi-utilities						
SSE	3,757,801	£			52,545	0.27
FIXED INCOME					17,672,319	91.75
Debt securities					17,853,126	92.69
'AAA' credit rated bonds					4,002,772	20.78
European Investment Bank 1%	12,477,000	£	21.09.2026		14,285	0.07
European Investment Bank 1.375%	13,761,000	£	07.03.2025		16,207	0.08
European Investment Bank 4.5%	16,113,000	£	07.06.2029		24,197	0.13
European Investment Bank 5.5%	14,761,000	£	15.04.2025		21,505	0.11
FROSN FRN	5,879,177	€	21.05.2028		5,838	0.03
Germany (Federal Republic of) 0%	285,219,831	€	17.04.2020		287,020	1.49
Germany (Federal Republic of) 0%	200,000,000	€	09.04.2021		202,522	1.05
Germany (Federal Republic of) 0%	236,016,525	€	07.10.2022		240,738	1.25
Germany (Federal Republic of) 0%	265,219,831	€	13.10.2023		271,145	1.41
Germany (Federal Republic of) 0.25%	59,203,305	€	11.10.2019		59,465	0.31
Germany (Federal Republic of) 0.25%	250,000,000	€	16.10.2020		253,324	1.32
Germany (Federal Republic of) 0.5%	13,400,000	€	12.04.2019		13,404	0.07
Germany (Federal Republic of) 0.5%	300,000,000	€	15.02.2025		316,031	1.64
Germany (Federal Republic of) 1%	300,000,000	€	15.08.2024		323,297	1.68
Germany (Federal Republic of) 1.5%	300,000,000	€	15.05.2024		330,294	1.72
Germany (Federal Republic of) 1.75%	299,999,999	€	04.07.2022		323,083	1.68
Germany (Federal Republic of) 2%	300,000,000	€	15.08.2023		333,334	1.73
Germany (Federal Republic of) 3%	150,000,000	€	04.07.2020		156,830	0.81
Germany (Federal Republic of) 3.5%	20,000,000	€	04.07.2019		20,208	0.11
Germany (Federal Republic of) I/L 0.5%	78,145,619	€	15.04.2030		96,824	0.50
Kreditanstalt fuer Wiederaufbau 5.5%	12,500,000	£	18.06.2025		18,335	0.10
Leeds Building Society 0.5%	11,977,000	€	03.07.2024		12,121	0.06
Lloyds Bank 4.875%	8,057,000	£	30.03.2027		11,647	0.06
Lloyds Bank 5.125%	12,693,000	£	07.03.2025		17,843	0.09

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'AAA' credit rated bonds (continued)						
Lloyds Bank 6%	16,500,000	£	08.02.2029		26,463	0.14
Microsoft 2.4%	1,600,000	US\$	08.08.2026		1,384	0.01
Microsoft 3.3%	130,000,000	US\$	06.02.2027		118,909	0.62
Microsoft 3.45%	83,754,000	US\$	08.08.2036		75,091	0.39
Microsoft 3.5%	8,841,000	US\$	12.02.2035		7,991	0.04
Microsoft 3.95%	89,897,000	US\$	08.08.2056		83,001	0.43
Microsoft 4%	86,800,000	US\$	12.02.2055		80,904	0.42
Microsoft 4.1%	26,846,000	US\$	06.02.2037		25,951	0.13
Microsoft 4.5%	6,312,000	US\$	01.10.2040		6,368	0.03
Microsoft 4.75%	82,500,000	US\$	03.11.2055		87,400	0.45
Paragon Mortgages No 15 FRN	3,340,002	US\$	15.12.2039		2,805	0.01
Paragon Mortgages No 15 FRN	4,074,481	€	15.12.2039		3,869	0.02
PCL Funding III FRN	8,966,000	£	15.06.2023		10,428	0.05
Ripon Mortgages FRN	12,933,027	£	20.08.2056		15,065	0.08
Santander UK 5.125%	8,057,000	£	14.04.2021		10,140	0.05
Santander UK 5.25%	33,626,000	£	16.02.2029		51,310	0.27
Santander UK FRN	8,057,000	£	16.11.2022		9,350	0.05
Wellcome Trust 2.517%	7,962,000	£	07.02.2118		9,299	0.05
Westfield Stratford City Finance FRN	6,488,000	£	04.11.2019		7,547	0.04
'AA' credit rated bonds					1,094,005	5.68
Apple 2.45%	9,841,000	US\$	04.08.2026		8,466	0.04
Apple 2.5%	37,147,000	US\$	09.02.2025		32,496	0.17
Apple 2.9%	50,348,000	US\$	12.09.2027		44,295	0.23
Apple 3.2%	19,249,000	US\$	11.05.2027		17,301	0.09
Apple 3.25%	20,985,000	US\$	23.02.2026		19,042	0.10
Apple 3.35%	40,603,000	US\$	09.02.2027		36,890	0.19
Deutsche Bahn Finance 1.375%	18,417,000	£	07.07.2025		21,359	0.11
Deutsche Bahn Finance 3.125%	16,329,000	£	24.07.2026		21,050	0.11
Deutsche Pfandbriefbank 1%	12,800,000	£	04.12.2020		14,887	0.08
Exxon Mobil 2.709%	20,000,000	US\$	06.03.2025		17,819	0.09
France (Republic of) 0%	150,000,000	€	25.02.2020		150,740	0.78
France (Republic of) 0%	100,000,000	€	25.05.2021		101,141	0.53
France (Republic of) 0%	100,000,000	€	25.05.2022		101,426	0.53
France (Republic of) 0%	100,000,000	€	25.03.2023		101,458	0.53
France (Republic of) 0.7%	83,065,949	€	25.07.2030		100,631	0.52
Land Securities Capital Markets 1.974%	8,057,000	£	08.02.2024		9,511	0.05
Land Securities Capital Markets 2.375%	20,485,000	£	29.03.2029		24,666	0.13
Land Securities Capital Markets 2.399%	7,161,000	£	08.02.2029		8,614	0.05
Land Securities Capital Markets 2.625%	11,909,000	£	22.09.2037		14,089	0.07
Microsoft 4.5%	73,939,000	US\$	06.02.2057		75,200	0.39
Paragon Mortgages No 13 FRN	5,542,543	US\$	15.01.2039		4,633	0.02
SLM Student Loan Trust FRN	3,920,331	£	15.12.2039		4,330	0.02
SNCF Réseau EPIC 5.25%	24,494,000	£	07.12.2028		37,611	0.20
SNCF Réseau EPIC 5.5%	16,797,000	£	01.12.2021		21,830	0.11
UK Gilt 3.75%	88,406,610	£	07.09.2019		104,520	0.54
'A' credit rated bonds					2,338,490	12.14
Alba FRN	4,764,155	£	15.12.2038		5,230	0.03
Allianz FRN	8,300,000	€	31.12.2049		9,357	0.05
Allianz FRN	12,000,000	€	31.12.2099		12,840	0.07
Anglian Water Services Financing 2.75%	8,565,000	£	26.10.2029		10,470	0.05
Anheuser-Busch InBev 2.25%	29,600,000	£	24.05.2029		33,492	0.17
Anheuser-Busch InBev Worldwide 5.45%	51,166,000	US\$	23.01.2039		49,278	0.26
Anheuser-Busch InBev Worldwide 5.8%	50,500,000	US\$	23.01.2059		49,875	0.26
Argentum Netherlands for Zurich Insurance FRN	9,733,000	€	01.10.2046		10,796	0.06
Argentum Netherlands for Zurich Insurance FRN	4,741,000	€	19.02.2049		4,925	0.03
Assura Financing 3%	5,312,000	£	19.07.2028		6,400	0.03
AT&T 4.9%	28,414,000	US\$	15.08.2037		25,590	0.13
AT&T 5.15%	8,057,000	US\$	15.11.2046		7,337	0.04
AT&T 5.3%	17,005,000	US\$	15.08.2058		15,435	0.08
Banco Santander 3.8%	8,000,000	US\$	23.02.2028		6,906	0.04
Bank of America 2.3%	4,920,000	£	25.07.2025		5,805	0.03
Bank of America 4%	11,977,000	US\$	22.01.2025		10,892	0.06
Bank of America 4.2%	31,942,000	US\$	26.08.2024		29,449	0.15
Bank of America 4.25%	8,057,000	£	10.12.2026		10,790	0.06
Bank of America 7%	19,550,000	£	31.07.2028		31,695	0.16

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
Bank of America FRN	19,181,000	€	04.05.2023		19,266	0.10
Bank of America FRN	8,057,000	US\$	01.10.2025		7,100	0.04
Bank of America FRN	20,034,000	US\$	23.01.2026		17,843	0.09
Bank of America FRN	24,278,000	US\$	05.02.2026		21,201	0.11
Bank of America FRN	35,187,000	US\$	20.01.2028		31,762	0.16
Bank of America FRN	34,675,000	US\$	24.04.2028		31,013	0.16
Bank of America FRN	16,221,000	US\$	05.03.2029		14,711	0.08
Banque Fédérative du Crédit Mutuel 1.375%	9,100,000	€	20.12.2021		10,551	0.05
BNP Paribas 3.5%	48,730,000	US\$	16.11.2027		42,080	0.22
BNP Paribas 3.8%	16,113,000	US\$	10.01.2024		14,437	0.07
BNP Paribas 4.375%	12,301,000	US\$	12.05.2026		11,152	0.06
BNP Paribas FRN	12,193,000	€	07.06.2024		12,065	0.06
BPCE 3.5%	11,585,000	US\$	23.10.2027		10,005	0.05
Chubb INA Holdings 1.55%	6,488,000	€	15.03.2028		6,773	0.03
Cigna 4.125%	7,963,000	US\$	15.11.2025		7,348	0.04
Cigna 4.8%	9,045,000	US\$	15.08.2038		8,280	0.04
Cigna-Anleihe 4.375%	7,217,000	US\$	15.10.2028		6,673	0.03
Citigroup FRN	11,977,000	US\$	01.06.2024		11,009	0.06
Citigroup FRN	25,405,000	€	24.07.2026		26,157	0.14
CK Hutchison Europe Finance 18 1.25%	9,856,000	€	13.04.2025		10,006	0.05
Comcast 4.7%	21,341,000	US\$	15.10.2048		20,669	0.11
Comcast 4.95%	83,946,000	US\$	15.10.2058		82,496	0.43
Comcast 5.5%	4,244,000	€	23.11.2029		6,521	0.03
Comcast Cable Communications 8.5%	4,534,000	US\$	01.05.2027		5,337	0.03
Cooperatieve Rabobank 4.625%	24,848,000	€	23.05.2029		32,822	0.17
Coventry Building Society 1.875%	11,928,000	€	24.10.2023		13,877	0.07
Crédit Agricole London 4.125%	37,547,000	US\$	10.01.2027		34,064	0.18
Electricite de France 6%	18,505,000	US\$	22.01.2114		17,371	0.09
Electricite de France 6%	42,600,000	€	23.01.2114		74,588	0.39
Engie 5.95%	20,527,000	€	16.03.2111		36,905	0.19
Eni 4.75%	57,983,000	US\$	12.09.2028		53,572	0.28
Goldman Sachs Group 4.25%	14,261,000	€	29.01.2026		18,364	0.09
Goldman Sachs Group 7.125%	11,409,000	€	07.08.2025		16,885	0.09
Goldman Sachs Group FRN	8,057,000	€	26.09.2023		7,970	0.04
Hammerson 2%	19,857,000	€	01.07.2022		20,467	0.11
Hammerson 3.5%	25,704,000	€	27.10.2025		30,463	0.16
Hammerson 6%	8,807,000	€	23.02.2026		11,944	0.06
Hammerson 7.25%	4,000,000	€	21.04.2028		5,978	0.03
Heathrow Funding 6.45%	8,057,000	€	10.12.2031		13,453	0.07
Heathrow Funding 6.75%	37,500,000	€	03.12.2028		57,884	0.30
Heathrow Funding 7.075%	4,704,000	€	04.08.2028		7,659	0.04
HSBC Bank 5.375%	7,273,000	€	22.08.2033		10,636	0.05
HSBC Bank FRN	7,081,000	€	04.11.2030		9,565	0.05
HSBC Holdings 2.625%	16,500,000	€	16.08.2028		19,237	0.10
HSBC Holdings 4.375%	8,165,000	US\$	23.11.2026		7,439	0.04
HSBC Holdings 5.75%	1,500,000	€	20.12.2027		2,111	0.01
HSBC Holdings 6.75%	34,000,000	€	11.09.2028		51,152	0.27
HSBC Holdings 7%	41,600,000	€	07.04.2038		69,708	0.36
HSBC Holdings FRN	32,541,000	€	13.11.2026		37,466	0.19
HSBC Holdings FRN	38,774,000	US\$	13.03.2028		34,832	0.18
HSBC Holdings FRN	12,008,000	€	22.07.2028		14,416	0.07
HSBC Holdings FRN	20,034,000	US\$	19.06.2029		18,713	0.10
ING Groep 2.125%	3,500,000	€	10.01.2026		3,709	0.02
ING Groep 3%	5,500,000	€	18.02.2026		6,553	0.03
Intu Metrocentre Finance 4.125%	10,801,000	€	06.12.2023		12,774	0.07
Intu SGS Finance 4.625%	4,528,000	€	17.03.2028		5,393	0.03
JPMorgan Chase 3.625%	84,212,000	US\$	01.12.2027		74,491	0.39
JPMorgan Chase 4.125%	64,047,000	US\$	15.12.2026		58,836	0.31
JPMorgan Chase 4.25%	83,200,000	US\$	01.10.2027		76,960	0.40
JPMorgan Chase FRN	20,357,000	US\$	01.03.2025		18,121	0.09
JPMorgan Chase FRN	16,113,000	US\$	01.05.2028		14,382	0.07
JPMorgan Chase FRN	18,581,000	€	12.06.2029		19,558	0.10
Landmark Mortgage Securities No 1 FRN	144,143	€	17.06.2038		165	0.00
Landmark Mortgage Securities No 3 FRN	6,295,681	€	17.04.2044		6,815	0.03
Legrand France 8.5%	6,273,000	US\$	15.02.2025		6,972	0.04
London & Quadrant Housing Trust 2.625%	4,964,000	€	28.02.2028		5,875	0.03

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
London & Quadrant Housing Trust 3.125%	3,136,000	£	28.02.2053		3,665	0.02
Medtronic Global Holdings 2.25%	4,293,000	€	07.03.2039		4,647	0.02
Mitchells & Butlers Finance 5.574%	2,303,400	£	15.12.2030		3,059	0.02
Mitchells & Butlers Finance FRN	8,235,330	US\$	15.12.2030		6,832	0.04
Mitchells & Butlers Finance FRN	1,607,820	£	15.12.2030		1,750	0.01
Morgan Stanley 2.625%	54,333,000	£	09.03.2027		64,306	0.33
Morgan Stanley 3.7%	20,357,000	US\$	23.10.2024		18,464	0.10
Morgan Stanley 6.25%	9,541,000	US\$	09.08.2026		9,858	0.05
Morgan Stanley FRN	21,934,000	€	23.10.2026		22,295	0.12
Muenchener Rueckversicherungs-Gesellschaft FRN	25,100,000	€	26.05.2049		27,565	0.14
National Grid Electricity Transmission 3.806%	3,136,000	£	27.07.2020		6,405	0.03
Notting Hill Housing Trust 3.25%	4,795,000	£	12.10.2048		5,615	0.03
Paragon Mortgages No 13 FRN	6,273,000	€	15.01.2039		5,738	0.03
Places for People Homes 3.625%	8,057,000	£	22.11.2028		9,677	0.05
Places for People Homes 5.875%	250,000	£	23.05.2031		365	0.00
SNCF Mobilites 5.375%	4,028,000	£	18.03.2027		6,001	0.03
Society of Lloyd's FRN	4,529,000	£	07.02.2047		5,630	0.03
Stryker 2.125%	6,121,000	€	30.11.2027		6,669	0.03
Stryker 2.625%	7,726,000	€	30.11.2030		8,685	0.04
TOTAL FRN	40,848,000	€	29.12.2049		44,389	0.23
UBS Group Funding Switzerland 4.125%	20,602,000	US\$	24.09.2025		18,922	0.10
UBS Group Funding Switzerland FRN	13,503,000	€	20.09.2022		13,534	0.07
UBS Group Funding Switzerland FRN	16,699,000	€	17.04.2025		16,918	0.09
United Utilities Water Finance 2%	8,057,000	£	14.02.2025		9,431	0.05
Wells Fargo 2%	9,841,000	£	28.07.2025		11,382	0.06
Wells Fargo 2.125%	4,244,000	£	20.12.2023		4,977	0.03
Wells Fargo 3.5%	4,920,000	£	12.09.2029		6,382	0.03
Wells Fargo 3.55%	20,357,000	US\$	29.09.2025		18,405	0.10
Wells Fargo 4.1%	70,040,000	US\$	03.06.2026		63,741	0.33
Wells Fargo 4.875%	9,000,000	£	29.11.2035		13,114	0.07
Wells Fargo 5.375%	11,977,000	US\$	02.11.2043		12,010	0.06
Wells Fargo FRN	10,000,000	US\$	22.05.2028		8,957	0.05
Wells Fargo Bank 5.25%	40,750,000	£	01.08.2023		53,590	0.28
Westfield America Management 2.125%	11,144,000	£	30.03.2025		12,976	0.07
Willow No 2 Ireland for Zurich Insurance FRN	1,568,000	US\$	01.10.2045		1,374	0.01
'BBB' credit rated bonds					7,771,712	40.35
3i Group 5.75%	17,497,000	£	03.12.2032		25,745	0.13
AA Bond 4.875%	14,741,000	£	31.07.2043		17,115	0.09
ABN AMRO Bank FRN	33,400,000	US\$	27.03.2028		30,000	0.16
Altarea 2.25%	15,700,000	€	05.07.2024		15,992	0.08
Altria Group 2.2%	36,000,000	€	15.06.2027		36,480	0.19
Altria Group 3.125%	48,203,000	€	15.06.2031		49,572	0.26
Altria Group 3.875%	44,635,000	US\$	16.09.2046		32,643	0.17
Altria Group 4.4%	6,617,000	US\$	14.02.2026		6,066	0.03
Altria Group 4.5%	8,165,000	US\$	02.05.2043		6,508	0.03
Altria Group 4.8%	28,022,000	US\$	14.02.2029		25,713	0.13
Altria Group 5.375%	8,841,000	US\$	31.01.2044		7,899	0.04
Altria Group 5.8%	54,044,000	US\$	14.02.2039		50,695	0.26
Altria Group 5.95%	46,000,000	US\$	14.02.2049		43,780	0.23
Altria Group 6.2%	23,602,000	US\$	14.02.2059		22,532	0.12
Anglian Water Services Financing 2.625%	2,875,000	£	15.06.2027		3,228	0.02
Anglian Water Services Financing 4.5%	8,057,000	£	22.02.2026		10,247	0.05
Anglo American Capital 3.375%	4,940,000	£	11.03.2029		5,810	0.03
Anglo American Capital 4.5%	35,329,000	US\$	15.03.2028		31,442	0.16
Anheuser-Busch Cos Via Anheuser-Busch InBev Worldwide 4.7%	1,775,000	US\$	01.02.2036		1,579	0.01
Anheuser-Busch Cos Via Anheuser-Busch InBev Worldwide 4.9%	17,681,000	US\$	01.02.2046		15,799	0.08
Anheuser-Busch InBev Worldwide 4.6%	33,842,000	US\$	15.04.2048		28,946	0.15
Anheuser-Busch InBev Worldwide 4.75%	19,979,000	US\$	23.01.2029		18,964	0.10
Anheuser-Busch InBev Worldwide 4.75%	50,432,000	US\$	15.04.2058		42,610	0.22
Anheuser-Busch InBev Worldwide 4.9%	20,988,000	US\$	23.01.2031		20,170	0.10
Anheuser-Busch InBev Worldwide 5.55%	42,633,000	US\$	23.01.2049		41,649	0.22
Annington Funding 2.646%	4,768,000	£	12.07.2025		5,535	0.03
Annington Funding 3.184%	6,508,000	£	12.07.2029		7,684	0.04
Annington Funding 3.685%	5,915,000	£	12.07.2034		7,132	0.04
Annington Funding 3.935%	4,626,000	£	12.07.2047		5,695	0.03
Aon 2.875%	8,057,000	€	14.05.2026		8,849	0.05

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Argentum Netherlands BV for Swiss Re FRN	1,568,000	US\$	15.08.2050		1,460	0.01
Arion Banki 1%	11,326,000	€	20.03.2023		11,217	0.06
Aroundtown 1.625%	3,900,000	€	31.01.2028		3,738	0.02
Aroundtown 3%	16,740,000	£	16.10.2029		18,858	0.10
Aroundtown 3.25%	1,000,000	£	18.07.2027		1,167	0.01
Assicurazioni Generali FRN	25,298,000	€	27.10.2047		27,670	0.14
Assicurazioni Generali FRN	7,650,000	£	29.06.2049		9,283	0.05
AT&T 3.15%	64,350,000	€	04.09.2036		68,110	0.35
AT&T 4.25%	42,914,000	£	01.06.2043		54,070	0.28
AT&T 4.35%	9,733,000	US\$	15.06.2045		7,947	0.04
AT&T 4.5%	40,180,000	US\$	09.03.2048		33,619	0.17
AT&T 4.55%	75,000,000	US\$	09.03.2049		63,019	0.33
AT&T 4.8%	28,198,000	US\$	15.06.2044		24,732	0.13
AT&T 5.15%	20,357,000	US\$	15.03.2042		18,548	0.10
AT&T 5.2%	15,829,000	£	18.11.2033		22,341	0.12
AT&T 5.25%	53,680,000	US\$	01.03.2037		50,233	0.26
AT&T 5.35%	20,357,000	US\$	01.09.2040		19,034	0.10
AT&T 5.45%	32,442,000	US\$	01.03.2047		30,778	0.16
AT&T 5.65%	20,249,000	US\$	15.02.2047		19,725	0.10
AT&T 5.7%	24,278,000	US\$	01.03.2057		23,447	0.12
AT&T 6.35%	6,096,000	US\$	15.03.2040		6,297	0.03
AT&T 6.375%	10,409,000	US\$	01.03.2041		10,878	0.06
AT&T 7%	6,900,000	£	30.04.2040		11,873	0.06
Aviva FRN	40,810,000	£	14.11.2036		54,067	0.28
Aviva FRN	9,700,000	€	03.07.2044		10,302	0.05
Aviva FRN	12,301,000	£	12.09.2049		14,444	0.07
Aviva FRN	25,236,000	£	04.06.2050		31,208	0.16
Aviva FRN	46,200,000	£	20.05.2058		68,460	0.36
AXA FRN	14,696,000	US\$	17.01.2047		13,487	0.07
AXA FRN	8,057,000	€	20.05.2049		8,617	0.04
AXA FRN	14,761,000	£	29.07.2049		19,772	0.10
AXA FRN	37,063,000	£	16.01.2054		49,069	0.25
Banco de Sabadell 0.875%	9,800,000	€	05.03.2023		9,718	0.05
Banco de Sabadell 1.625%	15,500,000	€	07.03.2024		15,760	0.08
Banco Santander 3.125%	8,400,000	€	19.01.2027		8,991	0.05
Bank of America 4.183%	92,500,000	US\$	25.11.2027		83,786	0.44
Bank of America 4.25%	80,034,000	US\$	22.10.2026		73,267	0.38
Bank of America 4.45%	20,357,000	US\$	03.03.2026		18,875	0.10
Bank of America 5.5%	13,477,000	£	22.11.2021		17,211	0.09
Bank of America 8.125%	10,350,000	£	02.06.2028		16,847	0.09
Barclays 3.25%	34,140,000	£	17.01.2033		38,139	0.20
Bosell Finance 8.1%	3,724,000	US\$	15.03.2027		4,059	0.02
BAT Capital 2.125%	7,929,000	£	15.08.2025		8,942	0.05
BAT Capital 4.39%	23,754,000	US\$	15.08.2037		18,950	0.10
BAT International Finance 2.25%	16,871,000	€	16.01.2030		16,286	0.08
BAT International Finance 2.25%	30,824,000	£	09.09.2052		25,342	0.13
BAT International Finance 4%	16,220,000	£	04.09.2026		20,311	0.11
BAT International Finance 4%	6,624,000	£	23.11.2055		7,846	0.04
Bayer US Finance 3.375%	16,221,000	US\$	08.10.2024		14,074	0.07
Bayer US Finance II 3.875%	8,057,000	US\$	15.12.2023		7,234	0.04
Bayer US Finance II 4.25%	24,278,000	US\$	15.12.2025		21,866	0.11
Bayer US Finance II 4.375%	55,544,000	US\$	15.12.2028		49,137	0.26
Bayer US Finance II 4.625%	30,000,000	US\$	25.06.2038		25,068	0.13
Bayer US Finance II 4.7%	22,818,000	US\$	15.07.2064		16,963	0.09
Bayer US Finance II 4.875%	42,659,000	US\$	25.06.2048		35,782	0.19
Belfius Bank FRN	6,300,000	€	15.03.2028		6,001	0.03
BNP Paribas 4.375%	15,000,000	US\$	28.09.2025		13,672	0.07
BNP Paribas 4.625%	73,812,000	US\$	13.03.2027		67,118	0.35
BPCE 5.25%	22,900,000	£	16.04.2029		31,698	0.16
British Telecommunications 3.125%	8,827,000	£	21.11.2031		10,529	0.05
British Telecommunications 5.125%	8,665,000	US\$	04.12.2028		8,248	0.04
British Telecommunications 9.625%	43,743,000	US\$	15.12.2030		55,806	0.29
BUPA Finance 5%	8,057,000	£	08.12.2026		10,334	0.05
Cadent Finance 2.125%	25,112,000	£	22.09.2028		28,707	0.15
Caixabank 1.125%	7,000,000	€	12.01.2023		7,001	0.04
Capital One Financial 4.2%	19,749,000	US\$	29.10.2025		17,897	0.09

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
CBS 4.85%	8,557,000	US\$	01.07.2042		7,502	0.04
CBS 5.9%	2,352,000	US\$	15.10.2040		2,333	0.01
Channel Link Enterprises Finance 3.848%	2,875,000	£	30.06.2050		3,639	0.02
Channel Link Enterprises Finance FRN	17,220,000	€	30.06.2050		17,189	0.09
Channel Link Enterprises Finance FRN	8,057,000	£	30.06.2050		9,460	0.05
Channel Link Enterprises Finance FRN	11,987,000	€	30.06.2050		12,283	0.06
Charter Communications Operating Via Charter Communications						
Operating Capital 3.75%	16,221,000	US\$	15.02.2028		13,922	0.07
Cheltenham & Gloucester 11.75%	800,000	£	29.10.2049		1,938	0.01
Cigna 4.9%	5,920,000	US\$	15.12.2048		5,434	0.03
Citigroup 3.5%	16,221,000	US\$	15.05.2023		14,634	0.08
Citigroup 4%	1,000,000	US\$	05.08.2024		918	0.00
Citigroup 4.125%	29,506,000	US\$	25.07.2028		26,369	0.14
Citigroup 4.3%	28,914,000	US\$	20.11.2026		26,247	0.14
Citigroup 4.4%	25,851,000	US\$	10.06.2025		23,829	0.12
Citigroup 4.45%	102,500,000	US\$	29.09.2027		93,697	0.49
Citigroup 4.5%	12,193,000	£	03.03.2031		16,354	0.08
Citigroup 4.6%	52,508,000	US\$	09.03.2026		48,821	0.25
Citigroup 5.5%	12,455,000	US\$	13.09.2025		12,152	0.06
Citigroup 6.625%	4,136,000	US\$	15.06.2032		4,515	0.02
CNP Assurances 2.75%	5,900,000	€	05.02.2029		6,165	0.03
Colombia (Republic of) 5%	34,000,000	US\$	15.06.2045		31,722	0.16
Commerzbank 1.875%	8,200,000	€	28.02.2028		8,224	0.04
Commerzbank 4%	1,960,000	€	23.03.2026		2,089	0.01
Cooperatieve Rabobank 5.25%	13,612,000	£	14.09.2027		18,553	0.10
Cooperatieve Rabobank FRN	10,600,000	US\$	10.04.2029		9,354	0.05
CPUK Finance 3.69%	8,936,000	£	28.08.2028		10,982	0.06
Crédit Agricole 4.375%	11,977,000	US\$	17.03.2025		10,879	0.06
Crédit Agricole FRN	14,653,000	US\$	10.01.2033		12,558	0.07
Crédit Agricole FRN	24,983,000	£	29.04.2049		31,821	0.17
Crédit Agricole FRN	25,954,000	US\$	29.12.2049		24,862	0.13
Credit Agricole Assurances FRN	5,100,000	€	27.09.2048		5,663	0.03
Crédit Suisse Group FRN	24,485,000	£	12.09.2025		27,898	0.14
CVS Health 4.3%	21,034,000	US\$	25.03.2028		19,000	0.10
CVS Health 4.78%	29,766,000	US\$	25.03.2038		26,247	0.14
CVS Health 5.05%	10,341,000	US\$	25.03.2048		9,265	0.05
Deutsche Telekom International Finance 3.125%	5,736,000	£	06.02.2034		6,900	0.04
Deutsche Telekom International Finance 3.6%	27,000,000	US\$	19.01.2027		23,761	0.12
Deutsche Telekom International Finance 4.875%	4,649,000	US\$	06.03.2042		4,289	0.02
Deutsche Telekom International Finance 8.75%	86,000,000	US\$	15.06.2030		105,214	0.55
Deutsche Telekom International Finance 9.25%	12,585,000	US\$	01.06.2032		16,464	0.09
Digital Stout Holding 2.75%	2,784,000	£	19.07.2024		3,285	0.02
Digital Stout Holding 3.3%	6,293,000	£	19.07.2029		7,391	0.04
Dow Chemical 4.8%	8,573,000	US\$	30.11.2028		8,182	0.04
Dow Chemical 5.55%	26,772,000	US\$	30.11.2048		26,492	0.14
DowDuPont 5.319%	29,876,000	US\$	15.11.2038		29,520	0.15
DowDuPont 5.419%	27,973,000	US\$	15.11.2048		28,113	0.15
DP World 4.25%	21,508,000	£	25.09.2030		26,616	0.14
ELM for Helvetia Schweizerische Versicherungsgesellschaft FRN	2,424,000	€	29.09.2047		2,505	0.01
ELM for Swiss Life Insurance & Pension Group FRN	7,224,000	€	29.12.2049		7,906	0.04
Enel FRN	3,724,000	US\$	24.09.2073		3,650	0.02
Enel FRN	7,116,000	£	10.09.2075		8,914	0.05
Enel Finance International 3.5%	35,991,000	US\$	06.04.2028		30,083	0.16
Enel Finance International 3.625%	126,525,000	US\$	25.05.2027		107,530	0.56
Enel Finance International 4.625%	13,085,000	US\$	14.09.2025		12,034	0.06
Energy Transfer Operating 4.9%	1,568,000	US\$	15.03.2035		1,339	0.01
Energy Transfer Operating 5.15%	16,329,000	US\$	15.03.2045		13,968	0.07
Energy Transfer Operating 5.3%	17,213,000	US\$	15.04.2047		15,100	0.08
Energy Transfer Operating 5.8%	5,404,000	US\$	15.06.2038		5,102	0.03
Energy Transfer Operating 6%	16,721,000	US\$	15.06.2048		16,050	0.08
Energy Transfer Operating 6.125%	8,057,000	US\$	15.12.2045		7,757	0.04
Energy Transfer Operating 6.25%	3,928,000	US\$	15.04.2049		3,902	0.02
Energy Transfer Operating 6.5%	11,416,000	US\$	01.02.2042		11,263	0.06
EQM Midstream Partners 5.5%	12,170,000	US\$	15.07.2028		10,943	0.06
EQT Midstream Partners 4.75%	12,301,000	US\$	15.07.2023		11,175	0.06
Fairfax Financial Holdings 2.75%	9,999,000	€	29.03.2028		10,502	0.05

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Fastighets AB Balder 1.875%	6,398,000	€	23.01.2026		6,325	0.03
Fastighets Balder 1.875%	8,827,000	€	14.03.2025		8,876	0.05
Ford Motor 4.75%	48,203,000	US\$	15.01.2043		33,899	0.18
Ford Motor 5.291%	17,681,000	US\$	08.12.2046		13,181	0.07
Ford Motor Credit 3.021%	5,116,000	€	06.03.2024		5,163	0.03
Ford Motor Credit 4.389%	16,347,000	US\$	08.01.2026		13,484	0.07
Fresenius 1.875%	306,000	€	15.02.2025		319	0.00
Fresenius Medical Care US Finance 5.75%	3,920,000	US\$	15.02.2021		3,640	0.02
Gatwick Funding 3.125%	24,462,000	£	28.09.2041		29,192	0.15
Gatwick Funding 3.25%	22,910,000	£	26.02.2048		27,727	0.14
Gatwick Funding 6.125%	12,193,000	£	02.03.2026		17,724	0.09
General Electric 6.44%	74,921	£	15.11.2022		93	0.00
General Motors 4.2%	16,113,000	US\$	01.10.2027		13,806	0.07
General Motors 5%	8,057,000	US\$	01.04.2035		6,554	0.03
General Motors 5.15%	24,602,000	US\$	01.04.2038		20,119	0.10
General Motors 5.2%	41,556,000	US\$	01.04.2045		32,875	0.17
General Motors 5.4%	24,386,000	US\$	01.04.2048		19,703	0.10
General Motors 6.6%	21,821,000	US\$	01.04.2036		20,303	0.11
General Motors Financial 4%	23,400,000	US\$	15.01.2025		20,456	0.11
General Motors Financial 4%	8,057,000	US\$	06.10.2026		6,876	0.04
General Motors Financial 4.3%	24,278,000	US\$	13.07.2025		21,629	0.11
General Motors Financial 4.35%	25,712,000	US\$	17.01.2027		22,246	0.12
General Motors Financial 5.25%	41,453,000	US\$	01.03.2026		38,099	0.20
Goldman Sachs Group 3.125%	55,900,000	£	25.07.2029		66,583	0.35
Goldman Sachs Group 6.875%	14,331,000	£	18.01.2038		23,621	0.12
Goldman Sachs Group 7.25%	26,752,000	£	10.04.2028		42,397	0.22
Greene King Finance 3.593%	4,428,000	£	15.03.2035		5,277	0.03
Greene King Finance 4.064%	2,109,588	£	15.03.2035		2,647	0.01
Greene King Finance FRN	5,893,766	£	15.12.2033		6,798	0.04
HCA 3.4%	12,193,000	US\$	01.02.2025		10,811	0.06
HCA 5.25%	18,742,000	US\$	15.04.2025		17,928	0.09
Heathrow Funding 7.125%	7,665,000	£	14.02.2024		10,845	0.06
HJ Heinz Finance UK 6.25%	9,841,000	£	18.02.2030		14,139	0.07
HSBC Holdings 6%	48,100,000	£	29.03.2040		73,622	0.38
HSBC Holdings FRN	20,357,000	€	29.12.2049		21,543	0.11
HSBC Holdings FRN	32,442,000	US\$	31.12.2099		28,423	0.15
HSBC Holdings FRN	17,113,000	€	31.12.2099		16,780	0.09
Imperial Brands Finance 2.125%	20,000,000	€	12.02.2027		20,058	0.10
Imperial Brands Finance 4.875%	37,255,000	£	07.06.2032		49,529	0.26
ING Groep FRN	8,441,000	US\$	22.03.2028		7,602	0.04
ING Groep FRN	7,400,000	€	26.09.2029		7,254	0.04
ING Groep FRN	13,300,000	€	22.03.2030		13,220	0.07
InterContinental Hotels Group 2.125%	17,446,000	£	24.08.2026		19,526	0.10
InterContinental Hotels Group 2.125%	13,076,000	€	15.05.2027		13,468	0.07
Italy (Republic of) 5.25%	12,163,000	£	07.12.2034		15,939	0.08
Italy (Republic of) 6%	85,026,000	£	04.08.2028		115,452	0.60
JPMorgan Chase 3.875%	92,200,000	US\$	10.09.2024		84,447	0.44
Kinder Morgan 5.05%	37,960,000	US\$	15.02.2046		34,500	0.18
Kinder Morgan 5.55%	32,158,000	US\$	01.06.2045		31,291	0.16
Kinder Morgan 7.75%	1,960,000	US\$	15.01.2032		2,260	0.01
Kinder Morgan Energy Partners 4.7%	8,057,000	US\$	01.11.2042		6,987	0.04
Kinder Morgan Energy Partners 5.8%	2,960,000	US\$	15.03.2035		2,894	0.02
Kinder Morgan Energy Partners 6.95%	2,352,000	US\$	15.01.2038		2,571	0.01
Koninklijke KPN 5%	7,273,000	£	18.11.2026		9,493	0.05
Koninklijke KPN 5.75%	24,878,000	£	17.09.2029		34,150	0.18
Koninklijke KPN 8.375%	44,635,000	US\$	01.10.2030		50,569	0.26
Kraft Heinz Foods 1.5%	8,057,000	€	24.05.2024		8,221	0.04
Kraft Heinz Foods 2%	3,920,000	€	30.06.2023		4,098	0.02
Kraft Heinz Foods 2.25%	32,172,000	€	25.05.2028		32,924	0.17
Kraft Heinz Foods 4.125%	28,156,000	£	01.07.2027		34,966	0.18
Kraft Heinz Foods 4.375%	17,205,000	US\$	01.06.2046		13,252	0.07
LafargeHolcim Sterling Finance 3%	22,687,000	£	12.05.2032		25,402	0.13
Leeds Building Society FRN	5,420,000	£	25.04.2029		5,980	0.03
Legal & General Group FRN	46,052,000	£	27.10.2045		58,554	0.30
Legal & General Group FRN	9,774,000	US\$	21.03.2047		8,667	0.05
Legal & General Group FRN	28,198,000	£	14.11.2048		34,913	0.18

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Legal & General Group FRN	40,028,000	£	27.06.2064		50,127	0.26
Lincoln National 3.8%	12,085,000	US\$	01.03.2028		10,891	0.06
Lloyds Bank 7.625%	25,562,000	£	22.04.2025		38,042	0.20
Lloyds Bank 9.625%	21,547,000	£	06.04.2023		32,110	0.17
Marston's Issuer FRN	1,568,000	£	15.07.2032		1,978	0.01
McDonald's 5.875%	2,973,000	£	23.04.2032		4,747	0.02
McDonald's 6.3%	4,636,000	US\$	15.10.2037		5,118	0.03
McDonald's 6.3%	9,625,000	US\$	01.03.2038		10,644	0.06
Mexico (United Mexican States) 4%	61,246,000	€	15.03.2115		57,810	0.30
Mexico (United Mexican States) 5.625%	63,200,000	£	19.03.2114		75,075	0.39
Mexico (United Mexican States) 5.75%	44,222,000	US\$	10.12.2099		40,459	0.21
Mitchells & Butlers Finance 5.965%	1,045,008	£	15.12.2023		1,313	0.01
Mitchells & Butlers Finance 6.013%	1,967,952	£	15.12.2028		2,608	0.01
Mitchells & Butlers Finance FRN	8,057,000	£	15.12.2033		7,652	0.04
Molson Coors Brewing 1.25%	8,371,000	€	15.07.2024		8,398	0.04
Molson Coors Brewing 3%	24,554,000	US\$	15.07.2026		20,686	0.11
Molson Coors Brewing 4.2%	55,544,000	US\$	15.07.2046		43,948	0.23
Mondelez International 3.875%	6,596,000	£	06.03.2045		8,367	0.04
Mondelez International 4.125%	8,449,000	US\$	07.05.2028		7,835	0.04
Mondelez International 4.5%	1,372,000	£	03.12.2035		1,853	0.01
Morgan Stanley 3.95%	81,363,000	US\$	23.04.2027		72,411	0.38
Morgan Stanley 4.35%	83,800,000	US\$	08.09.2026		76,525	0.40
Morgan Stanley 5%	41,483,000	US\$	24.11.2025		39,552	0.21
Motorola Solutions 4%	12,193,000	US\$	01.09.2024		11,053	0.06
Mylan 2.25%	8,841,000	€	22.11.2024		9,027	0.05
Mylan 3.125%	10,000,000	€	22.11.2028		10,494	0.05
Nationwide Building Society 4%	20,034,000	US\$	14.09.2026		17,171	0.09
Nationwide Building Society FRN	5,969,000	US\$	01.08.2024		5,408	0.03
Nationwide Building Society FRN	19,687,000	€	08.03.2026		19,669	0.10
Nationwide Building Society FRN	23,897,000	US\$	08.03.2029		21,522	0.11
Nationwide Building Society FRN	18,005,000	€	25.07.2029		17,727	0.09
Nationwide Building Society FRN	29,482,000	US\$	18.10.2032		24,515	0.13
Next 3.625%	20,863,000	£	18.05.2028		24,888	0.13
Next Group 4.375%	16,221,000	£	02.10.2026		20,625	0.11
NGG Finance FRN	31,884,000	£	18.06.2073		40,058	0.21
O2 Telefonica Deutschland Finanzierung 1.75%	2,900,000	€	05.07.2025		2,970	0.02
Orange 3.25%	4,100,000	£	15.01.2032		5,078	0.03
Orange 5.625%	16,329,000	£	23.01.2034		25,515	0.13
Orange 9%	62,800,000	US\$	01.03.2031		80,571	0.42
Orange FRN	7,486,000	£	28.02.2049		9,455	0.05
Orange FRN	69,067,000	€	29.10.2049		77,900	0.40
Orange FRN	24,478,000	£	29.10.2049		31,006	0.16
Orange FRN	20,741,000	€	29.12.2049		23,606	0.12
Penske Truck Leasing Via PTL Finance 4.2%	8,841,000	US\$	01.04.2027		7,875	0.04
Pertamina Persero 6.45%	5,488,000	US\$	30.05.2044		5,590	0.03
Perusahaan Listrik Negara 4.125%	5,227,000	US\$	15.05.2027		4,579	0.02
Principality Building Society 2.375%	3,920,000	£	23.11.2023		4,528	0.02
Quilter FRN	3,920,000	£	28.02.2028		4,609	0.02
RELX Capital 7.5%	9,409,000	US\$	15.05.2025		9,688	0.05
Reynolds American 5.7%	8,085,000	US\$	15.08.2035		7,477	0.04
Reynolds American 5.85%	8,029,000	US\$	15.08.2045		7,319	0.04
Reynolds American 6.15%	4,704,000	US\$	15.09.2043		4,408	0.02
Reynolds American 7.25%	7,861,000	US\$	15.06.2037		8,157	0.04
Romania (Republic of) 2.875%	10,106,000	€	11.03.2029		10,226	0.05
Royal Bank of Scotland Group 2.5%	11,271,000	€	22.03.2023		11,789	0.06
Royal Bank of Scotland Group FRN	10,058,000	€	08.03.2023		10,285	0.05
Royal Bank of Scotland Group FRN	11,010,000	US\$	15.05.2023		9,755	0.05
Santander UK Group Holdings FRN	8,359,000	€	18.05.2023		8,168	0.04
Santander UK Group Holdings FRN	13,755,000	€	27.03.2024		13,355	0.07
Schaeffler 2.875%	7,068,000	€	26.03.2027		7,267	0.04
Security Capital Group 7.7%	3,920,000	US\$	15.06.2028		4,101	0.02
Severn Trent Utilities Finance 6.25%	7,900,000	£	07.06.2029		12,468	0.06
Société Générale 4%	8,841,000	US\$	12.01.2027		7,834	0.04
Société Générale 4.25%	46,790,000	US\$	14.04.2025		41,927	0.22
Société Générale 4.75%	16,329,000	US\$	24.11.2025		15,035	0.08
Société Générale 5%	39,999,000	US\$	17.01.2024		37,160	0.19

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BBB' credit rated bonds (continued)						
Sogecap FRN	8,100,000	€	29.12.2049		8,499	0.04
Stora Enso 2.5%	3,642,000	€	21.03.2028		3,747	0.02
Sunoco Logistics Partners Operations 5.35%	16,109,000	US\$	15.05.2045		14,026	0.07
Sunoco Logistics Partners Operations 5.4%	33,121,000	US\$	01.10.2047		29,390	0.15
Syngenta Finance 4.892%	3,136,000	US\$	24.04.2025		2,851	0.01
Syngenta Finance 5.182%	8,165,000	US\$	24.04.2028		7,380	0.04
Takeda Pharmaceutical 3%	24,106,000	€	21.11.2030		26,465	0.14
Telefonica Emisiones 4.895%	20,357,000	US\$	06.03.2048		17,563	0.09
Telefonica Emisiones 5.375%	5,391,000	€	02.02.2026		7,446	0.04
Telefonica Emisiones 5.52%	26,846,000	US\$	01.03.2049		24,984	0.13
Telefonica Emisiones 7.045%	33,497,000	US\$	20.06.2036		36,358	0.19
Telefonica Europe 8.25%	16,000,000	US\$	15.09.2030		18,919	0.10
Thames Water Utilities Cayman Finance 2.375%	3,085,000	£	03.05.2023		3,530	0.02
Thames Water Utilities Cayman Finance FRN	23,778,000	£	13.09.2030		30,376	0.16
Thames Water Utilities Finance 2.875%	3,921,000	£	03.05.2027		4,477	0.02
Thames Water Utilities Finance 3.375%	980,000	£	21.07.2021		2,043	0.01
Thames Water Utilities Finance 5.125%	8,557,000	£	28.09.2037		12,760	0.07
Thames Water Utilities Finance 6.75%	6,880,000	£	16.11.2028		10,819	0.06
Thermo Fisher Scientific 2.875%	8,100,000	€	24.07.2037		8,941	0.05
Time Warner Cable 5.25%	26,205,000	£	15.07.2042		35,278	0.18
Time Warner Cable 5.5%	2,984,000	US\$	01.09.2041		2,615	0.01
Time Warner Cable 5.75%	29,149,000	£	02.06.2031		40,637	0.21
Transportadora de Gas del Peru 4.25%	6,595,000	US\$	30.04.2028		5,971	0.03
UBM 5.75%	3,136,000	US\$	03.11.2020		2,887	0.01
UPM-Kymmene 7.45%	3,136,000	US\$	26.11.2027		3,323	0.02
Verizon Communications 2.875%	61,926,000	€	15.01.2038		68,329	0.35
Verizon Communications 3.125%	8,241,000	£	02.11.2035		9,989	0.05
Verizon Communications 3.375%	71,315,000	£	27.10.2036		88,288	0.46
Verizon Communications 4.272%	52,692,000	US\$	15.01.2036		47,742	0.25
Verizon Communications 4.5%	12,301,000	US\$	10.08.2033		11,574	0.06
Verizon Communications 4.672%	185,000,000	US\$	15.03.2055		167,982	0.87
Verizon Communications 5.012%	212,200,000	US\$	21.08.2054		202,419	1.05
Verizon Communications 5.25%	144,100,000	US\$	16.03.2037		144,455	0.75
Virgin Money Holdings UK FRN	3,920,000	£	24.04.2026		4,571	0.02
Vodafone Group 3%	49,742,000	£	12.08.2056		49,321	0.26
Vodafone Group 3.375%	10,000,000	£	08.08.2049		10,763	0.06
Vodafone Group 5%	16,156,000	US\$	30.05.2038		14,240	0.07
Vodafone Group 5.25%	21,000,000	US\$	30.05.2048		18,629	0.10
Volkswagen Group of America Finance 4.75%	20,000,000	US\$	13.11.2028		17,937	0.09
Volkswagen International Finance 4.125%	25,000,000	£	17.11.2031		31,211	0.16
Volkswagen International Finance 4.125%	70,000,000	€	16.11.2038		77,827	0.40
Walgreens Boots Alliance 3.45%	8,273,000	US\$	01.06.2026		7,206	0.04
Walgreens Boots Alliance 3.6%	17,446,000	£	20.11.2025		21,540	0.11
Walgreens Boots Alliance 4.8%	10,000,000	US\$	18.11.2044		8,545	0.04
Wells Fargo 4.3%	98,500,000	US\$	22.07.2027		91,159	0.47
Welltower 4.5%	10,017,000	£	01.12.2034		13,397	0.07
Welltower 4.8%	8,286,000	£	20.11.2028		11,219	0.06
Weyerhaeuser 7.375%	3,724,000	US\$	15.03.2032		4,371	0.02
Wm Morrison Supermarkets 3.5%	1,228,000	£	27.07.2026		1,535	0.01
Wm Morrison Supermarkets 4.75%	14,341,000	£	04.07.2029		19,575	0.10
WP Carey 4%	8,273,000	US\$	01.02.2025		7,443	0.04
WPC Eurobond 2.125%	7,207,000	€	15.04.2027		7,235	0.04
WPP Finance 2010 5.125%	2,852,000	US\$	07.09.2042		2,347	0.01
WPP Finance 2010 5.625%	5,120,000	US\$	15.11.2043		4,511	0.02
WPP Finance 2013 2.875%	16,281,000	£	14.09.2046		15,688	0.08
'BB' credit rated bonds					1,874,764	9.73
ABN AMRO Bank FRN	8,500,000	€	31.12.2099		8,194	0.04
Arkema FRN	8,100,000	€	29.10.2049		8,627	0.05
Arrow Global Finance FRN	10,517,000	€	01.04.2025		10,081	0.05
Avis Budget Car Rental 5.25%	8,949,000	US\$	15.03.2025		7,661	0.04
Axalta Coating Systems 4.25%	3,493,000	€	15.08.2024		3,640	0.02
Banco de Sabadell FRN	9,100,000	€	12.12.2028		9,362	0.05
Banco Santander FRN	14,600,000	€	31.12.2099		13,926	0.07
Bank of Scotland FRN	2,352,000	£	29.05.2049		3,348	0.02
Belden 3.375%	8,273,000	€	15.07.2027		8,349	0.04
Belden 3.875%	3,920,000	€	15.03.2028		3,957	0.02

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
CaixaBank FRN	11,600,000	€	31.12.2099		10,166	0.05
CaixaBank FRN	17,000,000	€	31.12.2099		17,683	0.09
CCO Holdings Via CCO Holdings Capital 5.125%	15,809,000	US\$	01.05.2027		14,096	0.07
Cemex 2.75%	8,902,000	€	05.12.2024		8,939	0.05
Cemex 4.375%	12,651,000	€	05.03.2023		12,954	0.07
Cemex 5.7%	3,564,000	US\$	11.01.2025		3,260	0.02
Cemex 5.7%	12,977,000	US\$	11.01.2025		11,865	0.06
Cemex 6.125%	9,625,000	US\$	05.05.2025		8,860	0.05
Cemex Finance 4.625%	16,863,000	€	15.06.2024		17,763	0.09
Cemex Finance 6%	4,131,000	US\$	01.04.2024		3,791	0.02
Centene 4.75%	8,905,000	US\$	15.01.2025		8,091	0.04
Chemours 4%	8,057,000	€	15.05.2026		8,177	0.04
Coventry Building Society FRN	14,914,000	£	31.12.2099		17,515	0.09
Crédit Suisse Group FRN	2,352,000	US\$	31.12.2099		2,159	0.01
Crown Americas Via Crown Americas Capital 4.25%	2,744,000	US\$	30.09.2026		2,366	0.01
Crown European Holdings 3.375%	7,586,000	€	15.05.2025		8,131	0.04
CSC Holdings 5.375%	3,920,000	US\$	01.02.2028		3,501	0.02
CSC Holdings 5.5%	8,057,000	US\$	15.04.2027		7,322	0.04
CSC Holdings 6.625%	4,724,000	US\$	15.10.2025		4,467	0.02
Daily Mail & General Trust 6.375%	8,050,000	£	21.06.2027		10,807	0.06
Delamare Finance 5.546%	18,037,057	£	19.02.2029		23,907	0.12
Drax Fo 6.625%	5,880,000	US\$	01.11.2025		5,310	0.03
EI Group 6%	9,745,000	£	06.10.2023		12,168	0.06
EI Group 6.875%	5,400,000	£	15.02.2021		6,754	0.04
EI Group 6.875%	3,530,000	£	09.05.2025		4,459	0.02
Equinix 2.875%	6,960,000	€	15.03.2024		7,201	0.04
Goodyear Tire & Rubber 5%	13,810,000	US\$	31.05.2026		11,629	0.06
Grupo KUO 5.75%	10,750,000	US\$	07.07.2027		9,251	0.05
Hanesbrands 4.875%	1,960,000	US\$	15.05.2026		1,723	0.01
Hanesbrands Finance Luxembourg 3.5%	8,057,000	€	15.06.2024		8,612	0.05
HCA 4.5%	25,605,000	US\$	15.02.2027		23,469	0.12
HCA 4.75%	11,731,000	US\$	01.05.2023		10,970	0.06
HCA 5%	29,137,000	US\$	15.03.2024		27,500	0.14
HCA 5.25%	8,057,000	US\$	15.06.2026		7,697	0.04
HCA 5.375%	20,357,000	US\$	01.09.2026		19,073	0.10
HCA 5.5%	50,624,000	US\$	15.06.2047		47,984	0.25
HCA 5.875%	10,017,000	US\$	15.03.2022		9,570	0.05
HCA 7.5%	3,136,000	US\$	15.02.2022		3,072	0.02
Heathrow Finance 3.875%	7,841,000	£	01.03.2027		8,748	0.05
Heathrow Finance 5.75%	7,757,000	£	03.03.2025		9,702	0.05
Hilton Worldwide Finance 4.625%	5,227,000	US\$	01.04.2025		4,701	0.02
IHO Verwaltungs 2.75%	9,703,684	€	15.09.2021		9,845	0.05
Inretail Pharma 5.375%	9,165,000	US\$	02.05.2023		8,529	0.04
International Game Technology 6.25%	6,596,000	US\$	15.02.2022		6,101	0.03
Intertrust Group 3.375%	4,636,000	€	15.11.2025		4,750	0.02
InterXion Holding 4.75%	5,870,000	€	15.06.2025		6,238	0.03
Intesa Sanpaolo 5.017%	3,920,000	US\$	26.06.2024		3,362	0.02
Intesa Sanpaolo 5.71%	8,057,000	US\$	15.01.2026		7,001	0.04
Intesa Sanpaolo FRN	9,641,000	€	29.12.2049		10,455	0.05
Intesa Sanpaolo Vita FRN	5,500,000	€	31.12.2049		5,540	0.03
Intrum Justitia 3.125%	4,592,000	€	15.07.2024		4,476	0.02
IQVIA 3.25%	24,255,000	€	15.03.2025		24,841	0.13
James Hardie International Finance 3.625%	6,199,000	€	01.10.2026		6,326	0.03
KBC Group FRN	40,600,000	€	31.12.2099		37,199	0.19
Koninklijke KPN FRN	8,057,000	US\$	28.03.2073		7,520	0.04
Lloyds Banking Group FRN	17,500,000	£	29.12.2049		20,473	0.11
Lloyds Banking Group FRN	31,776,000	£	29.12.2049		40,882	0.21
Lloyds Banking Group FRN	28,610,000	£	29.12.2049		35,364	0.18
Lloyds Banking Group FRN	21,034,000	€	31.12.2049		21,691	0.11
Millicom International Cellular 6.25%	11,984,000	US\$	25.03.2029		10,804	0.06
MPT Operating Partnership 3.325%	15,721,000	€	24.03.2025		16,345	0.09
Nationwide Building Society FRN	24,835,000	£	29.12.2049		29,141	0.15
Naturgy Finance FRN	11,500,000	€	29.11.2049		12,203	0.06
Netflix 3.625%	17,127,000	€	15.05.2027		17,723	0.09
Netflix 4.625%	17,681,000	€	15.05.2029		18,834	0.10
Nexans 3.75%	4,900,000	€	08.08.2023		5,156	0.03

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'BB' credit rated bonds (continued)						
OI European Group 3.125%	7,654,000	€	15.11.2024		8,063	0.04
Petrobras Global Finance 5.375%	14,711,000	£	01.10.2029		17,437	0.09
Petrobras Global Finance 6.625%	24,475,000	£	16.01.2034		31,060	0.16
Pilgrim's Pride 5.75%	6,488,000	US\$	15.03.2025		5,846	0.03
ProGroup FRN	6,596,000	€	31.03.2024		6,626	0.03
Puma International Financing 5%	6,704,000	US\$	24.01.2026		5,210	0.03
Puma International Financing 5.125%	6,194,000	US\$	06.10.2024		4,998	0.03
Royal Bank of Scotland Group 5.125%	17,027,000	US\$	28.05.2024		15,549	0.08
Royal Bank of Scotland Group 6.1%	29,777,000	US\$	10.06.2023		28,176	0.15
Royal Bank of Scotland Group 6.125%	16,897,000	US\$	15.12.2022		15,979	0.08
Royal Bank of Scotland Group FRN	6,596,000	US\$	29.12.2049		6,232	0.03
Royal Bank of Scotland Group FRN	4,715,000	US\$	29.12.2049		4,490	0.02
Shea Homes Via Shea Homes Funding 6.125%	855,000	US\$	01.04.2025		721	0.00
Silgan Holdings 3.25%	8,057,000	€	15.03.2025		8,340	0.04
Sirius XM Radio 6%	12,085,000	US\$	15.07.2024		11,177	0.06
Société Générale FRN	8,057,000	US\$	29.12.2049		7,479	0.04
Société Générale FRN	1,403,000	US\$	29.12.2049		1,302	0.01
Solvay Finance FRN	9,605,000	€	29.11.2049		10,842	0.06
Solvay Finance FRN	25,248,000	€	29.12.2049		29,223	0.15
Solvay Finance FRN	8,057,000	€	29.12.2049		8,750	0.05
Solvay Finance FRN	1,960,000	€	31.12.2049		1,970	0.01
Telecom Italia 4%	3,935,000	€	11.04.2024		4,140	0.02
Telecom Italia Finance 7.75%	33,760,000	€	24.01.2033		43,679	0.23
Telecom Italia Milano 2.875%	28,704,000	€	28.01.2026		28,273	0.15
Telecom Italia Milano 5.25%	51,800,000	€	17.03.2055		51,209	0.27
Telecom Italia Milano 5.875%	3,200,000	£	19.05.2023		3,992	0.02
Telefonica Europe FRN	18,000,000	€	31.03.2049		20,039	0.10
Telefonica Europe FRN	3,500,000	€	31.12.2099		3,415	0.02
Telefonica Europe FRN	17,200,000	€	31.12.2099		16,781	0.09
Telefonica Europe FRN	8,100,000	€	31.12.2099		7,803	0.04
Telefonica Europe FRN	29,000,000	€	31.12.2099		29,791	0.15
Tenet Healthcare 4.375%	4,136,000	US\$	01.10.2021		3,741	0.02
Tenet Healthcare 4.5%	1,960,000	US\$	01.04.2021		1,771	0.01
Tenet Healthcare 4.625%	400,000	US\$	15.07.2024		357	0.00
Tenet Healthcare 6%	4,136,000	US\$	01.10.2020		3,817	0.02
Tesco Property Finance 2 6.052%	10,249,457	£	13.10.2039		14,685	0.08
Tesco Property Finance 3 5.744%	20,072,599	£	13.04.2040		28,171	0.15
Tesco Property Finance 4 5.801%	39,285,437	£	13.10.2040		55,455	0.29
Tesco Property Finance 5 5.661%	25,433,946	£	13.10.2041		35,205	0.18
Tesco Property Finance 6 5.411%	19,354,539	£	13.07.2044		26,477	0.14
Teva Pharmaceutical Finance Netherlands II 4.5%	8,057,000	€	01.03.2025		8,263	0.04
Teva Pharmaceutical Finance Netherlands III 3.15%	7,074,000	US\$	01.10.2026		5,171	0.03
Teva Pharmaceutical Finance Netherlands III 4.1%	25,488,000	US\$	01.10.2046		16,240	0.08
UBS FRN	20,749,000	€	29.12.2049		22,676	0.12
UBS Group Funding Switzerland FRN	3,920,000	US\$	29.12.2049		3,685	0.02
UBS Group Funding Switzerland FRN	25,522,000	US\$	29.12.2049		23,058	0.12
UBS Group Funding Switzerland FRN	35,363,000	US\$	31.12.2099		27,503	0.14
UniCredit FRN	8,357,000	€	03.01.2027		8,623	0.05
Unitymedia Hessen Via Unitymedia NRW 3.5%	21,057,000	€	15.01.2027		22,199	0.12
Unitymedia Hessen Via Unitymedia NRW 4%	42,001,000	€	15.01.2025		43,891	0.23
Unitymedia Hessen Via Unitymedia NRW 4.625%	705,600	€	15.02.2026		766	0.00
Unitymedia Hessen Via Unitymedia NRW 5%	3,920,000	US\$	15.01.2025		3,594	0.02
Unitymedia Hessen Via Unitymedia NRW 6.25%	19,733,400	€	15.01.2029		21,939	0.11
Videotron 5.375%	10,778,000	US\$	15.06.2024		10,051	0.05
Virgin Media Secured Finance 4.875%	8,057,000	£	15.01.2027		9,344	0.05
Virgin Media Secured Finance 5%	2,352,000	£	15.04.2027		2,767	0.01
Virgin Media Secured Finance 5.125%	14,653,000	£	15.01.2025		17,494	0.09
Virgin Media Secured Finance 5.5%	25,791,300	£	15.01.2025		30,898	0.16
Virgin Media Secured Finance 5.5%	16,329,000	US\$	15.01.2025		14,849	0.08
Virgin Media Secured Finance 6.25%	25,156,000	£	28.03.2029		31,133	0.16
Wind Tre 3.125%	8,165,000	€	20.01.2025		7,703	0.04
Wind Tre 5%	3,252,000	US\$	20.01.2026		2,631	0.01
Wind Tre FRN	34,351,000	€	20.01.2024		32,647	0.17
WPX Energy 5.25%	6,665,000	US\$	15.09.2024		6,011	0.03
'B' credit rated bonds					308,142	1.60
1011778 BC Via New Red Finance 5%	7,273,000	US\$	15.10.2025		6,375	0.03

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'B' credit rated bonds (continued)						
Adient Global Holdings 3.5%	3,920,000	€	15.08.2024		2,968	0.02
Adler Pelzer Holding 4.125%	5,627,000	€	01.04.2024		5,365	0.03
Altice France 5.625%	6,197,000	€	15.05.2024		6,407	0.03
Argentina (Republic of) 5%	17,720,000	€	15.01.2027		13,215	0.07
Argentina (Republic of) 5%	3,500,000	€	15.01.2027		2,610	0.01
Argentina (Republic of) 7.875%	1,500,000	US\$	15.06.2027		980	0.01
Argentina (Republic of) 7.875%	7,692,000	US\$	15.06.2027		5,024	0.03
Argentina (Republic of) 25%	26,521,983	€	31.12.2038		15,061	0.08
Axalta Coating Systems Dutch Holding B 3.75%	3,920,000	€	15.01.2025		4,082	0.02
Banco de Sabadell FRN	23,000,000	€	31.12.2099		21,859	0.11
Bausch Health Cos 4.5%	6,596,000	€	15.05.2023		6,667	0.03
Burger King France 6%	6,901,000	€	01.05.2024		7,373	0.04
Cabot Financial Luxembourg 7.5%	11,928,000	£	01.10.2023		13,682	0.07
Caesars Resort Collection Via CRC Finco 5.25%	15,878,000	US\$	15.10.2025		13,593	0.07
CPUK Finance 4.25%	5,737,000	£	28.02.2047		6,698	0.03
Enel Group 6.375%	14,990,000	£	26.09.2031		18,972	0.10
Grupo Antolin-Irausa 3.25%	3,541,000	€	30.04.2024		2,931	0.02
Grupo Antolin-Irausa 3.375%	8,165,000	€	30.04.2026		6,400	0.03
Intesa Sanpaolo FRN	8,057,000	€	29.12.2049		8,400	0.04
Intesa Sanpaolo FRN	29,590,000	€	31.12.2099		29,073	0.15
LSF10 Wolverine Investments 5%	7,488,000	€	15.03.2024		7,571	0.04
Nexi Capital FRN	12,193,000	€	01.05.2023		12,347	0.06
Nomad Foods Bondco 3.25%	4,704,000	€	15.05.2024		4,807	0.03
Provincia de Buenos Aires 5.375%	3,920,000	€	20.01.2023		3,206	0.02
Refinitiv US Holdings 6.875%	5,621,000	€	15.11.2026		5,545	0.03
Rekeep 9%	7,841,000	€	15.06.2022		7,070	0.04
SCHMOLZ + BICKENBACH Luxembourg Finance 5.625%	4,345,000	€	15.07.2022		3,814	0.02
Tenet Healthcare 5.125%	3,920,000	US\$	01.05.2025		3,502	0.02
UniCredit FRN	16,329,000	€	31.12.2099		14,045	0.07
UniCredit FRN	13,161,000	€	31.12.2099		12,819	0.07
Vallourec 6.375%	1,922,000	€	15.10.2023		1,545	0.01
Vallourec 6.625%	4,456,000	€	15.10.2022		3,766	0.02
Veritas US Via Veritas Bermuda 7.5%	784,000	€	01.02.2023		750	0.00
Virgin Media Finance 5.125%	3,136,000	£	15.02.2022		3,660	0.02
VTR Finance 6.875%	10,238,000	US\$	15.01.2024		9,390	0.05
Yum! Brands 6.875%	6,273,000	US\$	15.11.2037		5,626	0.03
Ziggo Bond 5.875%	2,016,000	US\$	15.01.2025		1,774	0.01
Ziggo Bond 7.125%	6,096,000	€	15.05.2024		6,375	0.03
Ziggo Secured Finance 3.75%	2,726,000	€	15.01.2025		2,795	0.01
'CCC' credit rated bonds					10,673	0.06
Ortho-Clinical Diagnostics 6.625%	8,165,000	US\$	15.05.2022		6,850	0.04
Tenet Healthcare 7%	4,244,000	US\$	01.08.2025		3,823	0.02
Bonds with no credit rating					452,568	2.35
3I GROUP 6.875%	12,712,000	£	09.03.2023		17,457	0.09
Ardmore Securities FRN	12,420,571	€	15.08.2057		12,380	0.06
Assicurazioni Generali FRN	8,057,000	€	30.11.2049		8,240	0.04
AT&T 4.375%	56,500,000	£	14.09.2029		73,876	0.38
AT&T 4.875%	77,000,000	£	01.06.2044		105,538	0.55
Bureau Veritas 1.875%	14,700,000	€	06.01.2025		15,080	0.08
Credit Suisse Group Funding Guernsey 2.75%	4,920,000	£	08.08.2025		5,790	0.03
Crh Finance UK 4.125%	5,299,000	£	02.12.2029		7,023	0.04
Delamare Finance 6.067%	730,000	£	19.02.2029		1,017	0.01
Digital Stout Holding 3.75%	2,139,000	£	17.10.2030		2,575	0.01
ESC Seventy Seven Energy 6.5%	1,568,132	US\$	15.07.2022		0	0.00
Eurofins Scientific 2.125%	5,655,000	€	25.07.2024		5,556	0.03
Eurofins Scientific FRN	3,136,000	€	29.12.2049		3,234	0.02
Eversholt Funding 3.529%	8,057,000	£	07.08.2042		9,309	0.05
Groupe Bruxelles Lambert 1.375%	11,800,000	€	23.05.2024		11,876	0.06
HSBC USA 9.125%	3,332,000	US\$	15.05.2021		3,313	0.02
Iliad 1.875%	14,900,000	€	25.04.2025		14,029	0.07
Intu Debenture 5.562%	8,492,000	£	31.12.2027		10,402	0.05
John Lewis 4.25%	21,426,000	£	18.12.2034		22,946	0.12
John Lewis 6.125%	13,604,000	£	21.01.2025		17,662	0.09
K2016470219 South Africa 3%	717,414	US\$	31.12.2022		6	0.00
K2016470219 South Africa 10.177%	9,727,060	ZAR	31.12.2022		0	0.00

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
Bonds with no credit rating (continued)						
Lagardere 1.625%	6,400,000	€	21.06.2024		6,299	0.03
Sainsbury's Bank FRN	2,838,000	£	23.11.2027		3,371	0.02
Slate No.1 FRN	7,983,000	£	24.01.2051		9,365	0.05
Stora Enso 7.25%	11,909,000	US\$	15.04.2036		12,438	0.06
Tesco Property Finance 3 5.744%	3,636,516	£	13.04.2040		5,104	0.03
Thames Water Utilities Finance 1.875%	8,057,000	£	24.01.2024		9,303	0.05
Thames Water Utilities Finance 2.625%	6,596,000	£	24.01.2032		7,509	0.04
Thames Water Utilities Finance 3.5%	8,057,000	£	25.02.2028		10,062	0.05
Thames Water Utilities Finance 4%	984,000	£	19.06.2025		1,260	0.01
Thames Water Utilities Finance 4.375%	16,721,000	£	03.07.2034		22,798	0.12
Thames Water Utilities Finance 4.625%	8,600,000	£	04.06.2046		12,560	0.06
Vilmorin 2.375%	5,000,000	€	26.05.2021		5,190	0.03
Debt derivatives					(180,807)	(0.94)
Credit default swaps					5,133	0.03
Innogy Jun 2020	23,522,000	€			(285)	0.00
Markit CDX North American High Yield Series 30 5 Year Jun 2023	882,000	US\$			53	0.00
Markit CDX North American High Yield Series 31 5 Year Dec 2023	19,600,000	US\$			1,104	0.00
Markit CDX North American Investment Grade Series 30 10 Year Jun 2028	1,700,000	US\$			(7)	0.00
Markit CDX North American Investment Grade Series 31 5 Year Dec 2023	65,000,000	US\$			1,057	0.00
Markit CDX North American Investment Grade Series 31 5 Year Dec 2028	41,000,000	US\$			(228)	0.00
Markit iTraxx Europe Series 28 3 Year Dec 2027	128,407,000	€			126	0.00
Markit iTraxx Europe Series 29 3 Year Jun 2028	196,017,000	€			(897)	0.00
Markit iTraxx Europe Series 29 5 Year Jun 2023	12,100,000	€			237	0.00
Markit iTraxx Europe Series 30 10 Year Dec 2028	273,420,000	€			(2,711)	(0.01)
Markit iTraxx Europe Series 30 5 Year Dec 2023	97,000,000	€			1,674	0.01
Markit iTraxx Europe Xover Series 30 5 Year Dec 2023	54,266,300	€			5,006	0.03
Marks & Spencer Dec 2021	7,841,000	€			4	0.00
Interest rate futures					(185,940)	(0.97)
Deutscher Buxl 30 year Futures	(7,770)	€	06.06.2019	1,489,121	(47,315)	(0.25)
US Treasury Notes 10 year Futures	(10,360)	US\$	19.06.2019	1,145,542	(12,553)	(0.06)
US Treasury Notes 30 year Futures	(14,104)	US\$	19.06.2019	1,878,107	(42,235)	(0.22)
US Ultra Bond Futures	(8,975)	US\$	19.06.2019	1,340,221	(45,342)	(0.24)
UK Treasury Notes Futures	(16,310)	£	26.06.2019	2,457,644	(38,495)	(0.20)
CURRENCY					(28,173)	(0.15)
Forward currency contracts					(28,173)	(0.15)
Bought for CHF 3,958,218.89, Sold for € 3,533,956.74			10.04.2019		6	0.00
Bought for € 47,949,623.65, Sold for CHF 54,060,575.84			10.04.2019		(394)	0.00
Bought for € 2,443,621,750.55, Sold for £ 2,099,675,123.94			10.04.2019		(5,919)	(0.03)
Bought for € 3,669,970,748.08, Sold for US\$ 4,128,707,224.99			10.04.2019		(3,828)	(0.02)
Bought for £ 300,472,308.67, Sold for € 350,394,002.82			10.04.2019		146	0.00
Bought for US\$ 195,822,109.07, Sold for € 173,340,068.10			10.04.2019		906	0.00
Bought for € 1,163,214,053.49, Sold for £ 1,000,000,000.00			09.05.2019		(2,256)	(0.01)
Bought for € 1,597,103,662.80, Sold for US\$ 1,805,012,524.02			09.05.2019		(5,117)	(0.03)
Bought for € 874,631.57, Sold for CHF 993,019.81			05.06.2019		(14)	0.00
Bought for £ 1,750,330,345.25, Sold for € 1,501,118,699.90			05.06.2019		2,449	0.01
Bought for € 1,659,568,247.02, Sold for US\$ 1,889,820,050.18			05.06.2019		(14,152)	(0.07)
Portfolio of investments					18,516,006	96.13
CASH EQUIVALENTS					29,652	0.15
'AAA' rated money market funds						
Morgan Stanley Liquidity Funds - Euro Liquidity Fund Class 'D'	2,000	€			19,999	0.10
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	9,844,630	€			9,653	0.05
SHARE CLASS HEDGING					5,726	0.03
Bought for CHF 241,870,214.98, Sold for € 213,618,289.95			10.04.2019		2,675	0.01
Bought for € 7,552,442.67, Sold for CHF 8,507,259.26			10.04.2019		(53)	0.00
Bought for € 1,264,436.61, Sold for SG\$ 1,939,477.83			10.04.2019		(8)	0.00
Bought for € 58,853,482.73, Sold for US\$ 66,690,035.21			10.04.2019		(489)	0.00
Bought for £ 107,651,559.79, Sold for € 125,202,284.72			10.04.2019		387	0.00
Bought for SG\$ 73,198,927.24, Sold for € 47,893,834.01			10.04.2019		182	0.00

M&G (Lux) Optimal Income Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for US\$ 2,621,723,917.89, Sold for € 2,329,823,830.67			10.04.2019		3,032	0.02
Total portfolio					18,551,384	96.31
Net other assets/(liabilities)					710,070	3.69
NET ASSETS					19,261,454	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					871,860	4.53
Debt securities					17,853,126	92.69
Unrealised gains on forward currency contracts					9,783	0.04
Unrealised gains on swap contracts					9,261	0.04
Total Investment assets					18,744,030	97.30
Investment liabilities						
Unrealised losses on futures contracts					(185,940)	(0.97)
Unrealised losses on forward currency contracts					(32,230)	(0.16)
Unrealised losses on swap contracts					(4,128)	(0.01)
Total Investment liabilities					(222,298)	(1.14)
Total portfolio					18,521,732	96.16
Cash equivalents					29,652	0.15
Net other assets/(liabilities)					710,070	3.69
NET ASSETS					19,261,454	100.00

[a] Suspended.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures				
	Swaps €'000	Forward currency contracts €'000	Futures €'000	Collateral held as cash €'000	Collateral held as security €'000
Barclays Bank London	6,850	0	0	10,431	0
BNP Paribas	897	990,270	0	0	7,108
Citigroup Global Markets Limited	513	0	0	0	453
Goldman Sachs International	985	1,723,786	0	0	5,007
HSBC Bank Plc	0	5,361	0	0	0
JP Morgan Chase	3,169	848,702	0	0	7,056
Merrill Lynch Pierce Fenner + Smith Inc	977	1,001,881	8,310,634	0	806
National Australia Bank Ltd	0	572,348	0	0	4,052
Standard Chartered Bank	0	414	0	0	0
State Street Bank and Trust Company	0	2,784,209	0	0	10,693
State Street Bank London	0	6,894,242	0	0	0
UBS AG London	0	822,897	0	0	5,594

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Optimal Income Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Optimal Income Fund which merged into the M&G (Lux) Optimal Income Fund on 8 March 2019.

Distribution details for holders of distribution shares

This fund pays both monthly and semi-annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 5 September 2018 (the launch date of the fund) to 31 March 2019.

Each income share class receiving a contribution in kind from non-Sterling share classes in the Merging Funds made a special pre-migration distribution. This was to ensure shareholders were treated fairly and received the income attributable to them.

Semi-annual distribution periods

	Start	End	Record date	Xd	Payment
First interim	05.09.18	30.09.18	28.09.18	01.10.18	04.10.18
Special pre-migration	01.10.18	06.03.19	06.03.19	07.03.19	14.03.19
Final	22.02.19	31.03.19	18.04.19	23.04.19	26.04.19

Monthly distribution periods

	Start	End	Record date	Xd	Payment
First interim	05.09.18	30.09.18	28.09.18	01.10.18	04.10.18
Second interim	01.10.18	31.10.18	31.10.18	02.11.18	07.11.18
Third interim	01.11.18	30.11.18	30.11.18	03.12.18	06.12.18
Fourth interim	01.12.18	31.12.18	31.12.18	02.01.19	07.01.19
Fifth interim	01.01.19	31.01.19	31.01.19	01.02.19	06.02.19
Special pre-migration	01.02.19	06.03.19	06.03.19	07.03.19	14.03.19
Final	07.03.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'B'	Euro Class 'C'	Euro Class 'CI'	Sterling Class 'C-H'
to 31 March 2019	Euro €	Euro €	Euro €	Euro €	UK p
First interim	0.1754	0.1756	0.1753	n/a	n/a
Special pre-migration	0.1139	0.1135	0.1139	0.1174	n/a
Final	n/a	n/a	n/a	n/a	0.0052

	Swiss franc Class 'A-H'	Swiss franc Class 'C-H'	US dollar Class 'A-H'	US dollar Class 'C-H'	US dollar Class 'CI-H'
to 31 March 2019	Swiss €	Swiss €	US €	US €	US €
First interim	0.1760	0.1761	0.1722	0.1719	n/a
Special pre-migration	0.1113	0.1123	0.1146	0.1147	0.1144
Final	n/a	n/a	n/a	n/a	n/a

	US dollar Class 'J-H'
to 31 March 2019	US €
First interim	0.1746
Special pre-migration	0.1146
Final	n/a

	Singapore dollar Class 'A-H M'	US dollar Class 'A-H M'
to 31 March 2019	SGD €	US €
First interim	0.0354	0.0355
Second interim	0.0217	0.0218
Third interim	0.0213	0.0209
Fourth interim	0.0237	0.0237
Fifth interim	0.0166	0.0225
Special pre-migration	0.0324	0.0267
Final	0.0172	0.0174

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 5 September 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	10.1139	n/a	n/a
Class 'A' Distribution	9.8247	n/a	n/a
Class 'B' Accumulation	10.0900	n/a	n/a
Class 'B' Distribution	9.7996	n/a	n/a
Class 'C' Accumulation	10.1443	n/a	n/a
Class 'C' Distribution	9.8517	n/a	n/a
Class 'CI' Accumulation	10.1495	n/a	n/a
Class 'CI' Distribution	10.1556	n/a	n/a
Class 'J' Accumulation	10.1530	n/a	n/a
Class 'JI' Accumulation	10.1341	n/a	n/a

Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	10.2448	n/a	n/a
Class 'A-H M' Distribution	10.0897	n/a	n/a
Class 'C-H' Accumulation	10.2726	n/a	n/a

Sterling	£	£	£
Class 'C-H' Accumulation	10.0103	n/a	n/a
Class 'C-H' Distribution	10.0688	n/a	n/a
Class 'CI-H' Distribution	10.0000	n/a	n/a

Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	10.0953	n/a	n/a
Class 'A-H' Distribution	9.8015	n/a	n/a
Class 'C-H' Accumulation	10.1237	n/a	n/a
Class 'C-H' Distribution	9.8331	n/a	n/a
Class 'CI-H' Accumulation	10.1272	n/a	n/a
Class 'J-H' Accumulation	10.1309	n/a	n/a

US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	10.2852	n/a	n/a
Class 'A-H' Distribution	10.0007	n/a	n/a
Class 'A-H M' Distribution	10.1396	n/a	n/a
Class 'C-H' Accumulation	10.3242	n/a	n/a
Class 'C-H' Distribution	10.0339	n/a	n/a
Class 'CI-H' Accumulation	10.3263	n/a	n/a
Class 'CI-H' Distribution	10.1059	n/a	n/a
Class 'J-H' Accumulation	10.3261	n/a	n/a
Class 'J-H' Distribution	10.0387	n/a	n/a
Class 'JI-H' Accumulation	10.3010	n/a	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	19,261,454	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	19,261,454	n/a	n/a

M&G (Lux) Optimal Income Fund

Financial highlights

Net Asset Values (NAV) and Total Expense Ratios (TER) (continued)

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.46
Class 'A' Distribution	1.46
Class 'B' Accumulation	1.96
Class 'B' Distribution	1.96
Class 'C' Accumulation	0.96
Class 'C' Distribution	0.96
Class 'CI' Accumulation	0.92
Class 'CI' Distribution	0.93 ^[a]
Class 'J' Accumulation	0.81
Class 'JI' Accumulation	0.77
Singapore dollar	%
Class 'A-H' Accumulation	1.48
Class 'A-H M' Distribution	1.48
Class 'C-H' Accumulation	0.98
Sterling	%
Class 'C-H' Accumulation	0.99 ^[a]
Class 'C-H' Distribution	0.99 ^[a]
Class 'CI-H' Distribution	0.95 ^[a]
Swiss franc	%
Class 'A-H' Accumulation	1.48
Class 'A-H' Distribution	1.48
Class 'C-H' Accumulation	0.98
Class 'C-H' Distribution	0.98
Class 'CI-H' Accumulation	0.94
Class 'J-H' Accumulation	0.83
US dollar	%
Class 'A-H' Accumulation	1.48
Class 'A-H' Distribution	1.48
Class 'A-H M' Distribution	1.48
Class 'C-H' Accumulation	0.98
Class 'C-H' Distribution	0.98
Class 'CI-H' Accumulation	0.94
Class 'CI-H' Distribution	0.95 ^[a]
Class 'J-H' Accumulation	0.83
Class 'J-H' Distribution	0.83
Class 'JI-H' Accumulation	0.77

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Pan European Dividend Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- To deliver a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period; and
- To deliver an income stream that increases every year in Euro terms.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in, or conducting the major part of their economic activity in Europe. The Fund usually holds fewer than 50 stocks.

The investment manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Pan European Dividend Fund

Investment review

For the period from 7 December 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Pan European Dividend Fund was launched in December 2018 and is run by the same fund manager, applying the same investment strategy, as the M&G Pan European Dividend Fund, a UK-authorised OEIC, which launched on 18 July 2008. Following shareholder approval, the M&G Pan European Dividend Fund merged into the SICAV on 7 December 2018.

Our fundamental belief is that investing in companies that are growing their dividends is a successful strategy over the long run. In general, non-dividend-paying stocks – companies that have chosen to invest all their capital for growth, without returning any of it to shareholders – have underperformed considerably and have even struggled to protect investors from the eroding effects of inflation.

In our view, dividends provide the ultimate sign of a company's capital discipline and its commitment to shareholder value. Dividends are the measure that most clearly and objectively reveals the underlying health and strength of a business, and we believe that a progressive dividend policy helps a company to be disciplined, as a company must grow its business to support a rising dividend stream. This regulates the amount of cash that can be reinvested in the business and therefore ensures that only the most profitable projects are selected. We believe that dividends should not be an afterthought; they should be an integral part of good company management so that the business grows in a sensible manner.

We seek to hold up to 50 stocks in the portfolio, with the weighting of each holding determined by our conviction in the individual investment.

Over the review period, we added one new holding to the portfolio, Galp Energia. We expect Galp, a Portuguese energy company that we believe has a superior growth profile, to start delivering material dividend growth.

Conversely we closed two positions, German events business CTS Eventim and UK-based logistics real estate company Tritax Eurobox, to look for better opportunities.

The fund ended the period under review with above-index positions in industrials, materials and healthcare. It remained underweight in information technology, utilities and consumer staples.

In spite of the extreme episodes of market volatility recently witnessed, we still believe that the overall state of the global economy remains healthy. We also continue to believe that companies with sector leadership and financial discipline will, over the long term, outperform the market, irrespective of short-term perceptions, and we remain committed to our selective, stockpicking approach.

Phil Cliff

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Pan European Dividend Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					102,201	94.84
Energy equipment & services						
Prosafe	384,948	NOK			638	0.59
Oil, gas & consumable fuels					7,390	6.86
BP	813,795	£			5,293	4.91
Galp Energia	147,029	€			2,097	1.95
Chemicals					4,968	4.61
Covestro	67,203	€			3,303	3.07
Methanex	33,311	US\$			1,665	1.54
Containers & packaging					7,333	6.80
DS Smith	798,165	£			3,115	2.89
Essentra	879,339	£			4,218	3.91
Construction & engineering						
Legrand	42,578	€			2,527	2.35
Industrial conglomerates					6,111	5.67
Nokian Renkaat	96,302	€			2,891	2.68
Siemens	33,540	€			3,220	2.99
Machinery						
Kone 'B'	90,124	€			4,033	3.74
Commercial services & supplies					6,590	6.12
Bureau Veritas	139,978	€			2,939	2.73
RELX	191,620	€			3,651	3.39
Household durables						
IMA Industria Macchine Automatiche	26,927	€			1,789	1.66
Hotels, restaurants & leisure					5,703	5.29
Compass Group	140,999	£			2,927	2.72
GVC Holdings	432,716	£			2,776	2.57
Media						
NOS	300,627	€			1,703	1.58
Tobacco					11,013	10.22
British American Tobacco	95,324	£			3,527	3.27
Imperial Brands	244,235	£			7,486	6.95
Personal products						
Unilever	58,700	€			3,036	2.82
Pharmaceuticals					17,246	16.00
AstraZeneca	33,698	£			2,383	2.21
Novartis	87,551	CHF			7,443	6.91
Roche Holding	30,611	CHF			7,420	6.88
Banks					11,807	10.96
Erste Group Bank	70,556	€			2,287	2.12
Intesa Sanpaolo	1,289,100	€			2,806	2.61
KBC Group	68,127	€			4,256	3.95
Nordea Bank	358,929	SEK			2,458	2.28
Capital markets					3,159	2.93
Banca IFIS	30,360	€			448	0.42
Intermediate Capital Group	217,921	£			2,711	2.51
Insurance						
Sampo 'A'	126,007	€			5,147	4.78
Diversified telecommunication services						
SES	147,244	€			2,008	1.86
CURRENCY					(5)	0.00
Forward currency contracts					(5)	0.00
Bought for € 4,069,305.62, Sold for € 3,500,000.00			12.06.2019		(5)	0.00
Portfolio of investments					102,196	94.84
CASH EQUIVALENTS					3,223	2.99
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	3,286,905	€			3,223	2.99
Total portfolio					105,419	97.83
Net other assets/(liabilities)					2,343	2.17
NET ASSETS					107,762	100.00

M&G (Lux) Pan European Dividend Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					102,201	94.84
Total Investment assets					102,201	94.84
Investment liabilities						
Unrealised losses on forward currency contracts					(5)	0.00
Total Investment liabilities					(5)	0.00
Total portfolio					102,196	94.84
Cash equivalents					3,223	2.99
Net other assets/(liabilities)					2,343	2.17
NET ASSETS					107,762	100.00

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

Counterparty exposure

	Derivative exposures
Counterparty	Forward currency contracts €'000
State Street Bank London	4,069

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Pan European Dividend Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the M&G Pan European Dividend Fund which merged into the M&G (Lux) Pan European Dividend Fund on 7 December 2018.

Distribution details for holders of distribution shares

This fund pays semi-annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 7 December 2018 (the launch date of the fund) 31 March 2019.

Semi-annual distribution periods

	Start	End	Record date	Xd	Payment
Final	07.12.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'B'	Euro Class 'C'	Euro Class 'CI'	US dollar Class 'A'
to 31 March 2019	Euro €	Euro €	Euro €	Euro €	US €
Final	0.1894	0.1339	0.2175	0.1586	0.1233

	US dollar Class 'C'
to 31 March 2019	US €
Final	0.1278

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 7 December 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	16.4752	n/a	n/a
Class 'A' Distribution	12.9216	n/a	n/a
Class 'B' Accumulation	10.2432	n/a	n/a
Class 'B' Distribution	9.1292	n/a	n/a
Class 'C' Accumulation	17.8765	n/a	n/a
Class 'C' Distribution	14.8461	n/a	n/a
Class 'CI' Accumulation	10.8255	n/a	n/a
Class 'CI' Distribution	10.8253	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.1359	n/a	n/a
Class 'A' Distribution	8.4088	n/a	n/a
Class 'C' Accumulation	10.5048	n/a	n/a
Class 'C' Distribution	8.7186	n/a	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	107,762	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	107,762	n/a	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.72 [a]
Class 'A' Distribution	1.72 [a]
Class 'B' Accumulation	2.22 [a]
Class 'B' Distribution	2.22 [a]
Class 'C' Accumulation	0.97 [a]
Class 'C' Distribution	0.97 [a]
Class 'CI' Accumulation	0.93 [a]
Class 'CI' Distribution	0.93 [a]
US dollar	%
Class 'A' Accumulation	1.72 [a]
Class 'A' Distribution	1.72 [a]
Class 'C' Accumulation	0.97 [a]
Class 'C' Distribution	0.97 [a]

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Pan European Select Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in, or conducting the major part of their economic activity in, Europe. The Fund usually holds fewer than 35 stocks.

The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.

Sustainability considerations play an important role in determining the investment universe and assessing business models. Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption are excluded from the investment universe. Industries such as tobacco and controversial weapons are also excluded.

The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.

The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.

M&G (Lux) Pan European Select Fund

Investment review

For the period from 9 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Pan European Select Fund was launched in November 2018 and is run by the same manager, applying the same investment strategy and maintaining the same holdings, as the M&G Pan European Select Fund, a UK-authorised OEIC that launched in September 1989. The non-sterling share classes of the M&G Pan European Select Fund merged into the M&G (Lux) Pan European Select Fund on 9 November 2018.

We invest in quality, sustainable companies, with advantageous characteristics that protect their profitability and an element of change helping to drive their value. Importantly, we invest in stocks where short-term ‘disruptions’ have provided a clear valuation opportunity. Sustainability considerations, including Environmental, Social and Governance (ESG) factors, are fully integrated into our investment process.

We also take a flexible approach to portfolio construction, identifying companies that fit into one of two broad ‘buckets’ – ‘stable growth’ and ‘opportunities’. Stable growth companies have a proven track record of producing stable earnings, are generally perceived as the long-term ‘winners’ by the market and tend to have very strong market positions or powerful brands. Opportunities companies sit in out-of-favour corners of the market where change is not appreciated, or risk is overstated. These tend to be less predictable, but with significant upside potential.

We run a concentrated portfolio of between 25 and 35 holdings, maintaining a watchlist of around 120 sustainable companies that we would like to own when the timing and price are right. We monitor our watchlist closely, waiting patiently for short-term issues to create buying opportunities.

In light of the fund’s long-term, low-turnover approach, the period under review saw no new purchases or complete sales. We reduced a number of our existing holdings during the period, including the positions in addiction cessation drug maker Indivior, pet specialist retailer Pets at Home and consumer giant Nestlé. We also added to some of our existing holdings where valuations had become more compelling, namely allergy immunotherapy specialist ALK-Abelló and airline industry IT outsourcing business Amadeus.

We think that valuations in some parts of the market are currently looking very attractive, particularly in Europe, but in the long term we have slightly lower expectations for company shares in general over the next 10 years. We think returns will likely be closer to normal, and hopefully with a more consistent return of volatility (ie, market turbulence). It is these conditions that can benefit long-term, fundamental stockpickers.

In terms of the fund, we remain confident in the quality of the stocks within the current portfolio. As long-term investors, our focus is on the ability of our holdings to generate long-term value for the fund and for our investors, and we continue to be optimistic about their prospects.

John William Olsen

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Pan European Select Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					121,567	96.89
Oil, gas & consumable fuels						
Equinor	235,791	NOK			4,647	3.70
Chemicals					9,437	7.52
Akzo Nobel	60,453	€			4,797	3.82
Linde	29,629	€			4,640	3.70
Construction materials						
LafargeHolcim	78,780	CHF			3,469	2.76
Machinery						
Jungheinrich	76,012	€			2,222	1.77
Commercial services & supplies					12,062	9.61
ISS	181,681	DKK			4,929	3.93
Reckitt Benckiser Group	61,529	£			4,601	3.66
Société BIC	31,964	€			2,532	2.02
Air freight & logistics						
DSV	94,960	DKK			6,940	5.53
Textiles, apparel & luxury goods					3,673	2.93
Hugo Boss	38,307	€			2,340	1.87
Pandora	32,050	DKK			1,333	1.06
Media						
CTS Eventim	128,880	€			5,440	4.34
Specialty retail					11,230	8.95
Pets at Home Group	1,606,636	£			2,993	2.39
WH Smith	333,113	£			8,237	6.56
Food products						
Nestle	67,554	CHF			5,733	4.57
Personal products						
Unilever	101,596	€			5,256	4.19
Health care providers & services						
Fresenius Medical Care	86,489	€			6,167	4.91
Pharmaceuticals					14,285	11.39
ALK-Abello	17,282	DKK			2,560	2.04
GlaxoSmithKline	139,883	£			2,590	2.07
Indivior	286,887	£			318	0.25
Novo Nordisk 'B'	191,719	DKK			8,817	7.03
Banks					9,845	7.85
AIB Group	1,034,841	€			4,062	3.24
Bank of Georgia Group	73,118	£			1,418	1.13
ING Groep	405,461	€			4,365	3.48
Capital markets						
Georgia Capital	148,240	£			1,886	1.50
Insurance						
Hiscox	161,995	£			2,946	2.35
IT services						
Amadeus IT Group	81,626	€			5,758	4.59
Software						
SAP	55,992	€			5,755	4.59
Technology hardware, storage & peripherals						
Schneider Electric	69,159	€			4,816	3.84
Portfolio of investments					121,567	96.89
CASH EQUIVALENTS					2,569	2.05
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	2,619,922	€			2,569	2.05
Total portfolio					124,136	98.94
Net other assets/(liabilities)					1,325	1.06
NET ASSETS					125,461	100.00

M&G (Lux) Pan European Select Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					121,567	96.89
Total Investment assets					121,567	96.89
Total portfolio					121,567	96.89
Cash equivalents					2,569	2.05
Net other assets/(liabilities)					1,325	1.06
NET ASSETS					125,461	100.00

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

M&G (Lux) Pan European Select Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Pan European Select Fund which merged into the M&G (Lux) Pan European Select Fund on 9 November 2018.

Distribution details for holders of distribution shares

This fund has no distributing share classes.

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	20.6346	n/a	n/a
Class 'B' Accumulation	12.1043	n/a	n/a
Class 'C' Accumulation	23.5701	n/a	n/a
Class 'CI' Accumulation	10.6091	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	11.9631	n/a	n/a
Class 'C' Accumulation	12.4115	n/a	n/a
NAV at fund level	€'000	€'000	€'000
Net assets	125,461	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	125,461	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	1.73		
Class 'B' Accumulation	2.23		
Class 'C' Accumulation	0.98		
Class 'CI' Accumulation	0.94		
US dollar	%		
Class 'A' Accumulation	1.73		
Class 'C' Accumulation	0.98		

M&G (Lux) Positive Impact Fund

Investment objective and policy

Investment objective

The Fund has two aims:

- To provide a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period; and
- To invest in companies that have a positive societal impact through addressing the world's major social and/or environmental challenges.

Derivatives may be used for efficient portfolio management and hedging.

Investment policy

The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.

Assessment and measurement of the ability to deliver positive social and/or environmental impact and generate financial returns will be conducted at a company level using M&G's impact assessment methodology. This focuses on three criteria:

- Investment credentials: the quality and durability of the company's business model and its ability to produce sustainable economic returns;
- Intention: the company's purpose as evidenced by the alignment of its mission statement with its corporate actions and strategy; and
- Impact: the scale of the net positive societal impact and the company's progress towards addressing specified social and/or environmental challenges.

Certain investments which are considered to conflict with the Fund's aim to invest in companies with a positive societal impact are excluded from the investment universe. The following are excluded:

- Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and
- Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, oil sands, nuclear power or coal-fired power, or the provision of gambling services.

The Investment Manager has discretion to invest in companies with limited exposure to fossil fuels but which are driving or significantly participating in the transition to a more sustainable economy.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

M&G (Lux) Positive Impact Fund

Investment review

For the period from 29 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Positive Impact Fund was launched on 29 November 2018. The fund is a concentrated portfolio of global stocks, making long-term investments in companies that aim to generate a positive social and/or environmental impact alongside a financial return, using a disciplined stock selection process.

Both sustainability and impact considerations are fundamental in determining the fund's investment universe and assessing business models, while engagement with companies is a key element of the investment strategy. Environmental, Social and Governance (ESG) factors are integrated within the investment process.

The fund generally holds around 30 stocks from around the world, with a Positive Impact team consensus-approved watchlist of around 150 impactful companies in which the fund manager can invest if the timing and price are right. The team undertakes a 'triple i' approach to identifying these impactful businesses, analysing the Investment quality, Intentionality and Impact of a company to assess its suitability for the fund. As part of this analysis, the team internally scores companies on these 'III' credentials, and requires above-average results for inclusion in the fund's watchlist, as well as consensus agreement of a company's merits from the entire Positive Impact team. The fund manager can then invest in these businesses when they are trading at a discount to what the team believes to be their intrinsic value, derived from scenario-valuation analysis.

From a portfolio construction perspective, the fund invests in three categories of positive impact companies: Pioneers, Enablers and Leaders. Investing in these categories provides diversification across industries and maturity of business models. The fund will not invest in negative impact companies, and screens out any companies deemed to be in breach of the United Nations Global Compact Principles on human rights, labour, the environment and corruption. It also screens out companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, oil sands, nuclear power or coal-fired power, or the provision of gambling services (ie, companies that are not capable of delivering demonstrable positive impact to society).

The fund embraces the United Nations Sustainable Development Goals (SDG) framework and invests in companies focused on six key areas, mapped against the SDGs. On the environmental side, these are: climate actions (9.7% of the portfolio at the end of the period under review); environmental solutions (19.4%); and circular economy (9.7%). On the social side, these are: improving health, saving lives (35.5%); better working conditions (3.2%); and social inclusion (22.6%).

John William Olsen
Fund manager

Investment review information as at 31 March 2019.
Employee of M&G 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.

M&G (Lux) Positive Impact Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value US\$'000	Market value US\$'000	% of net assets
EQUITIES					13,561	95.15
Software & Computer Services						
ANSYS	2,650	US\$			478	3.35
Technology Hardware & Equipment					845	5.93
ON Semiconductor	22,529	US\$			456	3.20
Solaredge Technologies	10,301	US\$			389	2.73
Health Care Providers					1,275	8.95
Fresenius Medical Care	6,742	€			540	3.79
Quest Diagnostics	4,207	US\$			374	2.63
UnitedHealth Group	1,490	US\$			361	2.53
Medical Equipment & Services					403	2.83
Becton Dickinson	1,630	US\$				
Pharmaceuticals & Biotechnology					3,195	22.42
Agilent Technologies	6,335	US\$			505	3.54
ALK-Abello	2,687	DKK			447	3.14
Grifols 'B'	18,503	€			373	2.62
Illumina	1,315	US\$			401	2.81
Lonza Group	1,315	CHF			406	2.85
Novo Nordisk 'B'	11,675	DKK			603	4.23
Thermo Fisher Scientific	1,702	US\$			460	3.23
Banks					1,047	7.35
Bank of Georgia Group	19,333	£			421	2.96
HDFC Bank ADR	5,507	US\$			626	4.39
Life Insurance					978	6.86
AIA Group	62,800	HK\$			625	4.38
Sanlam	70,419	ZAR			353	2.48
Consumer Services					682	4.79
Bright Horizons Family Solutions	3,332	US\$			420	2.95
Kroton Educacional ADR	95,168	US\$			262	1.84
Electronic & Electrical Equipment					1,346	9.44
Horiba	8,800	¥			487	3.42
IPG Photonics	2,914	US\$			432	3.03
Schneider Electric	5,462	€			427	2.99
General Industrials					823	5.77
DS Smith	87,957	£			385	2.70
Johnson Controls International	11,859	US\$			438	3.07
Industrial Support Services					1,215	8.52
Brambles	52,965	AU\$			442	3.10
ISS	11,657	DKK			355	2.49
Republic Services	5,183	US\$			418	2.93
Industrial Transportation					415	2.91
East Japan Railway	4,300	¥				
Renewable Energy					269	1.89
China Everbright Greentech	339,000	HK\$				
Gas, Water & Multi-utilities					590	4.14
Ørsted	7,715	DKK				
Portfolio of investments					13,561	95.15
Total portfolio					13,561	95.15
Net other assets/(liabilities)					691	4.85
NET ASSETS					14,252	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					13,561	95.15
Total Investment assets					13,561	95.15
Total portfolio					13,561	95.15
Net other assets/(liabilities)					691	4.85
NET ASSETS					14,252	100.00

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

M&G (Lux) Positive Impact Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Distribution details for holders of distribution shares

This fund pays annual distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 29 November 2018 (the launch date of the fund) 31 March 2019.

Annual distribution periods

	Start	End	Record date	Xd	Payment
Final	29.11.18	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'C'	Sterling Class 'C'	Swiss franc Class 'A'	Swiss franc Class 'C'
to 31 March 2019	Euro €	Euro €	UK p	Swiss €	Swiss €
Final	0.0379	0.0380	0.0365	0.0374	0.0375

	US dollar Class 'A'	US dollar Class 'C'
to 31 March 2019	US €	US €
Final	0.0374	0.0375

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 29 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	10.5772	n/a	n/a
Class 'A' Distribution	10.5796	n/a	n/a
Class 'C' Accumulation	10.6143	n/a	n/a
Class 'C' Distribution	10.6143	n/a	n/a
Class 'CI' Accumulation	10.6161	n/a	n/a
Class 'L' Accumulation	10.6229	n/a	n/a
Class 'LI' Accumulation	10.6250	n/a	n/a
Sterling	£	£	£
Class 'C' Accumulation	10.2166	n/a	n/a
Class 'C' Distribution	10.2166	n/a	n/a
Class 'CI' Accumulation	10.2183	n/a	n/a
Class 'L' Accumulation	10.2250	n/a	n/a
Class 'LI' Accumulation	10.2267	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A' Accumulation	10.4551	n/a	n/a
Class 'A' Distribution	10.4551	n/a	n/a
Class 'C' Accumulation	10.4895	n/a	n/a
Class 'C' Distribution	10.4895	n/a	n/a
Class 'CI' Accumulation	10.4913	n/a	n/a
Class 'L' Accumulation	10.4982	n/a	n/a
Class 'LI' Accumulation	10.4999	n/a	n/a

NAV per share	31.03.2019	31.03.2018	31.03.2017
US dollar	US\$	US\$	US\$
Class 'A' Accumulation	10.4530	n/a	n/a
Class 'A' Distribution	10.4530	n/a	n/a
Class 'C' Accumulation	10.4875	n/a	n/a
Class 'C' Distribution	10.4875	n/a	n/a
Class 'CI' Accumulation	10.4892	n/a	n/a
Class 'L' Accumulation	10.4962	n/a	n/a
Class 'LI' Accumulation	10.4978	n/a	n/a

NAV at fund level	US\$'000	US\$'000	US\$'000
Net assets	14,252	n/a	n/a
Swing pricing adjustment (see note 12)	23	n/a	n/a
Swung net assets	14,275	n/a	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	2.01
Class 'A' Distribution	2.01
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01
Class 'CI' Accumulation	0.97
Class 'L' Accumulation	0.76
Class 'LI' Accumulation	0.72
Sterling	%
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01
Class 'CI' Accumulation	0.97
Class 'L' Accumulation	0.76
Class 'LI' Accumulation	0.72
Swiss franc	%
Class 'A' Accumulation	2.01
Class 'A' Distribution	2.01
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01
Class 'CI' Accumulation	0.97
Class 'L' Accumulation	0.76
Class 'LI' Accumulation	0.72
US dollar	%
Class 'A' Accumulation	2.01
Class 'A' Distribution	2.01
Class 'C' Accumulation	1.01
Class 'C' Distribution	1.01
Class 'CI' Accumulation	0.97
Class 'L' Accumulation	0.76
Class 'LI' Accumulation	0.72

M&G (Lux) Short Dated Corporate Bond Fund

Investment objective and policy

Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the short dated investment grade corporate bond market over any five-year period.

Investment policy

The Fund invests at least 80% of its Net Asset Value in fixed and floating rate debt securities issued by investment grade companies and in Asset-Backed Securities.

The Fund may also invest in high yield corporate bonds, debt securities issued by government and their agencies, public authorities, quasi-sovereigns and supranational bodies. The Fund may also invest in unrated bonds. There are no credit quality restrictions with respect to the high yield debt securities in which the Fund may invest.

These securities may be issued anywhere in the world, including emerging markets and denominated in any currency. The Fund does not take currency views and aims to hedge any non-Euro assets to Euro.

The Fund uses an investment process that is based on both a top-down macroeconomic view and fundamental analysis of individual securities.

The Fund invests in short dated corporate bond and/or securities which on aggregate produce a low portfolio duration, in order to limit the effect of interest rate movements on the Fund's capital value.

The Fund may invest up to a combined maximum of 20% of the Fund's Net Asset Value in high yield and unrated securities.

The Fund may hold up to 100% of its Net Asset Value in Asset-Backed Securities and a maximum of 20% of its Net Asset Value in Contingent Convertible Debt Securities.

The Fund may invest in Asset-Backed Securities, including mortgage-backed securities (commercial, agency residential, prime residential, non-prime residential), cash collateralised debt obligation, cash collateralised loan obligation, auto prime, auto subprime, consumer loan, credit card, student loan, aircraft loan/lease, equipment lease, small business loan/lease, whole business securitisation, single family rentals and other securitised assets.

The Fund will typically invest directly. The Fund may also invest indirectly via derivative instruments to take both long and short positions to meet the Fund's investment objective and for efficient portfolio management. Such derivative instruments may also be used for the purpose of hedging. These derivative instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Credit Default Swaps and Interest Rate Swaps.

The Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, equities, warrants and other debt securities.

M&G (Lux) Short Dated Corporate Bond Fund

Investment review

For the period from 26 October 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Short Dated Corporate Bond Fund, a Luxembourg-authorised SICAV, launched on 26 October 2018. On the same date, the non-sterling share classes of the M&G Short Dated Corporate Bond (a UK-authorised OEIC launched in January 1993) merged into the SICAV. The SICAV is run by the same fund manager, applying the same investment strategy, as the UK-authorised OEIC.

The M&G (Lux) Short Dated Corporate Bond Fund aims to provide a combination of capital growth and income that is higher than that of the short-dated investment grade corporate bond market (as measured by the iBoxx EUR Corporates 1-3 year Index) over any five year period.

Bonds are loans that are extended by an investor to an issuing entity – such as a company or government – in exchange for regular interest payments. The initial amount borrowed by the entity is usually repaid at the end of the loan's life. Bonds issued by companies are referred to as 'corporate bonds', while those issued by governments are called 'government bonds'.

In order to ensure that the fund's value and ability to provide an income stream does not fluctuate meaningfully with changes in the economic cycle, we closely monitor the amount of interest rate risk and credit risk that we take.

Interest rate risk reflects the fact that when interest rates rise, the interest payments on conventional fixed rate bonds become less attractive to investors; this causes their prices to fall. Short-dated bonds, that is bonds with less time until the end of their life (their maturity date) tend to be less sensitive to changes in interest rates than longer-dated bonds.

Credit risk refers to the likelihood of a borrower failing to pay the interest payments on a loan or repay the amount borrowed at the end of the loan's life, also known as default. If investors perceive that a bond issuer's credit risk has increased, this would also tend to weigh on bond prices.

Broadly, we continue to have a positive outlook on corporate bonds. We have kept a sizeable exposure to asset-backed securities (ABS) over the period. ABS are bonds backed by assets including credit card receivables, car loans or mortgages, whose creditworthiness (likelihood of default) is based on the underlying assets, rather than on the company that issued the bonds. Furthermore, most ABS holdings are floating-rate in nature and stand to benefit from rising interest rates through their variable rate coupons (interest payments).

After corporate bonds experienced considerable weakness in the latter stages of 2018, we began to see greater value in these assets once again. We are looking to add credit risk back into the portfolio on a name-by-name basis.

Our positive outlook for global growth is reflected in a small above-index position in financials – financials stand to benefit from a rising interest rate environment that helps their margins, while a strong economic backdrop means that corporate default levels should remain low.

Matthew Russell

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Short Dated Corporate Bond Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					53,274	93.78
Debt securities					53,288	93.80
'AAA' credit rated bonds					12,481	21.97
Alba FRN	63,006	£	21.11.2037		70	0.12
Alba FRN	262,490	£	25.11.2042		288	0.51
Brass NO 7 FRN	317,198	£	16.10.2059		371	0.65
Finsbury Square FRN	489,091	£	12.09.2065		571	1.01
Germany (Federal Republic of) 0%	5,000,000	€	08.10.2021		5,076	8.94
Home Partners of America Trust FRN	251,383	US\$	17.10.2033		224	0.39
London Wall Mortgage Capital FRN	312,951	£	15.11.2049		366	0.64
Newday Partnership Funding FRN	743,000	£	15.12.2027		854	1.50
Oat Hill FRN	658,660	£	25.02.2046		768	1.35
Orbita Funding FRN ^[a]	26,624	£	14.07.2023		31	0.06
Paragon Mortgages No 14 FRN	130,580	US\$	15.09.2039		110	0.19
Paragon Mortgages No 15 FRN	50,591	US\$	15.12.2039		42	0.07
PCL Funding II FRN	341,000	£	15.06.2022		399	0.70
Precise Mortgage Funding FRN	13,321	£	12.09.2047		16	0.03
Precise Mortgage Funding FRN	48,954	£	12.03.2048		57	0.10
Residential Mortgage Securities FRN	122,590	£	20.03.2050		143	0.25
Ripon Mortgages FRN	599,416	£	20.08.2056		698	1.23
Slate No 1 FRN	125,008	£	24.01.2051		146	0.26
Slate No 2 FRN ^[a]	103,685	£	24.10.2044		121	0.21
Thrones FRN	294,980	£	18.03.2050		345	0.61
Together Asset Backed Securitisation FRN	503,613	£	12.03.2049		589	1.04
Tower Bridge Funding No 3 FRN	276,000	£	20.12.2061		322	0.57
Trinity Square FRN	234,283	£	15.07.2051		275	0.48
Westfield Stratford City Finance FRN	515,000	£	04.11.2019		599	1.06
'AA' credit rated bonds					4,069	7.16
Apple 1%	600,000	€	10.11.2022		624	1.10
Metropolitan Life Global Funding I 1.125%	743,000	£	15.12.2021		862	1.52
New York Life Global Funding 1%	743,000	£	15.12.2021		860	1.51
Newgate Funding FRN	441,346	£	01.12.2050		484	0.85
Paragon Mortgages No 13 FRN	373,810	US\$	15.01.2039		312	0.55
Paragon Mortgages No 13 FRN	62,319	£	15.01.2039		68	0.12
Towd Point Mortgage Funding 2016-Granite1 FRN	736,000	£	20.07.2046		859	1.51
'A' credit rated bonds					17,159	30.20
AASET 3.967% ^[a]	166,256	US\$	16.05.2042		148	0.26
ABN AMRO Bank 2.65%	520,000	US\$	19.01.2021		462	0.81
ABN AMRO Bank FRN	466,000	US\$	19.01.2021		415	0.73
Alba FRN	182,457	£	15.12.2038		200	0.35
Amazon.com 2.4%	1,040,000	US\$	22.02.2023		919	1.62
Banca Monte dei Paschi di Siena 2%	400,000	€	29.01.2024		408	0.72
Bank of America 6.125%	450,000	£	15.09.2021		582	1.02
Banque Federative du Credit Mutuel 2.7%	891,000	US\$	20.07.2022		787	1.39
BNP Paribas 3.5%	700,000	US\$	01.03.2023		623	1.10
BPCE FRN	600,000	€	23.03.2023		592	1.04
Citigroup FRN	400,000	US\$	17.05.2024		358	0.63
Comcast FRN	891,000	US\$	01.10.2021		796	1.40
Coventry Building Society 1.875%	743,000	£	24.10.2023		864	1.52
Crédit Agricole FRN	297,000	US\$	24.04.2023		263	0.46
Daimler Finance North America 2.7%	743,000	US\$	03.08.2020		659	1.16
Goldman Sachs Group FRN	297,000	US\$	05.06.2023		265	0.47
Goldman Sachs Group FRN	594,000	€	26.09.2023		588	1.04
Great Hall Mortgages No 1 FRN	260,448	US\$	18.06.2039		226	0.40
HSBC Holdings FRN	1,040,000	US\$	18.05.2024		920	1.62
ING Groep FRN	743,000	US\$	29.03.2022		667	1.17
JPMorgan Chase FRN	743,000	US\$	24.10.2023		672	1.18
Medtronic Global Holdings 0.375%	220,000	€	07.03.2023		222	0.39
Mitchells & Butlers Finance FRN	225,348	£	15.12.2030		245	0.43
Morgan Stanley FRN	1,000,000	US\$	08.05.2024		897	1.58
Muenchener Rueckversicherungs-Gesellschaft FRN	600,000	£	26.05.2042		797	1.40
Newgate Funding FRN	91,029	£	01.12.2050		101	0.18
Newgate Funding FRN	51,682	£	01.12.2050		58	0.10
Paragon Mortgages No 13 FRN	446,000	€	15.01.2039		408	0.72
Skipton Building Society 1.75%	743,000	£	30.06.2022		851	1.50
UBS Group Funding Switzerland FRN	561,000	€	20.09.2022		562	0.99
United Parcel Service FRN	500,000	US\$	01.04.2023		446	0.79

M&G (Lux) Short Dated Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME (continued)						
Debt securities (continued)						
'A' credit rated bonds (continued)						
US Bancorp 3.375%	358,000	US\$	05.02.2024		326	0.57
Wells Fargo 1.375%	723,000	£	30.06.2022		832	1.46
'BBB' credit rated bonds					15,036	26.47
AA Bond 2.875%	891,000	£	31.01.2022		996	1.75
Altria Group 1%	390,000	€	15.02.2023		393	0.69
American International Group FRN	200,000	€	15.03.2067		153	0.27
Arion Banki 1%	779,000	€	20.03.2023		772	1.36
AT&T FRN	1,000,000	US\$	12.06.2024		884	1.56
Atos 0.75%	200,000	€	07.05.2022		202	0.35
AXA FRN	594,000	£	29.10.2049		711	1.25
Banco de Sabadell 0.875%	800,000	€	05.03.2023		793	1.40
Channel Link Enterprises Finance FRN	371,000	€	30.06.2050		370	0.65
Citigroup 2.75%	227,000	£	24.01.2024		272	0.48
Cooperatieve Rabobank FRN	743,000	US\$	29.12.2049		675	1.19
Crédit Suisse Group Funding Guernsey 3.8%	891,000	US\$	15.09.2022		808	1.42
Ford Motor Credit 4.535%	700,000	£	06.03.2025		827	1.46
General Motors Financial 2.2%	322,000	€	01.04.2024		327	0.58
General Motors Financial FRN	297,000	US\$	14.01.2022		265	0.47
Greene King Finance FRN	558,484	£	15.12.2033		644	1.13
Heimstaden Bostad 2.125%	147,000	€	05.09.2023		149	0.26
Hiscox 2%	478,000	£	14.12.2022		554	0.97
Imperial Brands Finance 2.95%	891,000	US\$	21.07.2020		792	1.39
Lloyds Banking Group 2.25%	550,000	£	16.10.2024		635	1.12
Mitchells & Butlers Finance FRN	201,000	£	15.12.2033		191	0.34
Nationwide Building Society FRN	371,000	US\$	08.03.2024		329	0.58
Santander UK Group Holdings FRN	155,000	€	18.05.2023		151	0.27
Santander UK Group Holdings FRN	771,000	€	27.03.2024		749	1.32
Société Générale 4.25%	743,000	US\$	14.09.2023		677	1.19
UniCredit 6.572%	350,000	US\$	14.01.2022		326	0.57
Verizon Communications FRN	800,000	US\$	15.05.2025		714	1.26
Volkswagen Financial Services 0.625%	321,000	€	01.04.2022		321	0.56
Yorkshire Building Society FRN	300,000	£	20.11.2024		356	0.63
'BB' credit rated bonds					2,350	4.14
Inretail Pharma 5.375%	507,000	US\$	02.05.2023		472	0.83
Nationwide Building Society FRN	300,000	£	29.12.2049		352	0.62
Telefonica Europe FRN	900,000	€	31.12.2099		878	1.55
Tesco 6.125%	500,000	£	24.02.2022		648	1.14
Bonds with no credit rating					2,193	3.86
Gosforth Funding FRN	551,000	£	19.12.2059		641	1.13
Safran FRN	300,000	€	28.06.2021		300	0.53
Silverstone Master Issuer FRN	743,000	£	21.01.2070		855	1.50
Slate No 1 FRN ^[a]	338,000	£	24.01.2051		397	0.70
Debt derivatives					(14)	(0.02)
Credit default swaps					(14)	(0.02)
General Electric Dec 2023	800,000	US\$			2	0.00
Markit CDX North American High Yield Series 31 5 Year Dec 2023	392,000	US\$			22	0.04
Markit iTraxx Europe Series 30 5 Year Dec 2023	700,000	€			12	0.02
Markit iTraxx Europe Snr Fin Series 28 5 Year Dec 2022	500,000	€			9	0.02
Telecom Italia Jun 2024	700,000	€			(59)	(0.10)
CURRENCY					(204)	(0.35)
Forward currency contracts					(204)	(0.35)
Bought for € 22,591,680.02, Sold for £ 19,497,393.40			10.04.2019		(155)	(0.27)
Bought for € 19,890,156.55, Sold for US\$ 22,419,965.67			10.04.2019		(59)	(0.10)
Bought for US\$ 1,057,146.51, Sold for € 930,710.75			10.04.2019		10	0.02
Portfolio of investments					53,070	93.43
CASH EQUIVALENTS					2,124	3.74
'AAA' rated money market funds						
Northern Trust Global Funds - Euro Liquidity Fund Class 'D'	2,166,799	€			2,124	3.74
SHARE CLASS HEDGING					43	0.07
Bought for € 4,067,171.45, Sold for US\$ 4,608,722.47			10.04.2019		(33)	(0.06)
Bought for CHF 47,950.54, Sold for € 42,239.92			10.04.2019		0	0.00

M&G (Lux) Short Dated Corporate Bond Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for US\$ 10,083,373.07, Sold for € 8,896,389.95			10.04.2019		76	0.13
Total portfolio					55,237	97.24
Net other assets/(liabilities)					1,572	2.76
NET ASSETS					56,809	100.00
PORTFOLIO SUMMARY						
Investment assets						
Debt securities					53,288	93.80
Unrealised gains on forward currency contracts					86	0.15
Unrealised gains on swap contracts					45	0.08
Total Investment assets					53,419	94.03
Investment liabilities						
Unrealised losses on forward currency contracts					(247)	(0.43)
Unrealised losses on swap contracts					(59)	(0.10)
Total Investment liabilities					(306)	(0.53)
Total portfolio					53,113	93.50
Cash equivalents					2,124	3.74
Net other assets/(liabilities)					1,572	2.76
NET ASSETS					56,809	100.00

[a] Unlisted/unquoted.

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the prerefunded date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures	
	Swaps €'000	Forward currency contracts €'000
Barclays Bank London	22	537
BNP Paribas	61	0
Goldman Sachs International	12	19,890
HSBC Bank Plc	0	21,794
JP Morgan Chase	9	0
Merrill Lynch Pierce Fenner + Smith Inc	0	1,080
Standard Chartered Bank	0	112
State Street Bank and Trust Company	0	13,006

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Short Dated Corporate Bond Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Please see the fund's Key Investor Information Document (available from our website at www.mandg.lu) for past performance ported from the non-sterling share classes of the M&G Short Dated Corporate Bond Fund which merged into the M&G (Lux) Short Dated Corporate Bond Fund on 26 October 2018.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 26 October 2018 (the launch date of the fund) 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
First Interim	26.10.18	31.12.18	18.01.19	21.01.19	24.01.19
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'C'	US dollar Class 'A-H'	US dollar Class 'C-H'
to 31 March 2019	Euro €	Euro €	US \$	US \$
First interim	0.0395	0.0400	0.0427	0.0431
Final	0.0584	0.0592	0.0642	0.0650

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	10.5206	n/a	n/a
Class 'A' Distribution	9.6372	n/a	n/a
Class 'C' Accumulation	10.8102	n/a	n/a
Class 'C' Distribution	9.7493	n/a	n/a
Class 'CI' Accumulation	10.0601	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	10.2584	n/a	n/a
Class 'C-H' Accumulation	10.5586	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	11.3548	n/a	n/a
Class 'A-H' Distribution	10.5567	n/a	n/a
Class 'C-H' Accumulation	11.7004	n/a	n/a
Class 'C-H' Distribution	10.7086	n/a	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	56,809	n/a	n/a
Swing pricing adjustment (see note 12)	n/a	n/a	n/a
Swung net assets	56,809	n/a	n/a
Total Expense Ratio 31.03.2019	TER		
Euro	%		
Class 'A' Accumulation	0.89		
Class 'A' Distribution	0.89		
Class 'C' Accumulation	0.49		
Class 'C' Distribution	0.49		
Class 'CI' Accumulation	0.45		
Swiss franc	%		
Class 'A-H' Accumulation	0.92		
Class 'C-H' Accumulation	0.51		
US dollar	%		
Class 'A-H' Accumulation	0.91		
Class 'A-H' Distribution	0.91		
Class 'C-H' Accumulation	0.51		
Class 'C-H' Distribution	0.51		

M&G (Lux) Sustainable Allocation Fund

Investment objective and policy

Investment objective

The Fund aims to provide a total return (the combination of capital growth and income) of 4 to 8% per annum over any five-year period. The Fund aims to provide this return while considering environmental, social and governance (ESG) factors.

Investment policy

The Fund invests in a diversified range of asset classes, such as fixed income, equities, cash, and near cash. These investments may be from anywhere in the world, including emerging markets*, and denominated in any currency. The Fund has a flexible asset allocation and normally invests within the following net allocation ranges: 20-80% in fixed income securities, 20-60% in equities and 0-20% in other assets.

The Fund invests in assets that meet the Investment Manager's ESG criteria or that have a positive societal impact, through addressing the world's major social and environmental challenges. Between 10% and 30% of the portfolio is invested in positive impact assets. All selected securities meet the Investment Manager's assessment of ESG or impact criteria through the use of third party ESG information and/or proprietary analysis.

In addition, the Fund aims to exclude securities issued by:

- Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and
- Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, thermal coal, or the provision of gambling services.

The Fund may invest directly via securities or indirectly via other collective investment schemes (including funds managed by M&G) and derivatives, which are not subject to the same ESG restrictions as securities held directly. The Investment Manager will assess the suitability of such instruments relative to the Fund's investment objective. If a derivative does not satisfy the ESG requirements, the Fund may only invest via the instrument to take advantage of short-term market movements.

The Fund normally seeks to hold more than 70% of its Net Asset Value in Euro denominated assets or in other currencies hedged back to Euro.

The Fund may invest up to a total of 40% of its Net Asset Value in subinvestment grade and unrated debt securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest. The Fund may invest up to 5% of its Net Asset Value in Contingent Convertible Debt Securities and up to 10% of its Net Asset Value in Asset-Backed Securities.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may use derivatives to meet its investment objective, for hedging and efficient portfolio management. The Fund may take synthetic short positions in markets, currencies, securities, indices and other groups of securities. These instruments may include, but are not limited to, Spot and Forward Contracts, Exchange Traded Futures, Swaps, Credit Default Swaps, Options and Total Return Swaps.

M&G (Lux) Sustainable Allocation Fund

Investment review

For the period from 29 November 2018 (launch date of the fund) to 31 March 2019

The M&G (Lux) Sustainable Allocation Fund was launched in November 2018.

The fund primarily holds a combination of equities (company shares) and bonds. Bonds may be government bonds, those issued by governments, or corporate bonds, those issued by companies and any bond held may have a credit rating that is either investment grade or high yield. The government bonds held by the fund may include some that are issued by emerging market governments. The fund may also hold bonds issued by supranational or quasi-government institutions, an example of which would be the International Bank for Reconstruction and Development.

The fund may also hold green bonds, (bonds where the proceeds of their sale are dedicated to sustainable activities), and green infrastructure assets. It may hold convertible bonds, which are bonds that may be converted into a prescribed number of company shares at the holder's discretion, and may also hold collective investment vehicles, such as other funds, as well as cash and derivatives.

The main drivers of returns and of their volatility are the allocation to and selection of the different asset classes, such as equities and bonds. The portfolio's asset class-level exposures are determined through a top-down asset allocation approach – meaning we look at the economic and other factors forming the big picture before selecting the securities to invest in. Most potential individual holdings are then identified via an evaluation process that assesses the environmental, social and governance (ESG) factors of individual candidate securities that are considered to carry appropriate risk/return characteristics.

In addition to ESG-screened securities, the fund also has a dedicated core allocation to assets (stocks, bonds or funds) that are expected to deliver a positive impact towards achieving against one or more of the United Nations Sustainable Development Goals.

At the beginning of April, the fund's main positioning includes a preference for equities over bonds, where we see better value overall. Within that, we believe that bank stocks offer good value and hold baskets of shares in European, Japanese and US banks. At a market level, we believe that the Japanese stocks offer attractive value, having been held back by concerns about the impact of the US/China trade dispute. We feel that the government bond sector, particularly in core Europe, is unattractive and have a relative value preference for European peripheral markets such as Italy and Spain over low-yielding Germany and the UK. Emerging market government bonds do offer attractive value in our view, along with their currencies. Of the corporate bonds held, the fund has approximately 2% in four green bonds. Within the section of the fund allocated to positive impact, the fund holds investment funds dedicated to renewable energy and wind power generation.

Maria Municchi

Fund manager

Investment review information as at 31 March 2019.

Employee of M&G 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.

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES					11,327	53.32
United Kingdom					775	3.65
UK equities					775	3.65
DS Smith	28,662	GBP			112	0.53
Greencoat UK Wind	145,053	GBP			233	1.10
J Sainsbury	19,780	GBP			54	0.25
Legal & General Group	23,568	GBP			76	0.36
Marks & Spencer Group	19,673	GBP			64	0.30
Segro	8,964	GBP			70	0.33
Travis Perkins	6,696	GBP			107	0.50
WPP	6,170	GBP			59	0.28
Belgium					102	0.48
Belgium equities						
KBC Group	1,633	EUR			102	0.48
Denmark					335	1.58
Denmark equities					335	1.58
ALK-Abello	727	DKK			108	0.51
Novo Nordisk 'B'	2,494	DKK			114	0.54
Ørsted	1,661	DKK			113	0.53
France					724	3.41
France equities					724	3.41
BNP Paribas	3,856	EUR			164	0.77
Capgemini	1,026	EUR			111	0.52
Danone	1,575	EUR			108	0.51
Kering	246	EUR			126	0.60
Natixis	21,736	EUR			104	0.49
Schneider Electric	1,598	EUR			111	0.52
Germany					339	1.60
Germany equities					339	1.60
Daimler	2,130	EUR			110	0.52
Fresenius Medical Care	1,618	EUR			115	0.54
Muenchener Rueckversicherungs-Gesellschaft in Muenchen	538	EUR			114	0.54
Guernsey					253	1.19
Guernsey equities						
Renewables Infrastructure Group	184,750	GBP			253	1.19
Ireland					256	1.20
Ireland equities					256	1.20
Greencoat Renewables	97,104	EUR			103	0.48
Greencoat Renewables	34,506	EUR			37	0.17
Johnson Controls International	3,521	USD			116	0.55
Italy					522	2.46
Italy equities					522	2.46
Assicurazioni Generali	7,035	EUR			116	0.55
Autogrill	13,358	EUR			115	0.54
Enel	20,480	EUR			116	0.55
Intesa Sanpaolo	80,268	EUR			175	0.82
Netherlands (The)					342	1.61
Netherlands (The) equities					342	1.61
ABN AMRO Group	8,501	EUR			171	0.80
ING Groep	15,916	EUR			171	0.81
Spain					1,025	4.82
Spain equities					1,025	4.82
Banco Bilbao Vizcaya Argentaria	34,748	EUR			177	0.83
Banco de Sabadell	188,475	EUR			166	0.78
Banco Santander	40,289	EUR			167	0.78
Bankinter	13,945	EUR			94	0.44
CIE Automotive	4,684	EUR			112	0.53
Grifols	4,180	EUR			106	0.50
Inditex	4,031	EUR			106	0.50
Telefonica	13,042	EUR			97	0.46
Switzerland					100	0.47
Switzerland equities						
Lonza Group	365	CHF			100	0.47

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
EQUITIES (continued)						
United States					1,897	8.93
US equities					1,897	8.93
Agilent Technologies	1,600	USD			114	0.53
Alphabet 'A'	107	USD			112	0.53
American Express	1,068	USD			104	0.49
Apple	1,086	USD			182	0.86
Bank of New York Mellon	2,388	USD			107	0.50
BlackRock	294	USD			111	0.52
Bright Horizons Family Solutions	995	USD			112	0.53
Comerica	1,596	USD			104	0.49
Hannon Armstrong Sustainable Infrastructure Capital	9,938	USD			229	1.08
KeyCorp	7,169	USD			100	0.47
M&T Bank	744	USD			104	0.49
Microsoft	1,052	USD			110	0.52
PNC Financial Services Group	935	USD			102	0.48
Quest Diagnostics	1,300	USD			103	0.48
Republic Services	1,558	USD			112	0.53
UnitedHealth Group	424	USD			91	0.43
Brazil					113	0.53
Brazil equities						
Kroton Educacional	45,028	BRL			113	0.53
Japan					2,653	12.49
Japan equities					2,653	12.49
Chiba Bank	42,742	JPY			207	0.97
Daiwa House Industry	7,200	JPY			204	0.96
Honda Motor	6,700	JPY			161	0.76
Horiba	2,600	JPY			128	0.60
Mitsubishi UFJ Financial Group	35,435	JPY			157	0.74
Murata Manufacturing	4,800	JPY			213	1.00
Obayashi	24,392	JPY			218	1.03
ORIX	12,000	JPY			153	0.72
Panasonic	19,142	JPY			147	0.69
Resona Holdings	43,500	JPY			168	0.79
Sekisui Chemical	14,630	JPY			210	0.99
Shizuoka Bank	24,100	JPY			163	0.77
Sumitomo Mitsui Financial Group	6,677	JPY			208	0.98
Sumitomo Mitsui Trust Holdings	6,488	JPY			207	0.98
West Japan Railway	1,625	JPY			109	0.51
Australia					117	0.55
Australia equities						
Brambles	15,724	AUD			117	0.55
Hong Kong					241	1.13
Hong Kong equities					241	1.13
AIA Group	14,000	HKD			124	0.58
China Everbright International	129,367	HKD			117	0.55
India					118	0.56
India equities						
HDFC Bank ADR	1,163	USD			118	0.56
South Korea					582	2.74
South Korea equities					582	2.74
Hankook Tire	3,088	KRW			91	0.43
LG	3,633	KRW			221	1.04
SK Telecom	1,373	KRW			270	1.27
Taiwan					610	2.87
Taiwan equities					610	2.87
ASE Technology Holding	64,000	TWD			125	0.59
Cathay Financial Holding	78,000	TWD			101	0.48
E.Sun Financial Holding	250,000	TWD			171	0.80
Taiwan Semiconductor Manufacturing	30,000	TWD			213	1.00
South Africa					95	0.45
South Africa equities						
Sanlam	21,359	ZAR			95	0.45
Georgia					128	0.60
Georgia equities						
Bank of Georgia Group	6,602	GBP			128	0.60

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
FIXED INCOME					9,092	42.80
United Kingdom					(6)	(0.03)
Interest rate futures					(6)	(0.03)
UK Treasury Notes Futures	(2)	GBP	26.06.2019	301	(6)	(0.03)
France					109	0.51
Investment grade corporate bonds						
Electricite de France 3.625%	120,000	USD	13.10.2025		109	0.51
Germany						
Investment grade corporate bonds						
Kreditanstalt fuer Wiederaufbau 2%	118,000	USD	30.11.2021		104	0.49
Interest rate futures						
Deutscher Buxl 30 year Futures	(5)	EUR	06.06.2019	959	(45)	(0.21)
Italy					1,158	5.45
Government Bonds					1,158	5.45
Italy (Republic of) 2.7%	924,000	EUR	01.03.2047		821	3.86
Italy (Republic of) 2.8%	328,000	EUR	01.12.2028		337	1.59
Spain						
Government Bonds						
Spain (Kingdom of) 2.9%	375,000	EUR	31.10.2046		433	2.04
United States					4,369	20.57
Government Bonds					3,435	16.17
US Treasury Note 2.75%	460,800	USD	15.02.2028		422	1.99
US Treasury Note 2.75%	3,402,600	USD	15.08.2042		3,013	14.18
Investment grade corporate bonds					934	4.40
Apple 2.85%	117,000	USD	23.02.2023		105	0.50
Bank of America FRN	115,000	USD	17.05.2022		104	0.49
Inter-American Development Bank 7.875%	4,670,000,000	IDR	14.03.2023		298	1.40
International Bank for Reconstruction & Development 2.5%	480,000	USD	22.11.2027		427	2.01
Brazil					591	2.78
Government Bonds					487	2.29
Brazil (Federal Republic of) 10%	2,000,000	BRL	01.01.2023		487	2.29
Below investment grade corporate bonds						
Fibra Overseas Finance 5.5%	112,000	USD	17.01.2027		104	0.49
Chile						
Government Bonds						
Chile (Republic of) 5.5%	149,000,000	CLP	05.08.2020		200	0.94
Colombia						
Government Bonds						
Colombia (Republic of) 10%	599,200,000	COP	24.07.2024		200	0.94
Mexico						
Government Bonds						
Mexico (United Mexican States) 8.5%	15,050,000	MXN	18.11.2038		700	3.30
Peru						
Government Bonds						
Peru (Republic of) 6.95%	698,000	PEN	12.08.2031		211	0.99
South Africa						
Government Bonds						
South Africa (Republic of) 6.25%	14,366,876	ZAR	31.03.2036		637	3.00
Luxembourg						
Mutual Funds						
M&G (Lux) Global High Yield ESG Bond Fund Class 'CI' (Accumulation)	46,198	USD			431	2.03
CURRENCY					(124)	(0.58)
Bought for € 303,725.88, Sold for DKK 2,265,049.08			16.05.2019		0	0.00
Bought for € 1,141,117.36, Sold for £ 994,336.21			17.05.2019		(17)	(0.08)
Bought for € 202,448.60, Sold for HK\$ 1,808,318.03			17.05.2019		(2)	(0.01)
Bought for € 2,279,904.84, Sold for ¥ 286,220,285.00			17.05.2019		(21)	(0.10)
Bought for € 7,254,751.47, Sold for US\$ 8,277,543.31			17.05.2019		(88)	(0.41)
Bought for US\$ 695,092.69, Sold for KRW 783,160,935.00			17.05.2019		4	0.02
Bought for US\$ 695,059.86, Sold for TW\$ 21,411,319.00			17.05.2019		0	0.00
Portfolio of investments					20,295	95.54
SHARE CLASS HEDGING					4	0.01
Bought for US\$ 171,160.13, Sold for € 151,003.05			10.04.2019		1	0.00

M&G (Lux) Sustainable Allocation Fund

Portfolio statement

Portfolio statement (continued)

Investment description	Holdings / Contracts	Currency	Maturity date	Commitment value €'000	Market value €'000	% of net assets
SHARE CLASS HEDGING (continued)						
Bought for SG\$ 123,279.76, Sold for € 80,157.35			10.04.2019		0	0.00
Bought for CHF 97,722.98, Sold for € 86,077.48			10.04.2019		3	0.01
Bought for £ 49,112.89, Sold for € 57,069.44			10.04.2019		0	0.00
Total portfolio					20,299	95.55
Net other assets/(liabilities)					944	4.45
NET ASSETS					21,243	100.00
PORTFOLIO SUMMARY						
Investment assets						
Equity securities					11,327	53.32
Bond portfolios					431	2.03
Debt securities					8,712	41.01
Unrealised gains on forward currency contracts					8	0.03
Total Investment assets					20,478	96.39
Investment liabilities						
Unrealised losses on futures contracts					(51)	(0.24)
Unrealised losses on forward currency contracts					(128)	(0.60)
Total Investment liabilities					(179)	(0.84)
Total portfolio					20,299	95.55
Net other assets/(liabilities)					944	4.45
NET ASSETS					21,243	100.00

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

Interest rates represent either the stated coupon rate or, for floating rate securities, the current reset rate which is based upon interest rates indices.

Maturity dates represent either the stated date on the security, or the next interest reset date for floating rate securities or the preredempted date for those types of securities.

Variable and floating coupon rates are those quoted as of 31 March 2019.

Counterparty exposure

Counterparty	Derivative exposures	
	Forward currency contracts €'000	Futures €'000
Goldman Sachs International	2,473	0
HSBC Bank Plc	1,493	0
JP Morgan Chase	8,339	0
Merrill Lynch Pierce Fenner + Smith Inc	0	1,260
Standard Chartered Bank	110	0
State Street Bank and Trust Company	374	0
State Street Bank London	1,234	0

Exposure represents the fund's exposure to that counterparty.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Sustainable Allocation Fund

Financial highlights

Fund performance

As the fund has not yet operated for a 12-month period long-term performance figures have not been calculated.

Distribution details for holders of distribution shares

This fund pays quarterly distributions to the holders of distribution shares and the following tables set out the distribution timetables and rates per share declared in respect for the financial period from 29 November 2018 (the launch date of the fund) 31 March 2019.

Quarterly distribution periods

	Start	End	Record date	Xd	Payment
Final	01.01.19	31.03.19	18.04.19	23.04.19	26.04.19

Distributions

	Euro Class 'A'	Euro Class 'B'	Euro Class 'C'	Euro Class 'CI'	Singapore dollar Class 'A-H'
to 31 March 2019	Euro ¢	Euro ¢	Euro ¢	Euro ¢	SGD ¢
Final	0.1025	0.1024	0.1028	0.1026	0.1097

	Singapore dollar Class 'C-H'	Swiss franc Class 'A-H'	Swiss franc Class 'C-H'	US dollar Class 'A-H'	US dollar Class 'C-H'
to 31 March 2019	SGD ¢	Swiss ¢	Swiss ¢	US ¢	US ¢
Final	0.1098	0.1088	0.1090	0.1099	0.1101

Net Asset Values (NAV) and Total Expense Ratios (TER)

The following table shows Net Asset Values (NAV) inclusive of any swing price adjustment as described in note 12 to the Financial Statements (also known as the price per share) at 31 March 2019 and Total Expense Ratio (TER) for the financial period from 29 November 2018 (the launch date of the fund) to 31 March 2019.

Net Asset Values and Total Expense Ratios

NAV per share	31.03.2019	31.03.2018	31.03.2017
Euro	€	€	€
Class 'A' Accumulation	10.2622	n/a	n/a
Class 'A' Distribution	10.2611	n/a	n/a
Class 'B' Accumulation	10.2451	n/a	n/a
Class 'B' Distribution	10.2451	n/a	n/a
Class 'C' Accumulation	10.2903	n/a	n/a
Class 'C' Distribution	10.2903	n/a	n/a
Class 'CI' Accumulation	10.2917	n/a	n/a
Class 'CI' Distribution	10.2922	n/a	n/a
Class 'K' Accumulation	10.3524	n/a	n/a
Class 'L' Accumulation	10.2976	n/a	n/a
Class 'LI' Accumulation	10.2956	n/a	n/a
Class 'Z' Accumulation	10.3100	n/a	n/a
Class 'ZI' Accumulation	10.3116	n/a	n/a
Singapore dollar	SG\$	SG\$	SG\$
Class 'A-H' Accumulation	10.3361	n/a	n/a
Class 'A-H' Distribution	10.3361	n/a	n/a
Class 'C-H' Accumulation	10.3653	n/a	n/a
Class 'C-H' Distribution	10.3653	n/a	n/a
Class 'L-H' Accumulation	10.3734	n/a	n/a

NAV per share	31.03.2019	31.03.2018	31.03.2017
Sterling	£	£	£
Class 'C-H' Accumulation	10.3168	n/a	n/a
Class 'L-H' Accumulation	10.3247	n/a	n/a
Swiss franc	CHF	CHF	CHF
Class 'A-H' Accumulation	10.2509	n/a	n/a
Class 'A-H' Distribution	10.2509	n/a	n/a
Class 'C-H' Accumulation	10.2799	n/a	n/a
Class 'C-H' Distribution	10.2799	n/a	n/a
US dollar	US\$	US\$	US\$
Class 'A-H' Accumulation	10.3704	n/a	n/a
Class 'A-H' Distribution	10.3704	n/a	n/a
Class 'C-H' Accumulation	10.3994	n/a	n/a
Class 'C-H' Distribution	10.3994	n/a	n/a
Class 'CI-H' Accumulation	10.4011	n/a	n/a
Class 'L-H' Accumulation	10.4078	n/a	n/a

NAV at fund level	€'000	€'000	€'000
Net assets	21,243	n/a	n/a
Swing pricing adjustment (see note 12)	31	n/a	n/a
Swung net assets	21,274	n/a	n/a

Total Expense Ratio 31.03.2019	TER
Euro	%
Class 'A' Accumulation	1.72 [a]
Class 'A' Distribution	1.72 [a]
Class 'B' Accumulation	2.22 [a]
Class 'B' Distribution	2.22 [a]
Class 'C' Accumulation	0.82 [a]
Class 'C' Distribution	0.82 [a]
Class 'CI' Accumulation	0.78 [a]
Class 'CI' Distribution	0.82 [a]
Class 'K' Accumulation	n/a
Class 'L' Accumulation	0.57 [a]
Class 'LI' Accumulation	0.53 [a]
Class 'Z' Accumulation	0.22 [a]
Class 'ZI' Accumulation	0.18 [a]
Singapore dollar	%
Class 'A-H' Accumulation	1.74 [a]
Class 'A-H' Distribution	1.74 [a]
Class 'C-H' Accumulation	0.84 [a]
Class 'C-H' Distribution	0.84 [a]
Class 'L-H' Accumulation	0.59 [a]
Sterling	%
Class 'C-H' Accumulation	0.84 [a]
Class 'L-H' Accumulation	0.59 [a]
Swiss franc	%
Class 'A-H' Accumulation	1.74 [a]
Class 'A-H' Distribution	1.74 [a]
Class 'C-H' Accumulation	0.84 [a]
Class 'C-H' Distribution	0.84 [a]
US dollar	%
Class 'A-H' Accumulation	1.74 [a]
Class 'A-H' Distribution	1.74 [a]
Class 'C-H' Accumulation	0.84 [a]
Class 'C-H' Distribution	0.84 [a]
Class 'CI-H' Accumulation	0.80 [a]
Class 'L-H' Accumulation	0.59 [a]

[a] The share class has an estimated TER shown, as this share class launched in the period, therefore this is a more reliable estimate of the charges suffered.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets

as at 31 March 2019	Notes	M&G (Lux) Absolute Return Bond Fund €'000	M&G (Lux) Asian Fund US\$'000	M&G (Lux) Conservative Allocation Fund €'000	M&G (Lux) Dynamic Allocation Fund €'000
ASSETS					
Investment assets [a]	2c	50,323	103,809	2,562,285	6,878,313
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		460	0	77,328	312,037
Cash equivalents		120	0	0	0
Cash held on deposit		0	0	51,450	95,656
Cash held as bank balances		1,105	2,369	177,793	249,268
Total cash and bank balances		1,685	2,369	306,571	656,961
Other assets					
Sales awaiting settlement	2c	860	19,738	182	806
Amounts receivable on issues of shares		354	400	7,590	20,000
Debt security interest receivable	2c	431	0	11,916	35,411
Derivative income receivable	2d	1	0	0	0
Dividends receivable	2d	0	378	2,337	4,832
Other receivable	2d	0	0	119	431
Total other assets		1,646	20,516	22,144	61,480
Total assets		53,654	126,694	2,891,000	7,596,754
LIABILITIES					
Investment liabilities	2c	(685)	0	(78,739)	(194,204)
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	(8)	0	(9,673)	(47,432)
Total overdraft		(8)	0	(9,673)	(47,432)
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(1,126)	(19,673)	(13,607)	(29,369)
Purchases awaiting settlement	2d, 6	(176)	0	(3,857)	(12,935)
Annual management charge payable	2d, 6	(1)	(86)	(1,429)	(4,995)
Administration charge payable	2d, 6	(4)	(9)	(207)	(548)
Depository's charge payable	2d, 7	(2)	(3)	(89)	(186)
Audit fee payable	2d, 8	(4)	(5)	(13)	(14)
Safe custody charges payable	2d, 7	(1)	(18)	(333)	(939)
Custody transaction charges payable	2d, 7	(13)	(14)	(30)	(32)
Taxe d'abonnement payable	2d, 11	(4)	(12)	(309)	(755)
Other payable	2d	0	0	(78)	(190)
Total other liabilities		(1,331)	(19,820)	(19,952)	(49,963)
Total liabilities		(2,024)	(19,820)	(108,364)	(291,599)
NET ASSETS		51,630	106,874	2,782,636	7,305,155

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Emerging Markets Bond Fund US\$'000	M&G (Lux) Emerging Markets Hard Currency Bond Fund US\$'000	M&G (Lux) Emerging Markets Income Opportunities Fund US\$'000	M&G (Lux) Episode Macro Fund US\$'000
ASSETS					
Investment assets [a]	2c	746,148	232,451	22,619	261,631
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	0	12,588
Cash equivalents		20,658	0	0	0
Cash held on deposit		603	640	0	2,000
Cash held as bank balances		1,396	1,720	916	23,852
Total cash and bank balances		22,657	2,360	916	38,440
Other assets					
Sales awaiting settlement	2c	0	0	117	0
Amounts receivable on issues of shares		3,660	925	9	261
Debt security interest receivable	2c	11,997	3,408	152	0
Derivative income receivable	2d	0	0	0	0
Dividends receivable	2d	0	0	35	17
Other receivable	2d	0	0	0	0
Total other assets		15,657	4,333	313	278
Total assets		784,462	239,144	23,848	300,349
LIABILITIES					
Investment liabilities	2c	(4,604)	(663)	(7)	(8,849)
Cash and bank balances	2c				
Bank overdrafts	2c	(7,492)	0	0	(7)
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	(1,044)
Total overdraft		(7,492)	0	0	(1,051)
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(7,524)	(794)	0	(156)
Purchases awaiting settlement	2d, 6	0	0	(388)	0
Annual management charge payable	2d, 6	(581)	(66)	(7)	(233)
Administration charge payable	2d, 6	(101)	(17)	(2)	(22)
Depository's charge payable	2d, 7	(11)	(9)	(1)	(7)
Audit fee payable	2d, 8	(8)	(13)	(13)	(7)
Safe custody charges payable	2d, 7	(41)	(5)	(8)	(4)
Custody transaction charges payable	2d, 7	(17)	(4)	(3)	(4)
Taxe d'abonnement payable	2d, 11	(86)	(16)	(1)	(34)
Other payable	2d	0	0	0	0
Total other liabilities		(8,369)	(924)	(423)	(467)
Total liabilities		(20,465)	(1,587)	(430)	(10,367)
NET ASSETS		763,997	237,557	23,418	289,982

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Euro Corporate Bond Fund €'000	M&G (Lux) European Inflation Linked Corporate Bond Fund €'000	M&G (Lux) European Strategic Value Fund €'000	M&G (Lux) Floating Rate High Yield Solution US\$'000
ASSETS					
Investment assets [a]	2c	1,211,585	82,952	1,843,520	54,245
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		5,311	477	0	0
Cash equivalents		53,638	517	67,459	0
Cash held on deposit		413	0	0	0
Cash held as bank balances		939	963	70,744	10,488
Total cash and bank balances		60,301	1,957	138,203	10,488
Other assets					
Sales awaiting settlement	2c	0	15	0	42
Amounts receivable on issues of shares		2,866	579	175	194
Debt security interest receivable	2c	10,285	485	0	189
Derivative income receivable	2d	1	10	0	73
Dividends receivable	2d	0	0	9,698	0
Other receivable	2d	0	0	0	0
Total other assets		13,152	1,089	9,873	498
Total assets		1,285,038	85,998	1,991,596	65,231
LIABILITIES					
Investment liabilities	2c	(3,311)	(371)	0	(313)
Cash and bank balances	2c				
Bank overdrafts	2c	(1,409)	0	0	(3)
Overdrawn positions at futures clearing houses and collateral manager	2c	(1,380)	(60)	0	0
Total overdraft		(2,789)	(60)	0	(3)
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(5,375)	(697)	(259)	(59)
Purchases awaiting settlement	2d, 6	0	(334)	(3,909)	(114)
Annual management charge payable	2d, 6	(543)	(33)	(739)	(9)
Administration charge payable	2d, 6	(94)	(6)	(149)	(5)
Depository's charge payable	2d, 7	(22)	(4)	(27)	(2)
Audit fee payable	2d, 8	(5)	(13)	(6)	(9)
Safe custody charges payable	2d, 7	(21)	(2)	(32)	(1)
Custody transaction charges payable	2d, 7	(12)	(8)	(10)	(5)
Taxe d'abonnement payable	2d, 11	(146)	(10)	(64)	(8)
Total other liabilities		(6,218)	(1,107)	(5,195)	(212)
Total liabilities		(12,318)	(1,538)	(5,195)	(528)
NET ASSETS		1,272,720	84,460	1,986,401	64,703

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

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Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Global Convertibles Fund US\$'000	M&G (Lux) Global Corporate Bond Fund US\$'000	M&G (Lux) Global Dividend Fund US\$'000	M&G (Lux) Global Emerging Markets Fund US\$'000
ASSETS					
Investment assets ^[a]	2c	1,032,758	17,897	2,837,887	560,869
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		451	59	0	0
Cash equivalents		0	1,385	19,337	5,498
Cash held on deposit		629	0	0	0
Cash held as bank balances		2,091	311	10,780	2,408
Total cash and bank balances		3,171	1,755	30,117	7,906
Other assets					
Sales awaiting settlement	2c	7,185	587	7,694	277
Amounts receivable on issues of shares		307	0	3,002	1,123
Debt security interest receivable	2c	3,111	165	0	0
Derivative income receivable	2d	0	0	0	0
Dividends receivable	2d	256	0	21,549	1,268
Other receivable	2d	0	2	0	0
Total other assets		10,859	754	32,245	2,668
Total assets		1,046,788	20,406	2,900,249	571,443
LIABILITIES					
Investment liabilities	2c	(5,919)	(286)	0	(46)
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	(448)	(19)	0	0
Total overdraft		(448)	(19)	0	0
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(2,184)	0	(14,617)	(3,793)
Purchases awaiting settlement	2d, 6	0	0	(11,626)	(193)
Annual management charge payable	2d, 6	(482)	(6)	(1,922)	(281)
Administration charge payable	2d, 6	(78)	(2)	(213)	(42)
Depository's charge payable	2d, 7	(22)	0	(37)	(14)
Audit fee payable	2d, 8	(6)	(4)	(7)	(6)
Safe custody charges payable	2d, 7	(17)	0	(45)	(312)
Custody transaction charges payable	2d, 7	(12)	(2)	(32)	(39)
Taxe d'abonnement payable	2d, 11	(120)	(2)	(307)	(60)
Total other liabilities		(2,921)	(16)	(28,806)	(4,740)
Total liabilities		(9,288)	(321)	(28,806)	(4,786)
NET ASSETS		1,037,500	20,085	2,871,443	566,657

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

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Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Global Floating Rate High Yield Fund US\$'000	M&G (Lux) Global High Yield Bond Fund US\$'000	M&G (Lux) Global High Yield ESG Bond Fund US\$'000	M&G (Lux) Global Listed Infrastructure Fund US\$'000
ASSETS					
Investment assets [a]	2c	2,828,699	84,652	21,054	15,281
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	54	0	0
Cash equivalents		330,573	9,018	0	102
Cash held on deposit		5,571	0	0	0
Cash held as bank balances		257,373	1,007	1,356	56
Total cash and bank balances		593,517	10,079	1,356	158
Other assets					
Sales awaiting settlement	2c	153	0	0	0
Amounts receivable on issues of shares		24,386	619	16	721
Debt security interest receivable	2c	15,337	1,139	266	0
Derivative income receivable	2d	8,605	17	0	0
Dividends receivable	2d	0	0	0	23
Total other assets		48,481	1,775	282	744
Total assets		3,470,697	96,506	22,692	16,183
LIABILITIES					
Investment liabilities	2c	(29,846)	(751)	(29)	0
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	(29)	0	0
Total overdraft		0	(29)	0	0
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(30,344)	(216)	(16)	(14)
Purchases awaiting settlement	2d, 6	(46,302)	(485)	(224)	(731)
Annual management charge payable	2d, 6	(1,784)	(53)	(7)	(6)
Administration charge payable	2d, 6	(251)	(7)	(2)	(1)
Depository's charge payable	2d, 7	(46)	(2)	(1)	0
Audit fee payable	2d, 8	(9)	(6)	(8)	(7)
Safe custody charges payable	2d, 7	(25)	(1)	0	(1)
Custody transaction charges payable	2d, 7	(21)	86	(2)	(4)
Taxe d'abonnement payable	2d, 11	(396)	(12)	(1)	(1)
Other payable	2d	(5,094)	(6)	0	0
Total other liabilities		(84,272)	(702)	(261)	(765)
Total liabilities		(114,118)	(1,482)	(290)	(765)
NET ASSETS		3,356,579	95,024	22,402	15,418

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

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Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Global Macro Bond Fund US\$'000	M&G (Lux) Global Recovery Fund US\$'000	M&G (Lux) Global Select Fund US\$'000	M&G (Lux) Global Target Return Fund €'000
ASSETS					
Investment assets [a]	2c	717,340	1,091	73,002	31,094
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		3,452	0	0	1,866
Cash equivalents		0	37	674	0
Cash held on deposit		0	0	0	36,424
Cash held as bank balances		5,340	3	2,998	46,495
Total cash and bank balances		8,792	40	3,672	84,785
Other assets					
Sales awaiting settlement	2c	0	7	0	19
Amounts receivable on issues of shares		1,118	0	220	261
Debt security interest receivable	2c	5,024	0	0	185
Derivative income receivable	2d	0	0	0	0
Dividends receivable	2d	0	4	282	55
Total other assets		6,142	11	502	520
Total assets		732,274	1,142	77,176	116,399
LIABILITIES					
Investment liabilities	2c	(4,973)	0	0	(2,589)
Cash and bank balances	2c				
Bank overdrafts	2c	(5,470)	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	(29)	0	0	(321)
Total overdraft		(5,499)	0	0	(321)
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	5,808	0	(132)	(227)
Purchases awaiting settlement	2d, 6	0	(1)	0	(10,204)
Annual management charge payable	2d, 6	(1,317)	(1)	(55)	(17)
Administration charge payable	2d, 6	127	0	(5)	(8)
Depository's charge payable	2d, 7	(13)	0	(2)	(5)
Audit fee payable	2d, 8	(6)	0	(5)	(4)
Safe custody charges payable	2d, 7	(32)	0	(2)	(10)
Custody transaction charges payable	2d, 7	(13)	(2)	(6)	(7)
Taxe d'abonnement payable	2d, 11	(82)	0	(9)	(5)
Other payable	2d	0	0	0	0
Total other liabilities		4,472	(4)	(216)	(10,487)
Total liabilities		(6,000)	(4)	(216)	(13,397)
NET ASSETS		726,274	1,138	76,960	103,002

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Global Themes Fund US\$'000	M&G (Lux) Income Allocation Fund €'000	M&G (Lux) Japan Fund ¥'000	M&G (Lux) Japan Smaller Companies Fund ¥'000
ASSETS					
Investment assets [a]	2c	171,702	1,213,527	15,708,753	14,256,119
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	4,240	1,732
Cash equivalents		0	0	0	0
Cash held on deposit		0	4,878	0	0
Cash held as bank balances		2,566	25,222	356,460	114,623
Total cash and bank balances		2,566	30,100	360,700	116,355
Other assets					
Sales awaiting settlement	2c	0	0	107,232	773,995
Amounts receivable on issues of shares		5,369	6,052	10,180	4,628
Debt security interest receivable	2c	0	7,118	0	0
Derivative income receivable	2d	0	0	0	0
Dividends receivable	2d	144	3,992	190,746	222,831
Total other assets		5,513	17,162	308,158	1,001,454
Total assets		179,781	1,260,789	16,377,611	15,373,928
LIABILITIES					
Investment liabilities	2c	0	(9,317)	(1,432)	(609)
Cash and bank balances	2c				
Bank overdrafts	2c	(279)	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	0
Total overdraft		(279)	0	0	0
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(248)	(6,327)	(29,596)	(11,983)
Purchases awaiting settlement	2d, 6	(6,716)	0	(213,141)	(31,126)
Annual management charge payable	2d, 6	(50)	(1,899)	(24,948)	(34,564)
Administration charge payable	2d, 6	(4)	371	(3,840)	(4,095)
Depository's charge payable	2d, 7	0	(37)	(396)	(406)
Audit fee payable	2d, 8	0	(14)	(615)	(615)
Safe custody charges payable	2d, 7	(1)	(117)	(575)	(619)
Custody transaction charges payable	2d, 7	(3)	(20)	(705)	(775)
Taxe d'abonnement payable	2d, 11	(21)	(148)	(1,918)	(1,864)
Other payable	2d	0	(181)	0	0
Total other liabilities		(7,043)	(8,372)	(275,734)	(86,047)
Total liabilities		(7,322)	(17,689)	(277,166)	(86,656)
NET ASSETS		172,459	1,243,100	16,100,445	15,287,272

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Multi Asset 2023 Fund €'000	M&G (Lux) North American Dividend Fund US\$'000	M&G (Lux) North American Value Fund US\$'000	M&G (Lux) Optimal Income Fund €'000
ASSETS					
Investment assets [a]	2c	151,096	137,574	392,852	18,744,030
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	0	390,150
Cash equivalents		0	2,337	21,515	29,652
Cash held on deposit		0	0	0	10,431
Cash held as bank balances		1,360	321	1,768	136,618
Total cash and bank balances		1,360	2,658	23,283	566,851
Other assets					
Sales awaiting settlement	2c	0	0	0	16,645
Amounts receivable on issues of shares		0	57	991	67,656
Debt security interest receivable	2c	0	0	0	205,665
Derivative income receivable	2d	0	0	0	290
Dividends receivable	2d	0	243	316	6,199
Total other assets		0	300	1,307	296,455
Total assets		152,456	140,532	417,442	19,607,336
LIABILITIES					
Investment liabilities	2c	0	(175)	0	(222,298)
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	0	0
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	(13,383)
Total overdraft		0	0	0	(13,383)
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(73)	(41)	(521)	(56,503)
Purchases awaiting settlement	2d, 6	0	0	0	(41,268)
Annual management charge payable	2d, 6	75	(81)	(222)	(8,831)
Administration charge payable	2d, 6	0	(10)	(30)	(1,219)
Depositary's charge payable	2d, 7	0	(3)	(8)	(48)
Audit fee payable	2d, 8	0	(5)	(5)	(8)
Safe custody charges payable	2d, 7	0	(1)	(3)	(12)
Custody transaction charges payable	2d, 7	0	(9)	(10)	(26)
Taxe d'abonnement payable	2d, 11	0	(17)	(51)	(2,286)
Other payable	2d	0	0	0	0
Total other liabilities		2	(167)	(850)	(110,201)
Total liabilities		2	(342)	(850)	(345,882)
NET ASSETS		152,458	140,190	416,592	19,261,454

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Pan European Dividend Fund €'000	M&G (Lux) Pan European Select Fund €'000	M&G (Lux) Positive Impact Fund US\$'000	M&G (Lux) Short Dated Corporate Bond Fund €'000
ASSETS					
Investment assets [a]	2c	102,201	121,567	13,561	53,419
Cash and bank balances	2c				
Amounts held at futures clearing houses and collateral manager		0	0	0	0
Cash equivalents		3,223	2,569	0	2,124
Cash held on deposit		0	0	0	0
Cash held as bank balances		332	660	684	2,556
Total cash and bank balances		3,555	3,229	684	4,680
Other assets					
Sales awaiting settlement	2c	1,059	29	0	0
Amounts receivable on issues of shares		49	51	1	466
Debt security interest receivable	2c	0	0	0	256
Derivative income receivable	2d	0	0	0	1
Dividends receivable	2d	1,127	731	14	0
Other receivable	2d	1	0	0	0
Total other assets		2,236	811	15	723
Total assets		107,992	125,607	14,260	58,822
LIABILITIES					
Investment liabilities	2c	(5)	0	0	(306)
Cash and bank balances	2c				
Bank overdrafts	2c	0	0	0	(1,059)
Overdrawn positions at futures clearing houses and collateral manager	2c	0	0	0	0
Total overdraft		0	0	0	(1,059)
Other liabilities					
Amounts payable on cancellation of shares	2d, 6	(146)	(20)	0	(287)
Purchases awaiting settlement	2d, 6	0	0	0	(320)
Annual management charge payable	2d, 6	(49)	(86)	(4)	(19)
Administration charge payable	2d, 6	(8)	(9)	(1)	(4)
Depository's charge payable	2d, 7	(2)	(3)	0	(2)
Audit fee payable	2d, 8	(3)	(4)	0	(5)
Safe custody charges payable	2d, 7	(3)	(4)	(1)	(1)
Custody transaction charges payable	2d, 7	(2)	(5)	(2)	(3)
Taxe d'abonnement payable	2d, 11	(12)	(15)	0	(7)
Other payable	2d	0	0	0	0
Total other liabilities		(225)	(146)	(8)	(648)
Total liabilities		(230)	(146)	(8)	(2,013)
NET ASSETS		107,762	125,461	14,252	56,809

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

Financial statements

Statement of net assets (continued)

as at 31 March 2019	Notes	M&G (Lux) Sustainable Allocation Fund €'000	Combined total €'000
ASSETS			
Investment assets [a]	2c	20,478	42,502,919
Cash and bank balances	2c		
Amounts held at futures clearing houses and collateral manager		103	802,565
Cash equivalents		0	525,389
Cash held on deposit		0	207,660
Cash held as bank balances		838	1,012,348
Total cash and bank balances		941	2,547,962
Other assets			
Sales awaiting settlement	2c	54	58,632
Amounts receivable on issues of shares		12	144,856
Debt security interest receivable	2c	99	308,170
Derivative income receivable	2d	0	8,045
Dividends receivable	2d	53	54,191
Other receivable	2d	0	553
Total other assets		218	574,447
Total assets		21,637	45,625,328
LIABILITIES			
Investment liabilities	2c	(179)	(562,295)
Cash and bank balances	2c		
Bank overdrafts	2c	(89)	(14,357)
Overdrawn positions at futures clearing houses and collateral manager	2c	(10)	(73,664)
Total overdraft		(99)	(88,021)
Other liabilities			
Amounts payable on cancellation of shares	2d, 6	(12)	(180,721)
Purchases awaiting settlement	2d, 6	(87)	(134,517)
Annual management charge payable	2d, 6	(3)	(25,506)
Administration charge payable	2d, 6	(2)	(2,552)
Depository's charge payable	2d, 7	0	(594)
Audit fee payable	2d, 8	0	(218)
Safe custody charges payable	2d, 7	(1)	(1,947)
Custody transaction charges payable	2d, 7	(10)	(295)
Taxe d'abonnement payable	2d, 11	(1)	(4,893)
Other payable	2d	0	(4,990)
Total other liabilities		(116)	(356,233)
Total liabilities		(394)	(1,006,549)
NET ASSETS		21,243	44,618,779

[a] Crossholding. Please refer to Note 13.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

Financial statements and notes

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Statement of operations and changes in net assets

		M&G (Lux) Absolute Return Bond Fund	M&G (Lux) Asian Fund 26.10.18*	M&G (Lux) Conservative Allocation Fund	M&G (Lux) Dynamic Allocation Fund
* Fund launch date (if within the period). for the period/year to 31 March 2019		€'000	US\$'000	€'000	€'000
Notes					
OPENING NET ASSETS		37,596	0	2,948,508	8,466,427
Income					
Bank interest	2d	(7)	22	(653)	(1,321)
Deposit interest	2d	0	1	(1,404)	(2,699)
Derivative Income	2d, 4	53	0	0	0
Dividends	2d	0	673	21,205	52,745
Interest on debt securities	2d	1,288	0	44,647	124,366
Accretion of market discount/ (Amortisation of market premium)	2d	(30)	0	(12,429)	(38,943)
Withholding tax on dividends and other investment income	2d	(1)	(91)	(3,170)	(8,973)
Total income		1,303	605	48,196	125,175
Expenses					
Overdraft expenses	2d	0	0	(113)	(380)
Annual management charge	2d, 6	(183)	(596)	(31,548)	(113,050)
Administration charge	2d, 6	(66)	(78)	(4,576)	(12,524)
Share class hedging charge	2d, 6	(1)	0	(5)	(24)
Depositary's charge	2d, 7	(2)	(3)	(110)	(247)
Audit fee	2d, 8	(4)	(16)	(23)	(23)
Audit fee reimbursement from Manager	2d	0	11	0	0
Professional fees		(4)	0	0	(9)
Safe custody charge	2d, 7	(3)	(19)	(545)	(1,535)
Custody transaction charges	2d, 7	(25)	(14)	(91)	(175)
Taxe d'abonnement charge	2d, 11	(14)	(25)	(1,402)	(3,589)
Total expenses		(302)	(740)	(38,413)	(131,556)
Net income/(expense) for the period		1,001	(135)	9,783	(6,381)
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	58	5,790	(6,262)	(25,978)
Currency and forward currency contracts	2c	(1,076)	348	(86,331)	(246,183)
Futures contracts	2c	(341)	0	(38,302)	(188,095)
Swap contracts	2c	(155)	0	18,107	90,393
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(1,514)	6,138	(112,788)	(369,863)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	957	8,409	34,363	50,399
Currency and forward currency contracts	2c	127	51	(17,628)	(42,495)
Futures contracts	2c	(115)	0	(13,133)	(9,264)
Swap contracts	2c	(6)	0	(14,043)	(10,505)
Options contracts	2c	0	0	0	0
Net change in unrealised gain/(loss)		963	8,460	(10,441)	(11,865)
Change in net asset assets from investment activities		450	14,463	(113,446)	(388,109)
Net share issues and redemptions		13,750	(29,557)	(48,532)	(765,757)
Net capital inflow from mergers		0	121,968	0	0
Distributions	3, 15	(166)	0	(3,894)	(7,406)
Foreign currency translation [b]					
NET ASSETS		51,630	106,874	2,782,636	7,305,155

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

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Statement of operations and changes in net assets (continued)

* Fund launch date (if within the period). for the period/year to 31 March 2019	Notes	M&G (Lux) Emerging Markets Bond Fund 17.09.18* US\$'000	M&G (Lux) Emerging Markets Hard Currency Bond Fund US\$'000	M&G (Lux) Emerging Markets Income Opportunities Fund US\$'000	M&G (Lux) Episode Macro Fund 26.10.18* US\$'000
OPENING NET ASSETS		0	187,118	22,994	0
Income					
Bank interest	2d	(9)	3	1	152
Deposit interest	2d	1	0	0	0
Derivative Income	2d, 4	8	0	0	0
Dividends	2d	76	0	558	383
Interest on debt securities	2d	18,353	11,989	649	2,091
Accretion of market discount/ (Amortisation of market premium)	2d	0	(218)	0	0
Withholding tax on dividends and other investment income	2d	(44)	(12)	(67)	(115)
Total income		18,385	11,762	1,141	2,511
Expenses					
Overdraft expenses	2d	0	0	0	0
Annual management charge	2d, 6	(2,008)	(1,161)	(138)	(1,964)
Administration charge	2d, 6	(384)	(295)	(33)	(180)
Share class hedging charge	2d, 6	(27)	(9)	0	(20)
Depositary's charge	2d, 7	(11)	(11)	(1)	(7)
Audit fee	2d, 8	(21)	(15)	(15)	(20)
Audit fee reimbursement from Manager	2d	13	2	2	13
Professional fees		0	(4)	(4)	0
Safe custody charge	2d, 7	(40)	(8)	(13)	(4)
Custody transaction charges	2d, 7	(17)	(8)	(8)	(4)
Taxe d'abonnement charge	2d, 11	(174)	(54)	(2)	(68)
Total expenses		(2,669)	(1,563)	(212)	(2,254)
Net income for the period		15,716	10,199	929	257
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	4,429	(483)	249	250
Currency and forward currency contracts	2c	(5,045)	(2,700)	(113)	820
Futures contracts	2c	0	0	0	9,561
Swap contracts	2c	84	0	0	0
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(532)	(3,183)	136	10,631
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	27,123	(4,396)	(1,170)	(11)
Currency and forward currency contracts	2c	(4,092)	(480)	(21)	(3,800)
Futures contracts	2c	0	0	0	(1,468)
Swap contracts	2c	0	0	0	0
Options contracts	2c	0	0	0	0
Net change in unrealised gain/(loss)		23,031	(4,876)	(1,191)	(5,279)
Change in net asset assets from investment activities		38,215	2,140	(126)	5,609
Net share issues and redemptions		56,516	50,896	568	330
Net capital inflow from mergers		669,273	0	0	284,043
Distributions	3, 15	(7)	(2,597)	(18)	0
Foreign currency translation [b]					
NET ASSETS		763,997	237,557	23,418	289,982

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

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Statement of operations and changes in net assets (continued)

		M&G (Lux) Euro Corporate Bond Fund 09.11.18*	M&G (Lux) European Inflation Linked Corporate Bond Fund	M&G (Lux) European Strategic Value Fund 18.09.18*	M&G (Lux) Floating Rate High Yield Solution
* Fund launch date (if within the period). for the period/year to 31 March 2019	Notes	€'000	€'000	€'000	US\$'000
OPENING NET ASSETS		0	97,705	0	1,034
Income					
Bank interest	2d	(23)	12	0	16
Deposit interest	2d	0	0	6	0
Derivative Income	2d, 4	245	462	0	1,800
Dividends	2d	0	0	17,714	0
Interest on debt securities	2d	9,934	1,491	0	732
Accretion of market discount/ (Amortisation of market premium)	2d	(1,938)	(276)	0	(13)
Withholding tax on dividends and other investment income	2d	(8)	(4)	(2,088)	0
Total income		8,210	1,685	15,632	2,535
Expenses					
Overdraft expenses	2d	0	(1)	0	0
Annual management charge	2d, 6	(3,898)	(749)	(4,559)	(112)
Administration charge	2d, 6	(687)	(138)	(927)	(60)
Share class hedging charge	2d, 6	0	0	0	(7)
Depositary's charge	2d, 7	(22)	(4)	(27)	(2)
Audit fee	2d, 8	(16)	(25)	(15)	(15)
Audit fee reimbursement from Manager	2d	11	0	9	5
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(21)	(5)	(32)	(1)
Custody transaction charges	2d, 7	(12)	(15)	(10)	(8)
Taxe d'abonnement charge	2d, 11	(292)	(45)	(141)	(22)
Total expenses		(4,937)	(982)	(5,702)	(222)
Net income for the period		3,273	703	9,930	2,313
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	(982)	(86)	(1,779)	13
Currency and forward currency contracts	2c	(1,072)	(1,469)	2,112	(943)
Futures contracts	2c	(3,133)	(533)	0	0
Swap contracts	2c	(528)	(86)	0	(580)
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(5,715)	(2,174)	333	(1,510)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	23,364	109	70,956	(24)
Currency and forward currency contracts	2c	(159)	290	1,566	(341)
Futures contracts	2c	(2,199)	(190)	0	0
Swap contracts	2c	(12)	295	0	(65)
Options contracts	2c	0	0	0	0
Net change in unrealised gain/(loss)		20,994	504	72,522	(430)
Change in net asset assets from investment activities		18,552	(967)	82,785	373
Net share issues and redemptions		(29,461)	(12,278)	76,233	63,312
Net capital inflow from mergers		1,283,629	0	1,827,383	0
Distributions	3, 15	0	0	0	(16)
Foreign currency translation [b]					
NET ASSETS		1,272,720	84,460	1,986,401	64,703

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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Financial statements and notes

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Statement of operations and changes in net assets (continued)

* Fund launch date (if within the period). for the period/year to 31 March 2019	Notes	M&G (Lux) Global Convertibles Fund 09.11.18* US\$'000	M&G (Lux) Global Corporate Bond Fund 07.12.18* US\$'000	M&G (Lux) Global Dividend Fund 18.09.18* US\$'000	M&G (Lux) Global Emerging Markets Fund 26.10.18* US\$'000
OPENING NET ASSETS		0	0	0	0
Income					
Bank interest	2d	0	0	(21)	160
Deposit interest	2d	4	0	0	4
Derivative Income	2d, 4	0	5	0	0
Dividends	2d	189	3	43,809	4,152
Interest on debt securities	2d	4,810	218	0	(13)
Accretion of market discount/ (Amortisation of market premium)	2d	(1,581)	0	0	0
Withholding tax on dividends and other investment income	2d	(41)	1	(9,100)	(640)
Total income		3,381	227	34,688	3,663
Expenses					
Overdraft expenses	2d	0	0	0	0
Annual management charge	2d, 6	(4,043)	(33)	(12,948)	(2,413)
Administration charge	2d, 6	(667)	(9)	(1,374)	(358)
Share class hedging charge	2d, 6	(48)	(1)	0	(1)
Depositary's charge	2d, 7	(23)	0	(37)	(13)
Audit fee	2d, 8	(19)	(16)	(18)	(18)
Audit fee reimbursement from Manager	2d	13	12	11	12
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(17)	0	(45)	(312)
Custody transaction charges	2d, 7	(12)	(2)	(32)	(39)
Taxe d'abonnement charge	2d, 11	(267)	(5)	(675)	(124)
Total expenses		(5,083)	(54)	(15,118)	(3,266)
Net (expense)/income for the period		(1,702)	173	19,570	397
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	(3,848)	148	18,983	9,748
Currency and forward currency contracts	2c	(5,687)	(208)	1,095	493
Futures contracts	2c	6	(49)	0	0
Swap contracts	2c	0	(14)	0	0
Options contracts	2c	(3,823)	0	0	0
Net realised (loss)/gain		(13,352)	(123)	20,078	10,241
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	3,415	730	158,702	53,206
Currency and forward currency contracts	2c	(5,555)	(168)	146	(40)
Futures contracts	2c	0	(21)	0	0
Swap contracts	2c	0	0	0	0
Options contracts	2c	(246)	0	0	0
Net change in unrealised gain/(loss)		(2,386)	541	158,848	53,166
Change in net asset assets from investment activities		(17,440)	591	198,496	63,804
Net share issues and redemptions		(229,109)	437	(380,395)	(131,345)
Net capital inflow from mergers		1,284,049	19,057	3,053,377	634,198
Distributions	3, 15	0	0	(35)	0
Foreign currency translation [b]					
NET ASSETS		1,037,500	20,085	2,871,443	566,657

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

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Statement of operations and changes in net assets (continued)

		M&G (Lux) Global Floating Rate High Yield Fund 13.09.18* US\$'000	M&G (Lux) Global High Yield Bond Fund 09.11.18* US\$'000	M&G (Lux) Global High Yield ESG Bond Fund US\$'000	M&G (Lux) Global Listed Infrastructure Fund US\$'000
* Fund launch date (if within the period). for the period/year to 31 March 2019	Notes				
OPENING NET ASSETS		0	0	15,547	8,606
Income					
Bank interest	2d	130	4	3	0
Deposit interest	2d	136	0	0	0
Derivative Income	2d, 4	11,376	107	0	0
Dividends	2d	2,064	33	0	397
Interest on debt securities	2d	45,498	1,466	874	0
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	(68)	0
Withholding tax on dividends and other investment income	2d	71	(1)	(5)	(64)
Total income		59,275	1,609	804	333
Expenses					
Overdraft expenses	2d	0	0	0	0
Annual management charge	2d, 6	(11,738)	(288)	(114)	(73)
Administration charge	2d, 6	(1,713)	(42)	(27)	(15)
Share class hedging charge	2d, 6	(145)	(4)	0	0
Depositary's charge	2d, 7	(46)	(2)	(1)	0
Audit fee	2d, 8	(22)	(18)	(15)	(13)
Audit fee reimbursement from Manager	2d	13	12	7	6
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(24)	0	(1)	(1)
Custody transaction charges	2d, 7	(21)	86	(5)	(5)
Taxe d'abonnement charge	2d, 11	(844)	(16)	(3)	(3)
Total expenses		(14,540)	(272)	(159)	(104)
Net income for the period		44,735	1,337	645	229
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	(1,546)	(974)	(132)	16
Currency and forward currency contracts	2c	(11,634)	(102)	952	(15)
Futures contracts	2c	0	(31)	0	0
Swap contracts	2c	(9,831)	(60)	0	0
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(23,011)	(1,167)	820	1
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	13,577	910	(554)	1,238
Currency and forward currency contracts	2c	(5,451)	(614)	8	(6)
Futures contracts	2c	0	(1)	0	0
Swap contracts	2c	(3,672)	82	0	0
Options contracts	2c	0	0	0	0
Net change in unrealised gain/(loss)		4,454	377	(546)	1,232
Change in net asset assets from investment activities		26,178	547	919	1,462
Net share issues and redemptions		(186,389)	(37,674)	5,948	5,354
Net capital inflow from mergers		3,519,078	132,385	0	0
Distributions	3, 15	(2,288)	(234)	(12)	(4)
Foreign currency translation [b]					
NET ASSETS		3,356,579	95,024	22,402	15,418

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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Statement of operations and changes in net assets (continued)

* Fund launch date (if within the period). for the period/year to 31 March 2019	Notes	M&G (Lux) Global Macro Bond Fund 26.10.18* US\$'000	M&G (Lux) Global Recovery Fund 18.07.18* US\$'000	M&G (Lux) Global Select Fund 09.11.18* US\$'000	M&G (Lux) Global Target Return Fund €'000
OPENING NET ASSETS		0	0	0	100,030
Income					
Bank interest	2d	(4)	0	0	7
Deposit interest	2d	1	0	0	(454)
Derivative Income	2d, 4	534	0	0	0
Dividends	2d	46	18	613	438
Interest on debt securities	2d	11,468	0	0	802
Accretion of market discount/ (Amortisation of market premium)	2d	(1,006)	0	0	0
Withholding tax on dividends and other investment income	2d	(52)	(3)	(101)	(59)
Total income		10,987	15	512	734
Expenses					
Overdraft expenses	2d	0	0	0	(4)
Annual management charge	2d, 6	(3,487)	(4)	(422)	(629)
Administration charge	2d, 6	(480)	(1)	(45)	(165)
Share class hedging charge	2d, 6	(16)	0	0	0
Depositary's charge	2d, 7	(13)	0	(2)	(5)
Audit fee	2d, 8	(20)	0	(16)	(4)
Audit fee reimbursement from Manager	2d	13	0	11	0
Professional fees		0	0	0	(4)
Safe custody charge	2d, 7	(32)	0	(2)	(21)
Custody transaction charges	2d, 7	(13)	(3)	(6)	(16)
Taxe d'abonnement charge	2d, 11	(173)	(1)	(19)	(24)
Total expenses		(4,221)	(9)	(501)	(872)
Net income/(expense) for the period		6,766	6	11	(138)
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	5,356	24	(2,358)	251
Currency and forward currency contracts	2c	(1,120)	2	105	(1,517)
Futures contracts	2c	3,637	0	0	(1,472)
Swap contracts	2c	287	0	0	(627)
Options contracts	2c	0	0	0	157
Net realised gain/(loss)		8,160	26	(2,253)	(3,208)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	18,444	(149)	1,909	(536)
Currency and forward currency contracts	2c	(2,215)	0	(2)	279
Futures contracts	2c	(838)	0	0	1
Swap contracts	2c	(83)	0	0	(545)
Options contracts	2c	0	0	0	(332)
Net change in unrealised gain/(loss)		15,308	(149)	1,907	(1,133)
Change in net asset assets from investment activities		30,234	(117)	(335)	(4,479)
Net share issues and redemptions		(61,289)	1,255	(7,760)	7,451
Net capital inflow from mergers		757,992	0	85,055	0
Distributions	3, 15	(663)	0	0	0
Foreign currency translation [b]					
NET ASSETS		726,274	1,138	76,960	103,002

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

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Statement of operations and changes in net assets (continued)

* Fund launch date (if within the period). for the period/year to 31 March 2019		M&G (Lux) Global Themes Fund 19.03.19*	M&G (Lux) Income Allocation Fund 19.03.19*	M&G (Lux) Japan Fund 26.10.18*	M&G (Lux) Japan Smaller Companies Fund 26.10.18*
Notes		US\$'000	€'000	¥'000	¥'000
OPENING NET ASSETS		0	1,333,711	0	0
Income					
Bank interest	2d	0	(116)	(408)	(273)
Deposit interest	2d	0	(272)	0	0
Derivative Income	2d, 4	0	0	0	0
Dividends	2d	188	26,065	242,733	266,141
Interest on debt securities	2d	0	26,524	0	0
Accretion of market discount/ (Amortisation of market premium)	2d	0	(1,413)	0	0
Withholding tax on dividends and other investment income	2d	(44)	(3,835)	(38,165)	(41,606)
Total income		144	46,953	204,160	224,262
Expenses					
Overdraft expenses	2d	0	0	0	0
Annual management charge	2d, 6	(50)	(16,000)	(67,404)	(90,768)
Administration charge	2d, 6	(4)	(1,897)	(10,418)	(10,673)
Share class hedging charge	2d, 6	0	(1)	(1)	(1)
Depositary's charge	2d, 7	0	(45)	(396)	(406)
Audit fee	2d, 8	0	(24)	(1,822)	(1,822)
Audit fee reimbursement from Manager	2d	0	0	1,207	1,207
Professional fees		0	(6)	0	0
Safe custody charge	2d, 7	0	(224)	(575)	(619)
Custody transaction charges	2d, 7	(3)	(59)	(705)	(775)
Taxe d'abonnement charge	2d, 11	(21)	(609)	(3,852)	(3,849)
Total expenses		(78)	(18,865)	(83,966)	(107,706)
Net income for the period		66	28,088	120,194	116,556
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	0	(538)	(178,176)	(293,477)
Currency and forward currency contracts	2c	113	(43,003)	(2,870)	819
Futures contracts	2c	0	0	13,534	(3,195)
Swap contracts	2c	0	(47)	0	0
Options contracts	2c	0	0	0	0
Net realised gain/(loss)		113	(43,588)	(167,512)	(295,853)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	109	(151)	(1,253,640)	(862,833)
Currency and forward currency contracts	2c	(5)	(7,764)	(172)	(163)
Futures contracts	2c	0	0	(1,300)	(473)
Swap contracts	2c	0	(160)	0	0
Options contracts	2c	0	0	0	0
Net change in unrealised gain/(loss)		104	(8,075)	(1,255,112)	(863,469)
Change in net asset assets from investment activities		283	(23,575)	(1,302,430)	(1,042,766)
Net share issues and redemptions		172,176	(46,279)	467,048	(2,394,588)
Net capital inflow from mergers		0	0	16,935,827	18,724,626
Distributions	3, 15	0	(20,757)	0	0
Foreign currency translation [b]					
NET ASSETS		172,459	1,243,100	16,100,445	15,287,272

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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Statement of operations and changes in net assets (continued)

* Fund launch date (if within the period). for the period/year to 31 March 2019		M&G (Lux) Multi Asset 2023 Fund	M&G (Lux) North American Dividend Fund 09.11.18*	M&G (Lux) North American Value Fund 09.11.18*	M&G (Lux) Optimal Income Fund 05.09.18*
Notes		€'000	US\$'000	US\$'000	€'000
OPENING NET ASSETS		168,778	0	0	0
Income					
Bank interest	2d	(7)	0	0	(103)
Deposit interest	2d	0	1	8	1
Derivative Income	2d, 4	0	0	0	2,048
Dividends	2d	3,316	1,388	3,565	3,112
Interest on debt securities	2d	0	0	0	48,532
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	0	(7,035)
Withholding tax on dividends and other investment income	2d	0	(396)	(998)	(161)
Total income		3,309	993	2,575	46,394
Expenses					
Overdraft expenses	2d	0	0	0	0
Annual management charge	2d, 6	(949)	(606)	(1,565)	(15,887)
Administration charge	2d, 6	0	(75)	(206)	(2,270)
Share class hedging charge	2d, 6	0	(2)	0	(28)
Depositary's charge	2d, 7	0	(3)	(8)	(48)
Audit fee	2d, 8	(9)	(16)	(16)	(21)
Audit fee reimbursement from Manager	2d	9	11	11	13
Professional fees		0	0	0	0
Safe custody charge	2d, 7	0	(1)	(2)	(13)
Custody transaction charges	2d, 7	0	(9)	(10)	(95)
Taxe d'abonnement charge	2d, 11	0	(32)	(90)	(2,352)
Total expenses		(949)	(733)	(1,886)	(20,701)
Net income for the period		2,360	260	689	25,693
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	(541)	(1,513)	(2,767)	18,131
Currency and forward currency contracts	2c	0	(325)	12	(18,431)
Futures contracts	2c	0	0	0	(52,382)
Swap contracts	2c	0	0	0	(997)
Options contracts	2c	0	0	0	0
Net realised loss		(541)	(1,838)	(2,755)	(53,679)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	(5,902)	2,843	(9,427)	311,633
Currency and forward currency contracts	2c	0	(175)	(1)	(21,868)
Futures contracts	2c	0	0	0	(185,940)
Swap contracts	2c	0	0	0	1,728
Options contracts	2c	0	0	0	0
Net change in unrealised gain/(loss)		(5,902)	2,668	(9,428)	105,553
Change in net asset assets from investment activities		(4,083)	1,090	(11,494)	77,567
Net share issues and redemptions		(8,985)	(3,035)	83,152	3,039,040
Net capital inflow from mergers		0	142,135	344,934	16,145,791
Distributions	3, 15	(3,252)	0	0	(944)
Foreign currency translation [b]					
NET ASSETS		152,458	140,190	416,592	19,261,454

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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Statement of operations and changes in net assets (continued)

* Fund launch date (if within the period). for the period/year to 31 March 2019		M&G (Lux) Pan European Dividend Fund 07.12.18* €'000	M&G (Lux) Pan European Select Fund 09.11.18* €'000	M&G (Lux) Positive Impact Fund 29.11.18* US\$'000	M&G (Lux) Short Dated Corporate Bond Fund 26.10.18* €'000
	Notes				
OPENING NET ASSETS		0	0	0	0
Income					
Bank interest	2d	(1)	(1)	1	1
Deposit interest	2d	0	0	0	0
Derivative Income	2d, 4	0	0	0	20
Dividends	2d	1,877	863	58	0
Interest on debt securities	2d	0	0	0	628
Accretion of market discount/ (Amortisation of market premium)	2d	0	0	0	(9)
Withholding tax on dividends and other investment income	2d	(286)	(36)	(8)	1
Total income		1,590	826	51	641
Expenses					
Overdraft expenses	2d	0	0	0	0
Annual management charge	2d, 6	(338)	(633)	(22)	(173)
Administration charge	2d, 6	(50)	(68)	(5)	(40)
Share class hedging charge	2d, 6	0	0	0	(1)
Depositary's charge	2d, 7	(2)	(3)	0	(2)
Audit fee	2d, 8	(12)	(13)	0	(16)
Audit fee reimbursement from Manager	2d	9	9	0	11
Professional fees		0	0	0	0
Safe custody charge	2d, 7	(2)	(4)	(1)	(1)
Custody transaction charges	2d, 7	(2)	(4)	(2)	(3)
Taxe d'abonnement charge	2d, 11	(26)	(29)	(1)	(15)
Total expenses		(423)	(745)	(31)	(240)
Net income for the period		1,167	81	20	401
REALISED GAINS/(LOSSES) ON INVESTMENTS					
Investments excluding derivatives [a]	2c	(184)	(811)	0	(48)
Currency and forward currency contracts	2c	4	(34)	5	(935)
Futures contracts	2c	0	0	0	0
Swap contracts	2c	0	0	0	(4)
Options contracts	2c	0	0	0	0
Net realised (loss)/gain		(180)	(845)	5	(987)
CHANGE IN UNREALISED GAINS/(LOSSES)					
Investments excluding derivatives [a]	2c	6,545	5,293	618	979
Currency and forward currency contracts	2c	24	10	0	(142)
Futures contracts	2c	0	0	0	0
Swap contracts	2c	0	0	0	40
Options contracts	2c	0	0	0	0
Net change in unrealised gain		6,569	5,303	618	877
Change in net asset assets from investment activities		7,556	4,539	643	291
Net share issues and redemptions		(13,730)	(2,159)	13,609	(13,454)
Net capital inflow from mergers		113,936	123,081	0	69,996
Distributions	3, 15	0	0	0	(24)
Foreign currency translation [b]					
NET ASSETS		107,762	125,461	14,252	56,809

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

M&G (Lux) Investment Funds 1

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Statement of operations and changes in net assets (continued)

* Fund launch date (if within the period). for the period/year to 31 March 2019		M&G (Lux) Sustainable Allocation Fund 29.11.18* €'000		Combined total €'000
	Notes			
OPENING NET ASSETS		0		13,343,695
Income				
Bank interest	2d	(2)		(1,812)
Deposit interest	2d	0		(4,683)
Derivative Income	2d, 4	0		15,143
Dividends	2d	103		183,364
Interest on debt securities	2d	127		345,722
Accretion of market discount/ (Amortisation of market premium)	2d	0		(64,643)
Withholding tax on dividends and other investment income	2d	(16)		(29,703)
Total income		212		443,388
Expenses				
Overdraft expenses	2d	0		(498)
Annual management charge	2d, 6	(16)		(228,871)
Administration charge	2d, 6	(10)		(28,976)
Share class hedging charge	2d, 6	0		(309)
Depositary's charge	2d, 7	0		(686)
Audit fee	2d, 8	0		(510)
Audit fee reimbursement from Manager	2d	0		249
Professional fees		0		(30)
Safe custody charge	2d, 7	(1)		(2,882)
Custody transaction charges	2d, 7	(10)		(649)
Taxe d'abonnement charge	2d, 11	(1)		(10,933)
Total expenses		(38)		(274,095)
Net income for the period		174		169,293
REALISED GAINS/(LOSSES) ON INVESTMENTS				
Investments excluding derivatives [a]	2c	61		5,446
Currency and forward currency contracts	2c	(142)		(419,416)
Futures contracts	2c	(38)		(272,527)
Swap contracts	2c	0		97,050
Options contracts	2c	0		(3,247)
Net realised loss		(119)		(592,694)
CHANGE IN UNREALISED GAINS/(LOSSES)				
Investments excluding derivatives [a]	2c	948		727,256
Currency and forward currency contracts	2c	(120)		(108,150)
Futures contracts	2c	(52)		(212,979)
Swap contracts	2c	0		(26,536)
Options contracts	2c	0		(551)
Net change in unrealised gain		776		379,040
Change in net asset assets from investment activities		831		(44,361)
Net share issues and redemptions		20,412		1,654,918
Net capital inflow from mergers		0		29,687,626
Distributions	3, 15	0		(41,673)
Foreign currency translation [b]				18,574
NET ASSETS		21,243		44,618,779

[a] Crossholding. Please refer to Note 13.

[b] Exchange differences resulting from translation to presentational currency.

The accompanying notes to the financial statements are an integral part of these financial statements.

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The various classes of shares in issue have equivalent rights in the Company, but carry different features and charging structures detailed in note 6 which are more fully described in the Company's Prospectus.

Shares in issue

For the period/year to 31 March 2019	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Absolute Return Bond Fund						
	Euro					
	Class 'A' Accumulation	176,219.529	107,543.742	(146,194.134)	137,569.137	21.12.16
	Class 'A' Distribution	4,435.629	15,956.208	(2,097.614)	18,294.223	21.12.16
	Class 'B' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	08.05.18
	Class 'B' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	08.05.18
	Class 'C' Accumulation	914,516.984	386,569.618	(159,238.898)	1,141,847.704	21.12.16
	Class 'C' Distribution	639,786.211	0.000	(46,676.000)	593,110.211	21.12.16
	Class 'CI' Accumulation	1,929,600.000	533,750.826	0.000	2,463,350.826	21.12.16
	Sterling					
	Class 'C-H' Accumulation	2,903.500	627,164.029	(179,050.000)	451,017.529	21.12.16
	Class 'C-H' Distribution	2,507.500	0.000	0.000	2,507.500	21.12.16
	Swiss franc					
	Class 'A-H' Accumulation	2,505.000	0.000	0.000	2,505.000	21.12.16
	Class 'A-H' Distribution	2,510.000	0.000	0.000	2,510.000	21.12.16
	Class 'C-H' Accumulation	2,517.000	0.000	0.000	2,517.000	21.12.16
	Class 'C-H' Distribution	2,520.000	0.000	0.000	2,520.000	21.12.16
	US dollar					
	Class 'A-H' Accumulation	2,513.500	0.000	0.000	2,513.500	21.12.16
	Class 'A-H' Distribution	2,517.500	0.000	0.000	2,517.500	21.12.16
	Class 'C-H' Accumulation	2,522.500	141,624.364	0.000	144,146.864	21.12.16
	Class 'C-H' Distribution	2,527.500	0.000	0.000	2,527.500	21.12.16
M&G (Lux) Asian Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	1,713,151.481	(830,074.310)	883,077.171	26.10.18
	Class 'C' Accumulation ^[a]	0.000	1,407,352.687	(605,518.861)	801,833.826	26.10.18
	Class 'CI' Accumulation ^[a]	0.000	1,198,939.291	(8,575.793)	1,190,363.498	06.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	438,283.671	(129,574.776)	308,708.895	26.10.18
	Class 'C' Accumulation ^[a]	0.000	23,641.430	(6,845.281)	16,796.149	26.10.18
M&G (Lux) Conservative Allocation Fund						
	Euro					
	Class 'A' Accumulation	128,972,782.865	50,146,174.465	(54,252,725.043)	124,866,232.287	16.01.18
	Class 'A' Distribution	10,429,536.029	4,832,560.891	(2,127,197.391)	13,134,899.529	16.01.18
	Class 'B' Accumulation	20,623,246.579	6,715,119.829	(5,109,138.780)	22,229,227.628	16.01.18
	Class 'B' Distribution	6,627,764.573	1,693,192.422	(1,662,486.325)	6,658,470.670	16.01.18
	Class 'C' Accumulation	116,024,160.736	43,898,947.996	(80,926,838.717)	78,996,270.015	16.01.18
	Class 'C' Distribution	12,170,026.012	6,997,636.878	(4,068,975.187)	15,098,687.703	16.01.18
	Class 'CI' Accumulation	4,354,600.000	25,544,691.270	(13,637,818.760)	16,261,472.510	16.01.18
	Class 'JI' Accumulation ^[a]	0.000	16,393,560.450	(732,305.335)	15,661,255.115	26.02.19
	Swiss franc					
	Class 'A-H' Accumulation	22,010.262	18,862.736	(12,946.000)	27,926.998	16.01.18
	Class 'C-H' Accumulation	275,450.897	70,400.000	(94,741.006)	251,109.891	16.01.18
	US dollar					
	Class 'A-H' Accumulation	1,384,183.519	436,861.910	(442,596.261)	1,378,449.168	16.01.18
	Class 'A-H' Distribution	214,518.214	98,502.895	(82,404.681)	230,616.428	16.01.18
	Class 'C-H' Accumulation	1,277,362.743	186,311.248	(174,523.284)	1,289,150.707	16.01.18
	Class 'C-H' Distribution	206,941.002	0.000	0.000	206,941.002	16.01.18

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Shares in issue (continued)

For the period/year to 31 March 2019	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Dynamic Allocation Fund						
	Euro					
	Class 'A' Accumulation	455,340,863.481	119,649,989.728	(164,313,531.327)	410,677,321.882	16.01.18
	Class 'A' Distribution	54,633,187.914	12,581,733.726	(15,183,844.217)	52,031,077.423	16.01.18
	Class 'B' Accumulation	41,840,361.037	14,879,864.022	(12,344,443.744)	44,375,781.315	16.01.18
	Class 'C' Accumulation	301,292,203.573	81,574,109.778	(260,422,216.215)	122,444,097.136	16.01.18
	Class 'C' Distribution	6,899,904.167	5,398,401.035	(5,938,561.750)	6,359,743.452	16.01.18
	Class 'CI' Accumulation	6,297,970.382	136,928,355.768	(34,429,970.599)	108,796,355.551	16.01.18
	Class 'JI' Accumulation ^[a]	0.000	37,419,869.859	(821,172.506)	36,598,697.353	26.02.19
	Sterling					
	Class 'C-H' Accumulation	541,036.376	301,689.787	(382,111.162)	460,615.001	16.01.18
	Class 'C-H' Distribution	68,097.518	16,100.000	0.000	84,197.518	16.01.18
	Swiss franc					
	Class 'A-H' Accumulation	377,688.535	544,380.229	(107,120.568)	814,948.196	16.01.18
	Class 'C-H' Accumulation	177,764.681	154,729.936	(95,793.943)	236,700.674	16.01.18
	US dollar					
	Class 'A-H' Accumulation	6,476,559.824	1,905,610.933	(2,322,488.803)	6,059,681.954	16.01.18
	Class 'A-H' Distribution	1,938,441.139	228,755.750	(676,868.091)	1,490,328.798	16.01.18
	Class 'A-H M F4' Distribution	103,400.000	905,681.429	(82,358.224)	926,723.205	01.02.18
	Class 'C-H' Accumulation	4,502,317.665	1,214,292.133	(1,073,985.826)	4,642,623.972	16.01.18
	Class 'C-H' Distribution	121,646.899	24,045.797	(54,355.599)	91,337.097	16.01.18
M&G (Lux) Emerging Markets Bond Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	8,166,824.533	(1,305,711.106)	6,861,113.427	21.09.18
	Class 'A' Distribution ^[a]	0.000	2,605,191.118	(34,436.302)	2,570,754.816	21.09.18
	Class 'A-H' Accumulation ^[a]	0.000	8,055,951.153	(415,702.679)	7,640,248.474	21.09.18
	Class 'A-H' Distribution ^[a]	0.000	1,297,277.675	(39,754.370)	1,257,523.305	21.09.18
	Class 'B' Accumulation ^[a]	0.000	1,670,814.737	(36,779.149)	1,634,035.588	21.09.18
	Class 'B' Distribution ^[a]	0.000	409,227.422	(15,749.056)	393,478.366	21.09.18
	Class 'B-H' Accumulation ^[a]	0.000	940,205.078	(34,218.777)	905,986.301	21.09.18
	Class 'B-H' Distribution ^[a]	0.000	650,475.123	(29,985.018)	620,490.105	21.09.18
	Class 'C' Accumulation ^[a]	0.000	4,789,089.050	(393,739.050)	4,395,350.000	21.09.18
	Class 'C' Distribution ^[a]	0.000	684,634.340	(2,686.678)	681,947.662	21.09.18
	Class 'C-H' Accumulation ^[a]	0.000	20,759,425.012	(2,313,119.236)	18,446,305.776	21.09.18
	Class 'C-H' Distribution ^[a]	0.000	1,918,848.767	(4,600.000)	1,914,248.767	21.09.18
	Class 'CI' Accumulation ^[a]	0.000	1,175,203.596	0.000	1,175,203.596	21.09.18
	Class 'CI-H' Accumulation ^[a]	0.000	8,100,275.722	(2,398,798.370)	5,701,477.352	21.09.18
	Sterling					
	Class 'C' Distribution ^[a]	0.000	575,772.899	0.000	575,772.899	22.02.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	14.03.19
	Swiss franc					
	Class 'A' Accumulation ^[a]	0.000	43,378.342	(846.503)	42,531.839	21.09.18
	Class 'A-H' Accumulation ^[a]	0.000	48,591.751	(37,186.755)	11,404.996	21.09.18
	Class 'C' Accumulation ^[a]	0.000	17,851.468	(2,107.000)	15,744.468	21.09.18
	Class 'C-H' Accumulation ^[a]	0.000	2,710,360.801	0.000	2,710,360.801	21.09.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	2,461,457.007	(191,634.100)	2,269,822.907	21.09.18
	Class 'A' Distribution ^[a]	0.000	174,520.926	(10,029.585)	164,491.341	21.09.18
	Class 'A M' Distribution	0.000	1,000.000	0.000	1,000.000	30.11.18
	Class 'C' Accumulation ^[a]	0.000	15,220,661.837	(10,711,104.159)	4,509,557.678	21.09.18
	Class 'C' Distribution ^[a]	0.000	335,099.620	(12,083.310)	323,016.310	21.09.18
	Class 'C M' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	30.11.18
	Class 'CI' Accumulation ^[a]	0.000	12,819.626	0.000	12,819.626	21.09.18
	Class 'K' Accumulation ^{[a], [b]}	0.000	6,300,000.000	(6,300,000.000)	0.000	17.09.18
	Class 'ZI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	30.01.19

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Shares in issue (continued)

For the period/year to 31 March 2019	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Emerging Markets Hard Currency Bond Fund						
	Euro					
	Class 'A' Accumulation	1,000.000	34,941.088	(1,747.552)	34,193.536	22.05.17
	Class 'A' Distribution	1,000.000	9,267.238	(1,293.058)	8,974.180	22.05.17
	Class 'A-H' Accumulation	2,500.000	2,296.227	0.000	4,796.227	22.05.17
	Class 'A-H' Distribution	2,505.000	13,114.063	(1,013.613)	14,605.450	22.05.17
	Class 'C' Accumulation	1,000.000	106,384.483	0.000	107,384.483	22.05.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C-H' Accumulation	3,156,790.476	1,475,206.213	(168,302.709)	4,463,693.980	22.05.17
	Class 'C-H' Distribution	1,014,668.053	0.000	(9,810.000)	1,004,858.053	22.05.17
	Class 'CI-H' Accumulation ^[a]	0.000	49,965.717	0.000	49,965.717	22.02.19
	Class 'LI' Accumulation ^[a]	0.000	2,288,996.003	(90,012.471)	2,198,983.532	27.09.18
	Sterling					
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Swiss franc					
	Class 'A-H' Accumulation	2,520.000	0.000	0.000	2,520.000	22.05.17
	Class 'A-H' Distribution	2,525.000	0.000	0.000	2,525.000	22.05.17
	Class 'C-H' Accumulation	2,530.000	0.000	0.000	2,530.000	22.05.17
	Class 'C-H' Distribution	2,535.000	0.000	0.000	2,535.000	22.05.17
	US dollar					
	Class 'A' Accumulation	1,000.000	19,411.655	0.000	20,411.655	22.05.17
	Class 'A' Distribution	1,000.000	29,820.537	0.000	30,820.537	22.05.17
	Class 'C' Accumulation	2,434.830	153,861.391	0.000	156,296.221	22.05.17
	Class 'C' Distribution	3,462,722.000	0.000	0.000	3,462,722.000	22.05.17
	Class 'CI' Accumulation	9,602,510.000	976,723.000	(419,347.000)	10,159,886.000	22.05.17
M&G (Lux) Emerging Markets Income Opportunities Fund						
	Euro					
	Class 'A-H' Accumulation	2,857.952	55,516.432	(5,514.954)	52,859.430	22.05.17
	Class 'A-H' Distribution	19,805.000	1,197.200	(3,900.000)	17,102.200	22.05.17
	Class 'C-H' Accumulation	2,410.000	0.000	0.000	2,410.000	22.05.17
	Class 'C-H' Distribution	2,415.000	0.000	0.000	2,415.000	22.05.17
	Sterling					
	Class 'C-H' Accumulation	2,420.000	0.000	0.000	2,420.000	22.05.17
	Class 'C-H' Distribution	2,425.000	0.000	0.000	2,425.000	22.05.17
	Swiss franc					
	Class 'A-H' Accumulation	2,430.000	0.000	0.000	2,430.000	22.05.17
	Class 'A-H' Distribution	2,435.000	0.000	0.000	2,435.000	22.05.17
	Class 'C-H' Accumulation	2,440.000	0.000	0.000	2,440.000	22.05.17
	Class 'C-H' Distribution	2,445.000	0.000	0.000	2,445.000	22.05.17
	US dollar					
	Class 'A' Accumulation	1,000.000	2,307.182	0.000	3,307.182	22.05.17
	Class 'A' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'A M' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'C M' Distribution	1,000.000	0.000	0.000	1,000.000	22.05.17
	Class 'CI' Accumulation	2,004,600.000	0.000	0.000	2,004,600.000	22.05.17

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Shares in issue (continued)

For the period/year to 31 March 2019	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Episode Macro Fund						
	Euro					
	Class 'B-H' Accumulation ^[a]	0.000	926,509.225	(180,703.821)	745,805.404	26.10.18
	Class 'S-H' Accumulation ^[a]	0.000	17,175,304.277	(2,060,034.894)	15,115,269.383	26.10.18
	Class 'T-H' Accumulation	0.000	2,442,725.821	(372,858.606)	2,069,867.215	26.10.18
	Class 'TI-H' Accumulation	0.000	36,832.000	(3,008.000)	33,824.000	06.11.18
	Sterling					
	Class 'T-H' Accumulation ^[a]	0.000	29,514.303	0.000	29,514.303	22.02.19
	Class 'TI-H' Accumulation ^[a]	0.000	317,659.902	0.000	317,659.902	17.12.18
	Swiss Franc					
	Class 'S-H' Accumulation ^[a]	0.000	279,797.335	(19,195.000)	260,602.335	26.10.18
	Class 'T-H' Accumulation ^[a]	0.000	73,376.487	(2,390.000)	70,986.487	26.10.18
	US dollar					
	Class 'S' Accumulation ^[a]	0.000	936,451.927	(149,455.484)	786,996.443	26.10.18
	Class 'T' Accumulation ^[a]	0.000	763,191.680	(97,773.000)	665,418.680	26.10.18
	Class 'TI' Accumulation ^[a]	0.000	415,980.632	(49,645.942)	366,334.690	06.11.18
M&G (Lux) Euro Corporate Bond Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	55,160,154.421	(7,764,223.122)	47,395,931.299	09.11.18
	Class 'A' Distribution ^[a]	0.000	4,215,565.320	(155,613.396)	4,059,951.924	09.11.18
	Class 'C' Accumulation ^[a]	0.000	20,672,099.191	(9,558,006.460)	11,114,092.731	09.11.18
	Class 'C' Distribution ^[a]	0.000	944,161.890	(54,627.689)	889,534.201	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	9,513,386.760	(262,072.607)	9,251,314.153	19.11.18
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	22.02.19
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	230,158.803	(28,939.000)	201,219.803	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	177,617.995	(5,054.455)	172,563.540	09.11.18
	US dollar					
	Class 'A-H' Accumulation ^[a]	0.000	375,616.302	(317.489)	375,298.813	09.11.18
	Class 'A-H' Distribution ^[a]	0.000	37,374.828	0.000	37,374.828	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	16,741.306	(7,064.945)	9,676.361	09.11.18
	Class 'C-H' Distribution ^[a]	0.000	12,405.177	0.000	12,405.177	09.11.18
M&G (Lux) European Inflation Linked Corporate Bond Fund						
	Euro					
	Class 'A' Accumulation	5,969,467.160	979,588.657	(1,882,225.971)	5,066,829.846	16.03.18
	Class 'C' Accumulation	2,654,660.661	1,169,519.863	(1,361,813.608)	2,462,366.916	16.03.18
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	16.03.18
	Swiss franc					
	Class 'A-H' Accumulation	11,381.515	0.000	0.000	11,381.515	16.03.18
	Class 'C-H' Accumulation	18,349.434	0.000	0.000	18,349.434	16.03.18
M&G (Lux) European Strategic Value Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	25,468,951.565	(22,023,010.336)	3,445,941.229	20.09.18
	Class 'C' Accumulation ^[a]	0.000	173,085,883.672	(167,379,179.639)	5,706,704.033	20.09.18
	Class 'CI' Accumulation ^[a]	0.000	182,996,866.879	(2,275,871.377)	180,720,995.502	20.09.18
	Class 'J' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	20.09.18
	Class 'JI' Accumulation ^[a]	0.000	15,556,848.335	(952,806.526)	14,604,041.809	20.09.18
	Class 'K' Accumulation ^{[a], [c]}	0.000	11,100,000.000	(11,100,000.000)	0.000	18.09.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	202,580.135	(0.001)	202,580.134	20.09.18
	Class 'C' Accumulation ^[a]	0.000	9,755,349.603	(887,698.282)	8,867,651.321	20.09.18

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M&G (Lux) Floating Rate High Yield Solution						
	Euro					
	Class 'A-H' Accumulation	2,420.000	339,100.842	(69,505.998)	272,014.844	24.08.17
	Class 'A-H' Distribution	2,425.000	4,247.912	0.000	6,672.912	24.08.17
	Class 'B-H' Accumulation	3,348.387	11,046.511	(908.387)	13,486.511	24.08.17
	Class 'B-H' Distribution	2,445.000	0.000	0.000	2,445.000	24.08.17
	Class 'C-H' Accumulation	2,430.000	115,992.096	(13,217.301)	105,204.795	24.08.17
	Class 'C-H' Distribution	2,435.000	0.000	0.000	2,435.000	24.08.17
	Singapore dollar					
	Class 'A-H' Distribution	2,460.000	0.000	0.000	2,460.000	24.08.17
	Class 'A-H M' Distribution	2,465.000	0.000	0.000	2,465.000	24.08.17
	Class 'C-H M' Distribution	2,470.000	0.000	0.000	2,470.000	24.08.17
	Sterling					
	Class 'C-H' Accumulation	2,450.000	4,650,537.758	(259,843.432)	4,393,144.326	24.08.17
	Class 'C-H' Distribution	2,455.000	0.000	0.000	2,455.000	24.08.17
	Swiss franc					
	Class 'A-H' Accumulation	2,400.000	0.000	0.000	2,400.000	24.08.17
	Class 'A-H' Distribution	2,405.000	0.000	0.000	2,405.000	24.08.17
	Class 'C-H' Accumulation	2,410.000	0.000	0.000	2,410.000	24.08.17
	Class 'C-H' Distribution	2,415.000	0.000	0.000	2,415.000	24.08.17
	US dollar					
	Class 'A' Accumulation	1,000.000	4,906.300	0.000	5,906.300	24.08.17
	Class 'A' Distribution	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'A M' Distribution	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'C M' Distribution	1,000.000	0.000	0.000	1,000.000	24.08.17
	Class 'CI' Accumulation	54,600.000	0.000	0.000	54,600.000	24.08.17
M&G (Lux) Global Convertibles Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	8,077,446.415	(827,818.407)	7,249,628.008	09.11.18
	Class 'A' Distribution ^[a]	0.000	978,983.002	(172,010.596)	806,972.406	09.11.18
	Class 'A-H' Accumulation ^[a]	0.000	2,577,120.456	(701,452.313)	1,875,668.143	09.11.18
	Class 'A-H' Distribution ^[a]	0.000	1,474,371.499	(237,664.720)	1,236,706.779	09.11.18
	Class 'B' Accumulation ^[a]	0.000	479,400.113	(37,094.628)	442,305.485	09.11.18
	Class 'B' Distribution ^[a]	0.000	28,953.487	(1,423.114)	27,530.373	09.11.18
	Class 'B-H' Accumulation ^[a]	0.000	615,118.378	(116,232.947)	498,885.431	09.11.18
	Class 'B-H' Distribution ^[a]	0.000	23,550.270	(5,354.122)	18,196.148	09.11.18
	Class 'C' Accumulation ^[a]	0.000	17,621,515.858	(4,802,563.152)	12,818,952.706	09.11.18
	Class 'C' Distribution ^[a]	0.000	612.941	0.000	612.941	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	38,318,962.383	(10,703,414.136)	27,615,548.247	09.11.18
	Class 'C-H' Distribution ^[a]	0.000	1,384,590.147	(2,141.000)	1,382,449.147	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
	Class 'CI-H' Accumulation ^[a]	0.000	6,391,291.852	(83,221.129)	6,308,070.723	19.11.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	51,675.808	(11,300.000)	40,375.808	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	1,233,827.103	(511,036.151)	722,790.952	09.11.18
	US dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,459,217.184	(523,019.418)	1,936,197.766	09.11.18
	Class 'A-H' Distribution ^[a]	0.000	48,283.534	(21,581.780)	26,701.754	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	2,002,030.667	(1,007,740.424)	994,290.243	09.11.18
	Class 'C-H' Distribution ^[a]	0.000	82,277.261	(80,419.661)	1,857.600	09.11.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,605.000	0.000	4,605.000	19.11.18

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M&G (Lux) Global Corporate Bond Fund						
	Euro					
	Class 'A-H' Accumulation ^[a]	0.000	53,704.810	(1,804.797)	51,900.013	07.12.18
	Class 'A-H' Distribution ^[a]	0.000	73,039.494	(4,356.701)	68,682.793	07.12.18
	Class 'C-H' Accumulation ^[a]	0.000	1,341,564.373	(1,380.667)	1,340,183.706	07.12.18
	Class 'C-H' Distribution ^[a]	0.000	3,134.713	0.000	3,134.713	07.12.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	17.12.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	2,163.449	0.000	2,163.449	07.12.18
	Class 'C-H' Accumulation ^[a]	0.000	2,106.631	0.000	2,106.631	07.12.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	39,227.569	0.000	39,227.569	07.12.18
	Class 'A' Distribution ^[a]	0.000	1,093.807	0.000	1,093.807	07.12.18
	Class 'C' Accumulation ^[a]	0.000	20,804.490	(19,997.198)	807.292	07.12.18
	Class 'C' Distribution ^[a]	0.000	900.780	0.000	900.780	07.12.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	17.12.18
M&G (Lux) Global Dividend Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	122,827,542.682	(9,160,354.027)	113,667,188.655	20.09.18
	Class 'A' Distribution ^[a]	0.000	52,073,267.595	(34,333,727.554)	17,739,540.041	20.09.18
	Class 'C' Accumulation ^[a]	0.000	36,793,656.714	(13,284,790.503)	23,508,866.211	20.09.18
	Class 'C' Distribution ^[a]	0.000	4,750,520.824	(2,072,574.471)	2,677,946.353	20.09.18
	Class 'CI' Accumulation ^[a]	0.000	6,682,535.500	(288,041.484)	6,394,494.016	20.09.18
	Class 'CI' Distribution ^[a]	0.000	34,825,765.169	(3,278,953.562)	31,546,811.607	20.09.18
	Class 'G' Accumulation ^[a]	0.000	78,121,906.574	(41,826,811.214)	36,295,095.360	20.09.18
	Singapore dollar					
	Class 'A' Accumulation ^[a]	0.000	14,879.378	0.000	14,879.378	20.09.18
	Class 'A' Distribution ^[a]	0.000	2,008.546	0.000	2,008.546	20.09.18
	Class 'C' Accumulation ^[a]	0.000	9,160.334	0.000	9,160.334	20.09.18
	Class 'C' Distribution ^[a]	0.000	2,009.750	0.000	2,009.750	20.09.18
	Sterling					
	Class 'C' Accumulation ^[a]	0.000	106,711.952	0.000	106,711.952	22.02.19
	Class 'C' Distribution ^[a]	0.000	1,413,922.520	0.000	1,413,922.520	22.02.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	14.03.19
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	14.03.19
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	17,793,330.278	(1,976,149.579)	15,817,180.699	20.09.18
	Class 'A' Distribution ^[a]	0.000	808,272.580	(87,952.488)	720,320.092	20.09.18
	Class 'C' Accumulation ^[a]	0.000	4,970,471.421	(83,675.337)	4,886,796.084	20.09.18
	Class 'C' Distribution ^[a]	0.000	591,741.342	0.000	591,741.342	20.09.18
	Class 'CI' Accumulation ^[a]	0.000	16,770.361	0.000	16,770.361	20.09.18
	Class 'K' Accumulation ^{[a], [b]}	0.000	3,100,000.000	(3,100,000.000)	0.000	18.09.18

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M&G (Lux) Global Emerging Markets Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	4,192,882.704	(889,525.132)	3,303,357.572	26.10.18
	Class 'A' Distribution ^[a]	0.000	332,242.762	(274,930.825)	57,311.937	26.10.18
	Class 'A-H' Accumulation ^[a]	0.000	214,647.328	(19,273.797)	195,373.531	26.10.18
	Class 'C' Accumulation ^[a]	0.000	8,980,452.675	(5,142,712.265)	3,837,740.410	26.10.18
	Class 'C' Distribution ^[a]	0.000	129,051.247	(53,238.000)	75,813.247	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	326,727.633	(90,619.338)	236,108.295	26.10.18
	Class 'CI' Accumulation ^[a]	0.000	7,555,881.497	(168,679.494)	7,387,202.003	06.11.18
	Class 'J' Accumulation ^[a]	0.000	1,025.684	0.000	1,025.684	26.10.18
	Singapore dollar					
	Class 'A' Accumulation ^[a]	0.000	72,350.736	(2,020.039)	70,330.697	26.10.18
	Class 'A' Distribution ^[a]	0.000	884.252	0.000	884.252	26.10.18
	Class 'C' Accumulation ^[a]	0.000	817.762	0.000	817.762	26.10.18
	Class 'C' Distribution ^[a]	0.000	867.536	0.000	867.536	26.10.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	166,446.879	(26,000.000)	140,446.879	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	218,026.099	(77,645.000)	140,381.099	26.10.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	06.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	1,649,187.326	(616,080.235)	1,033,107.091	26.10.18
	Class 'A' Distribution ^[a]	0.000	43,808.680	(4,650.000)	39,158.680	26.10.18
	Class 'C' Accumulation ^[a]	0.000	9,260,410.965	(2,578,211.229)	6,682,199.736	26.10.18
	Class 'C' Distribution ^[a]	0.000	77,143.165	(26,349.714)	50,793.451	26.10.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	06.11.18
	Class 'J' Accumulation ^[a]	0.000	440,311.665	0.000	440,311.665	26.10.18

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M&G (Lux) Global Floating Rate High Yield Fund						
	Euro					
	Class 'A-H' Accumulation ^[a]	0.000	120,208,633.367	(13,083,748.647)	107,124,884.720	21.09.18
	Class 'A-H' Distribution ^[a]	0.000	28,179,887.596	(3,987,486.185)	24,192,401.411	21.09.18
	Class 'B-H' Accumulation ^[a]	0.000	9,614,935.080	(823,757.761)	8,791,177.319	21.09.18
	Class 'B-H' Distribution ^[a]	0.000	4,191,598.843	(255,658.471)	3,935,940.372	21.09.18
	Class 'C-H' Accumulation ^[a]	0.000	57,385,568.337	(13,875,462.085)	43,510,106.252	21.09.18
	Class 'C-H' Distribution ^[a]	0.000	12,113,493.212	(4,977,730.862)	7,135,762.350	21.09.18
	Class 'CI-H' Accumulation ^[a]	0.000	14,016,804.408	(2,173,208.135)	11,843,596.273	21.09.18
	Singapore dollar					
	Class 'A-H' Distribution ^[a]	0.000	1,050,112.536	(160,891.580)	889,220.956	21.09.18
	Class 'A-H M' Distribution ^[a]	0.000	5,047,473.307	(461,144.778)	4,586,328.529	21.09.18
	Class 'C-H M' Distribution ^[a]	0.000	307,575.753	(74,271.483)	233,304.270	21.09.18
	Sterling					
	Class 'C-H' Distribution ^[a]	0.000	411,633.033	0.000	411,633.033	22.02.19
	Class 'CI-H' Distribution ^[a]	0.000	4,605.000	0.000	4,605.000	14.03.19
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	1,707,956.974	(137,685.583)	1,570,271.391	21.09.18
	Class 'A-H' Distribution ^[a]	0.000	888,065.191	(40,023.192)	848,041.999	21.09.18
	Class 'C-H' Accumulation ^[a]	0.000	7,086,209.911	(1,877,798.799)	5,208,411.112	21.09.18
	Class 'C-H' Distribution ^[a]	0.000	2,481,074.564	(366,858.083)	2,114,216.481	21.09.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	21.09.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	35,185,039.716	(10,403,639.191)	24,781,400.525	21.09.18
	Class 'A' Distribution ^[a]	0.000	15,377,048.656	(3,047,223.781)	12,329,824.875	21.09.18
	Class 'A M' Distribution ^[a]	0.000	16,384,935.063	(3,340,498.027)	13,044,437.036	21.09.18
	Class 'C' Accumulation ^[a]	0.000	37,105,256.720	(5,172,530.420)	31,932,726.300	21.09.18
	Class 'C' Distribution ^[a]	0.000	9,022,105.322	(1,924,209.988)	7,097,895.334	21.09.18
	Class 'C M' Distribution ^[a]	0.000	1,481,231.820	(112,273.317)	1,368,958.503	21.09.18
	Class 'CI' Accumulation ^[a]	0.000	363,744.604	(64,674.010)	299,070.594	21.09.18
	Class 'K' Accumulation ^{[a], [b]}	0.000	12,600,000.000	(12,600,000.000)	0.000	13.09.18
M&G (Lux) Global High Yield Bond Fund						
	Euro					
	Class 'A-H' Accumulation ^[a]	0.000	3,431,494.286	(349,478.060)	3,082,016.226	09.11.18
	Class 'A-H' Distribution ^[a]	0.000	874,669.359	(99,206.244)	775,463.115	09.11.18
	Class 'B-H' Accumulation ^[a]	0.000	290,031.020	(22,097.873)	267,933.147	09.11.18
	Class 'B-H' Distribution ^[a]	0.000	202,124.329	(31,292.587)	170,831.742	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	803,704.134	(113,108.429)	690,595.705	09.11.18
	Class 'C-H' Distribution ^[a]	0.000	268,978.061	(9,225.000)	259,753.061	09.11.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	2,161.481	0.000	2,161.481	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	2,123.594	0.000	2,123.594	09.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	201,561.081	(30,858.360)	170,702.721	09.11.18
	Class 'A' Distribution ^[a]	0.000	78,057.752	(11,164.544)	66,893.208	09.11.18
	Class 'C' Accumulation ^[a]	0.000	2,688,055.104	(2,062,227.518)	625,827.586	09.11.18
	Class 'C' Distribution ^[a]	0.000	12,255.108	0.000	12,255.108	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18

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M&G (Lux) Global High Yield ESG Bond Fund						
	Euro					
	Class 'A-H' Accumulation	2,405.000	13,096.985	(1.744)	15,500.241	05.10.17
	Class 'A-H' Distribution	2,400.000	1,754.000	0.000	4,154.000	05.10.17
	Class 'C-H' Accumulation	2,415.000	0.000	0.000	2,415.000	05.10.17
	Class 'C-H' Distribution	2,410.000	2,000.000	0.000	4,410.000	05.10.17
	Class 'CI-H' Accumulation	4,650.000	0.000	0.000	4,650.000	05.10.17
	Class 'L-H' Accumulation	2,450.000	0.000	0.000	2,450.000	05.10.17
	Sterling					
	Class 'C-H' Accumulation	2,445.000	0.000	0.000	2,445.000	05.10.17
	Class 'C-H' Distribution	7,440.000	2,500.000	0.000	9,940.000	05.10.17
	Class 'L-H' Accumulation	2,455.000	349,898.530	0.000	352,353.530	05.10.17
	Class 'L-H' Distribution ^(a)	0.000	2,400.000	0.000	2,400.000	23.08.18
	Swiss franc					
	Class 'A-H' Accumulation	2,425.000	0.000	0.000	2,425.000	05.10.17
	Class 'A-H' Distribution	2,420.000	0.000	0.000	2,420.000	05.10.17
	Class 'C-H' Accumulation	2,435.000	0.000	0.000	2,435.000	05.10.17
	Class 'C-H' Distribution	2,430.000	0.000	0.000	2,430.000	05.10.17
	US dollar					
	Class 'A' Accumulation	1,000.000	182.199	0.000	1,182.199	05.10.17
	Class 'A' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'A M' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'C' Accumulation	1,000.000	45,761.000	(852.000)	45,909.000	05.10.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'CI' Accumulation	1,504,600.000	71,388.000	0.000	1,575,988.000	05.10.17
	Class 'L' Accumulation	1,000.000	0.000	0.000	1,000.000	05.10.17
M&G (Lux) Global Listed Infrastructure Fund						
	Euro					
	Class 'A' Accumulation	1,000.000	55,739.072	(2,517.992)	54,221.080	05.10.17
	Class 'A' Distribution	1,339.000	24,074.778	(1,075.398)	24,338.380	05.10.17
	Class 'C' Accumulation	101,500.000	298,706.370	(6,339.065)	393,867.305	05.10.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'CI' Accumulation	4,600.000	0.000	0.000	4,600.000	05.10.17
	Class 'L' Accumulation	71,000.000	300.000	0.000	71,300.000	05.10.17
	Sterling					
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'L' Accumulation	1,000.000	0.000	0.000	1,000.000	22.01.18
	Swiss franc					
	Class 'A' Accumulation	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'A' Distribution	1,000.000	522.000	0.000	1,522.000	05.10.17
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	US dollar					
	Class 'A' Accumulation	1,000.000	123.469	0.000	1,123.469	05.10.17
	Class 'A' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'A M' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'C' Accumulation	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'C' Distribution	1,000.000	0.000	0.000	1,000.000	05.10.17
	Class 'CI' Accumulation	654,600.000	0.000	0.000	654,600.000	05.10.17
	Class 'L' Accumulation	1,000.000	73,217.163	0.000	74,217.163	05.10.17

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M&G (Lux) Global Macro Bond Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	15,517,875.296	(1,362,561.672)	14,155,313.624	26.10.18
	Class 'A' Distribution ^[a]	0.000	3,312,045.996	(227,434.470)	3,084,611.526	26.10.18
	Class 'A-H' Accumulation ^[a]	0.000	10,963,205.641	(1,587,591.127)	9,375,614.514	26.10.18
	Class 'A-H' Distribution ^[a]	0.000	3,944,189.043	(777,604.733)	3,166,584.310	26.10.18
	Class 'B' Accumulation ^[a]	0.000	4,138,592.649	(386,560.950)	3,752,031.699	26.10.18
	Class 'B' Distribution ^[a]	0.000	312,956.973	(61,747.287)	251,209.686	26.10.18
	Class 'B-H' Accumulation ^[a]	0.000	474,753.731	(41,207.879)	433,545.852	26.10.18
	Class 'B-H' Distribution ^[a]	0.000	52,551.339	(15,902.159)	36,649.180	26.10.18
	Class 'C' Accumulation ^[a]	0.000	10,174,040.568	(6,871,338.731)	3,302,701.837	26.10.18
	Class 'C' Distribution ^[a]	0.000	202,199.982	(22,619.965)	179,580.017	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	2,895,366.576	(853,336.863)	2,042,029.713	26.10.18
	Class 'C-H' Distribution ^[a]	0.000	1,425,032.145	(19,715.000)	1,405,317.145	26.10.18
	Class 'CI' Accumulation ^[a]	0.000	5,898,472.392	(1,755.430)	5,896,716.962	06.11.18
	Class 'CI-H' Accumulation ^[a]	0.000	362,589.025	0.000	362,589.025	06.11.18
	Singapore dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,325.604	0.000	2,325.604	26.10.18
	Class 'A-H' Distribution ^[a]	0.000	2,483.933	0.000	2,483.933	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	2,284.953	0.000	2,284.953	26.10.18
	Class 'C-H' Distribution ^[a]	0.000	2,454.415	0.000	2,454.415	26.10.18
	Sterling					
	Class 'C-H' Distribution ^[a]	0.000	464,934.488	0.000	464,934.488	22.02.19
	Class 'CI-H' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	14.03.19
	Swiss franc					
	Class 'A' Accumulation ^[a]	0.000	11,584.328	(9,895.000)	1,689.328	26.10.18
	Class 'A-H' Accumulation ^[a]	0.000	9,803.028	0.000	9,803.028	26.10.18
	Class 'C' Accumulation ^[a]	0.000	915,021.751	0.000	915,021.751	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	38,840.108	0.000	38,840.108	26.10.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	3,368,750.243	(328,188.059)	3,040,562.184	26.10.18
	Class 'A' Distribution ^[a]	0.000	46,532.621	(18,511.191)	28,021.430	26.10.18
	Class 'C' Accumulation ^[a]	0.000	465,042.255	(164,428.423)	300,613.832	26.10.18
	Class 'C' Distribution ^[a]	0.000	431,728.845	0.000	431,728.845	26.10.18
	Class 'CI' Accumulation ^[a]	0.000	7,005.685	0.000	7,005.685	06.11.18
M&G (Lux) Global Recovery Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	18.07.18
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	18.07.18
	Class 'L' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	18.07.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	18.07.18
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	18.07.18
	Class 'L' Accumulation ^[a]	0.000	120,000.000	0.000	120,000.000	18.07.18

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M&G (Lux) Global Select Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	1,786,451.857	(166,523.578)	1,619,928.279	09.11.18
	Class 'A' Distribution ^[a]	0.000	7,518.544	(828.921)	6,689.623	09.11.18
	Class 'B' Accumulation ^[a]	0.000	31,702.091	(1,661.049)	30,041.042	09.11.18
	Class 'C' Accumulation ^[a]	0.000	1,122,520.569	(613,314.598)	509,205.971	09.11.18
	Class 'C' Distribution ^[a]	0.000	326.170	0.000	326.170	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	218,783.969	(4,195.258)	214,588.711	09.11.18
	Class 'A' Distribution ^[a]	0.000	987.302	0.000	987.302	09.11.18
	Class 'C' Accumulation ^[a]	0.000	507.411	(129.590)	377.821	09.11.18
	Class 'C' Distribution ^[a]	0.000	396.957	0.000	396.957	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
M&G (Lux) Global Target Return Fund						
	Euro					
	Class 'A' Accumulation	406,623.365	1,255,665.118	(249,281.716)	1,413,006.767	21.12.16
	Class 'B' Accumulation	22,049.276	53,719.776	(2,946.203)	72,822.849	21.12.16
	Class 'C' Accumulation	1,219,154.321	1,408,070.669	(1,227,239.589)	1,399,985.401	21.12.16
	Class 'CI' Accumulation	7,960,234.831	1,049,019.448	(1,612,970.815)	7,396,283.464	21.12.16
	Sterling					
	Class 'C-H' Accumulation	2,416.000	0.000	0.000	2,416.000	21.12.16
	Swiss franc					
	Class 'A-H' Accumulation	2,406.000	0.000	0.000	2,406.000	21.12.16
	Class 'C-H' Accumulation	2,410.000	0.000	0.000	2,410.000	21.12.16
	US dollar					
	Class 'A-H' Accumulation	25,546.925	0.000	0.000	25,546.925	21.12.16
	Class 'C-H' Accumulation	2,425.000	0.000	0.000	2,425.000	21.12.16
M&G (Lux) Global Themes Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	14,647,803.322	(8.361)	14,647,794.961	19.03.19
	Class 'A' Distribution ^[a]	0.000	6,620.781	0.000	6,620.781	19.03.19
	Class 'C' Accumulation ^[a]	0.000	581,000.000	0.000	581,000.000	19.03.19
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	19.03.19

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M&G (Lux) Income Allocation Fund						
	Euro					
	Class 'A' Accumulation	36,979,899.025	1,374,946.216	(4,248,969.094)	34,105,876.147	16.01.18
	Class 'A' Distribution	47,640,973.830	2,670,428.207	(4,152,980.578)	46,158,421.459	16.01.18
	Class 'A F2' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	03.04.18
	Class 'A F3' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	03.04.18
	Class 'A Q' Distribution	3,796,782.119	1,065,908.943	(257,715.021)	4,604,976.041	16.01.18
	Class 'B' Accumulation	1,329,022.874	680,280.170	(271,571.381)	1,737,731.663	16.01.18
	Class 'B F2' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	03.04.18
	Class 'B F3' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	03.04.18
	Class 'B Q' Distribution	4,415,012.802	1,207,474.179	(423,828.996)	5,198,657.985	16.01.18
	Class 'C' Accumulation	27,172,086.852	662,234.895	(2,954,199.342)	24,880,122.405	16.01.18
	Class 'C' Distribution	10,970,962.638	2,172,297.002	(1,272,308.364)	11,870,951.276	16.01.18
	Class 'C Q' Distribution	3,539.670	0.000	0.000	3,539.670	16.01.18
	Class 'CI' Accumulation	4,254,600.000	2,297,937.984	(4,601,246.501)	1,951,291.483	16.01.18
	Class 'ZI' Distribution ^[a]	0.000	1,487,676.000	0.000	1,487,676.000	08.05.18
	Singapore dollar					
	Class 'A-H' Accumulation	5,052.303	0.000	0.000	5,052.303	16.01.18
	Class 'A-H' Distribution	5,057.704	0.000	0.000	5,057.704	16.01.18
	Class 'C-H' Accumulation	5,059.542	0.000	0.000	5,059.542	16.01.18
	Class 'C-H' Distribution	5,066.399	0.000	0.000	5,066.399	16.01.18
	Swiss franc					
	Class 'A-H' Accumulation	79,437.059	30,011.000	(64,378.582)	45,069.477	16.01.18
	Class 'C-H' Accumulation	24,076.925	0.000	0.000	24,076.925	16.01.18
	US dollar					
	Class 'A-H' Accumulation	905,952.758	195,877.758	(566,073.144)	535,757.372	16.01.18
	Class 'A-H' Distribution	172,313.321	74,299.752	(128,305.854)	118,307.219	16.01.18
	Class 'C-H' Accumulation	5,027.145	0.000	0.000	5,027.145	16.01.18
	Class 'C-H' Distribution	5,033.788	0.000	0.000	5,033.788	16.01.18
M&G (Lux) Japan Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	2,459,868.277	(388,575.603)	2,071,292.674	26.10.18
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	06.11.18
	Class 'C' Accumulation ^[a]	0.000	5,186,206.957	(397,257.811)	4,788,949.146	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	2,405.000	0.000	2,405.000	06.11.18
	Class 'CI' Accumulation ^[a]	0.000	385,195.135	(369.810)	384,825.325	06.11.18
	Japanese yen					
	Class 'A' Accumulation ^[a]	0.000	1,300.000	0.000	1,300.000	06.11.18
	Class 'C' Accumulation ^[a]	0.000	1,300.000	0.000	1,300.000	06.11.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	2,420.000	0.000	2,420.000	06.11.18
	Class 'C-H' Accumulation ^[a]	0.000	2,425.000	0.000	2,425.000	06.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	52,032.139	(20,589.614)	31,442.525	26.10.18
	Class 'A-H' Accumulation ^[a]	0.000	2,410.000	0.000	2,410.000	06.11.18
	Class 'C' Accumulation ^[a]	0.000	187,183.951	(92,264.364)	94,919.587	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	2,415.000	0.000	2,415.000	06.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	06.11.18

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M&G (Lux) Japan Smaller Companies Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	1,773,244.445	(324,116.038)	1,449,128.407	26.10.18
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	06.11.18
	Class 'C' Accumulation ^[a]	0.000	1,490,013.682	(468,715.225)	1,021,298.457	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	2,405.000	0.000	2,405.000	06.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	06.11.18
	Japanese yen					
	Class 'A' Accumulation ^[a]	0.000	1,300.000	0.000	1,300.000	06.11.18
	Class 'C' Accumulation ^[a]	0.000	1,300.000	0.000	1,300.000	06.11.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	2,420.000	0.000	2,420.000	06.11.18
	Class 'C-H' Accumulation ^[a]	0.000	2,425.000	0.000	2,425.000	06.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	4,381,926.086	(12,414.600)	4,369,511.486	26.10.18
	Class 'A-H' Accumulation ^[a]	0.000	2,410.000	0.000	2,410.000	06.11.18
	Class 'C' Accumulation ^[a]	0.000	38,795.808	0.000	38,795.808	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	2,415.000	0.000	2,415.000	06.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	06.11.18
M&G (Lux) Multi Asset 2023 Fund						
	Euro					
	Class 'P' Accumulation	3,919,290.215	0.000	(126,835.022)	3,792,455.193	14.12.17
	Class 'P' Distribution	13,186,066.626	0.000	(826,060.775)	12,360,005.851	14.12.17
M&G (Lux) North American Dividend Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	1,625,487.262	(175,642.069)	1,449,845.193	09.11.18
	Class 'A' Distribution ^[a]	0.000	63,308.656	(13,876.434)	49,432.222	09.11.18
	Class 'A-H' Accumulation ^[a]	0.000	363,738.134	(61,958.733)	301,779.401	09.11.18
	Class 'C' Accumulation ^[a]	0.000	332,074.353	(600.007)	331,474.346	09.11.18
	Class 'C' Distribution ^[a]	0.000	22,430.558	(22,000.000)	430.558	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	552,833.432	(5,000.000)	547,833.432	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	1,945,774.292	(303,265.216)	1,642,509.076	09.11.18
	Class 'A' Distribution ^[a]	0.000	69,772.039	(20,170.621)	49,601.418	09.11.18
	Class 'C' Accumulation ^[a]	0.000	1,803,544.234	(374,923.199)	1,428,621.035	09.11.18
	Class 'C' Distribution ^[a]	0.000	158,640.750	(5,529.000)	153,111.750	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18

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M&G (Lux) North American Value Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	8,531,232.530	(1,184,177.071)	7,347,055.459	09.11.18
	Class 'A-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
	Class 'C' Accumulation ^[a]	0.000	5,416,250.868	(852,670.789)	4,563,580.079	09.11.18
	Class 'C-H' Accumulation ^[a]	0.000	2,410.000	0.000	2,410.000	26.02.19
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
	Singapore dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,415.000	0.000	2,415.000	26.02.19
	Class 'C-H' Accumulation ^[a]	0.000	2,420.000	0.000	2,420.000	26.02.19
	Sterling					
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	26.02.19
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	26.02.19
	Class 'C-H' Accumulation ^[a]	0.000	2,405.000	0.000	2,405.000	26.02.19
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	1,980,708.330	(963,756.532)	1,016,951.798	09.11.18
	Class 'C' Accumulation ^[a]	0.000	5,893,656.082	(605,923.594)	5,287,732.488	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	65,655.000	(7,638.000)	58,017.000	19.11.18

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M&G (Lux) Optimal Income Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	1,085,635,214.090	(21,612,928.558)	1,064,022,285.532	07.09.18
	Class 'A' Distribution ^[a]	0.000	133,605,137.827	(1,854,385.200)	131,750,752.627	07.09.18
	Class 'B' Accumulation ^[a]	0.000	31,016,285.296	(322,730.099)	30,693,555.197	07.09.18
	Class 'B' Distribution ^[a]	0.000	9,681,331.082	(75,740.115)	9,605,590.967	07.09.18
	Class 'C' Accumulation ^[a]	0.000	310,903,127.960	(9,676,331.333)	301,226,796.627	07.09.18
	Class 'C' Distribution ^[a]	0.000	16,647,296.357	(492,884.684)	16,154,411.673	07.09.18
	Class 'CI' Accumulation ^[a]	0.000	4,300,235.977	(2,279,896.160)	2,020,339.817	07.09.18
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	17.12.18
	Class 'J' Accumulation ^[a]	0.000	25,171,407.846	(282,921.193)	24,888,486.653	07.09.18
	Class 'JI' Accumulation ^[a]	0.000	69,183,280.485	(5,228,757.828)	63,954,522.657	05.10.18
	Class 'K' Accumulation ^{[a], [d]}	0.000	11,100,000.000	(11,100,000.000)	0.000	05.09.18
	Singapore dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,085,002.688	(91,764.499)	1,993,238.189	07.09.18
	Class 'A-H' M' Distribution ^[a]	0.000	4,743,366.045	(99,138.494)	4,644,227.551	07.09.18
	Class 'C-H' Accumulation ^[a]	0.000	398,401.810	0.000	398,401.810	07.09.18
	Sterling					
	Class 'C-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	14.03.19
	Class 'C-H' Distribution ^[a]	0.000	10,688,792.453	0.000	10,688,792.453	22.02.19
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	6,249,365.571	(90,102.711)	6,159,262.860	07.09.18
	Class 'A-H' Distribution ^[a]	0.000	942,873.507	(64,187.735)	878,685.772	07.09.18
	Class 'C-H' Accumulation ^[a]	0.000	13,842,074.907	(501,180.061)	13,340,894.846	07.09.18
	Class 'C-H' Distribution ^[a]	0.000	2,792,366.101	(140,156.890)	2,652,209.211	07.09.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	07.09.18
	Class 'J-H' Accumulation ^[a]	0.000	186,374.503	0.000	186,374.503	07.09.18
	US dollar					
	Class 'A-H' Accumulation ^[a]	0.000	176,637,875.657	(3,960,155.833)	172,677,719.824	07.09.18
	Class 'A-H' Distribution ^[a]	0.000	8,629,251.703	(227,276.956)	8,401,974.747	07.09.18
	Class 'A-H' M' Distribution ^[a]	0.000	14,995,452.314	(658,226.900)	14,337,225.414	07.09.18
	Class 'C-H' Accumulation ^[a]	0.000	42,056,187.787	(1,520,807.281)	40,535,380.506	07.09.18
	Class 'C-H' Distribution ^[a]	0.000	12,599,468.480	(133,599.226)	12,465,869.254	07.09.18
	Class 'CI-H' Accumulation ^[a]	0.000	100,980.146	(20,711.761)	80,268.385	07.09.18
	Class 'CI-H' Distribution ^[a]	0.000	767,813.191	0.000	767,813.191	21.01.19
	Class 'J-H' Accumulation ^[a]	0.000	555,685.928	0.000	555,685.928	07.09.18
	Class 'J-H' Distribution ^[a]	0.000	122,648.247	0.000	122,648.247	07.09.18
	Class 'JI-H' Accumulation ^[a]	0.000	35,891.935	0.000	35,891.935	05.11.18
M&G (Lux) Pan European Dividend Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	760,162.587	(114,810.863)	645,351.724	07.12.18
	Class 'A' Distribution ^[a]	0.000	3,282,734.975	(2,339,293.490)	943,441.485	07.12.18
	Class 'B' Accumulation ^[a]	0.000	60,377.285	(6,003.306)	54,373.979	07.12.18
	Class 'B' Distribution ^[a]	0.000	51,796.614	(5,163.699)	46,632.915	07.12.18
	Class 'C' Accumulation ^[a]	0.000	3,754,252.049	(136,829.904)	3,617,422.145	07.12.18
	Class 'C' Distribution ^[a]	0.000	304,142.940	0.000	304,142.940	07.12.18
	Class 'CI' Accumulation ^[a]	0.000	200,947.044	(72,174.290)	128,772.754	17.12.18
	Class 'CI' Distribution ^[a]	0.000	1,237,947.839	(30,765.830)	1,207,182.009	17.12.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	32,440.174	(9,669.612)	22,770.562	07.12.18
	Class 'A' Distribution ^[a]	0.000	12,081.924	0.000	12,081.924	07.12.18
	Class 'C' Accumulation ^[a]	0.000	835.695	0.000	835.695	07.12.18
	Class 'C' Distribution ^[a]	0.000	980.133	0.000	980.133	07.12.18

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Shares in issue (continued)

For the period/year to 31 March 2019	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Pan European Select Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	5,380,232.692	(165,329.419)	5,214,903.273	09.11.18
	Class 'B' Accumulation ^[a]	0.000	69,129.223	(10,105.538)	59,023.685	09.11.18
	Class 'C' Accumulation ^[a]	0.000	970,375.260	(267,624.350)	702,750.910	09.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	19.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	51,574.363	(6,170.359)	45,404.004	09.11.18
	Class 'C' Accumulation ^[a]	0.000	135,994.651	(132,100.018)	3,894.633	09.11.18
M&G (Lux) Positive Impact Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	2,784.829	0.000	2,784.829	29.11.18
	Class 'A' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'CI' Accumulation ^[a]	0.000	28,900.000	0.000	28,900.000	29.11.18
	Class 'L' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'LI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	29.11.18
	Sterling					
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	29.11.18
	Class 'L' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'LI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	29.11.18
	Swiss franc					
	Class 'A' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'A' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	29.11.18
	Class 'L' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'LI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	29.11.18
	US dollar					
	Class 'A' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'A' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	29.11.18
	Class 'L' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	29.11.18
	Class 'LI' Accumulation ^[a]	0.000	1,274,600.000	0.000	1,274,600.000	29.11.18

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Shares in issue (continued)

For the period/year to 31 March 2019	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Short Dated Corporate Bond Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	4,821,531.663	(514,918.736)	4,306,612.927	26.10.18
	Class 'A' Distribution ^[a]	0.000	558,596.564	(25,610.941)	532,985.623	26.10.18
	Class 'C' Accumulation ^[a]	0.000	123,595.470	(17.869)	123,577.601	26.10.18
	Class 'C' Distribution ^[a]	0.000	5,802.945	0.000	5,802.945	26.10.18
	Class 'CI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	06.11.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	2,336.176	0.000	2,336.176	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	2,275.896	0.000	2,275.896	26.10.18
	US dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,067,979.625	(1,642,194.575)	425,785.050	26.10.18
	Class 'A-H' Distribution ^[a]	0.000	68,074.432	(22,438.577)	45,635.855	26.10.18
	Class 'C-H' Accumulation ^[a]	0.000	18,278.771	(16,173.397)	2,105.374	26.10.18
	Class 'C-H' Distribution ^[a]	0.000	13,338.962	0.000	13,338.962	26.10.18

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Shares in issue (continued)

For the period/year to 31 March 2019	Share class	Shares outstanding at the beginning of the period	Shares issued	Shares redeemed	Shares outstanding at the end of the period	Share class launch date
M&G (Lux) Sustainable Allocation Fund						
	Euro					
	Class 'A' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	04.12.18
	Class 'A' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	04.12.18
	Class 'B' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	04.12.18
	Class 'B' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	04.12.18
	Class 'C' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	04.12.18
	Class 'C' Distribution ^[a]	0.000	1,000.000	0.000	1,000.000	04.12.18
	Class 'CI' Accumulation ^[a]	0.000	869,040.603	0.000	869,040.603	04.12.18
	Class 'CI' Distribution ^[a]	0.000	4,600.000	0.000	4,600.000	04.12.18
	Class 'K' Accumulation ^[a]	0.000	1,130,000.000	0.000	1,130,000.000	29.11.18
	Class 'L' Accumulation ^[a]	0.000	3,552.996	0.000	3,552.996	04.12.18
	Class 'LI' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	04.12.18
	Class 'Z' Accumulation ^[a]	0.000	1,000.000	0.000	1,000.000	04.12.18
	Singapore dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'A-H' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'C-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'C-H' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'L-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Sterling					
	Class 'C-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'L-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Swiss franc					
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'A-H' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'C-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'C-H' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	US dollar					
	Class 'A-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'A-H' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'C-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'C-H' Distribution ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18
	Class 'CI-H' Accumulation ^[a]	0.000	4,600.000	0.000	4,600.000	04.12.18
	Class 'L-H' Accumulation ^[a]	0.000	2,400.000	0.000	2,400.000	04.12.18

^[a] Share class launched during the period.

^[b] The US dollar Class K closed 30 January 2019 and were only available to investors who entered into a specific prior agreement with the ACD.

^[c] The Euro Class K closed 30 January 2019 and was only available to investors who entered into a specific prior agreement with the ACD.

^[d] The Euro Class K closed 15 March 2019 and was only available to investors who entered into a specific prior agreement with the ACD.

M&G (Lux) Investment Funds 1

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Notes to the financial statements

1 Basis of preparation

These financial statements have been prepared and presented in accordance with generally accepted accounting principles in Luxembourg and with the legal and regulatory requirements relating to the preparation and presentation of the financial statements as prescribed by the Luxembourg authorities for Luxembourg investment funds including the following significant accounting policies.

2 Summary of significant accounting policies

a) Base currency

The combined financial statements of the Company are expressed in euros, at the exchange rate at 29 March 2019, the base currency of M&G (Lux) Investment Funds 1. The financial statements of each fund are expressed in the funds' base currency.

b) Exchange rates

Transactions in currencies other than each fund's base currency are translated at the rate of exchange ruling on the date of the transaction. Assets and liabilities are translated into each fund's base currency at the rate of exchange ruling at the fund's valuation point on 29 March 2019 being the last business day of the accounting period:

1 Euro € = 124.372214835 Japanese yen (¥)

1 Euro € = 1.521733271 Singapore dollar (SG\$)

1 Euro € = 1.118333573 Swiss franc (CHF)

1 Euro € = 0.856930119 UK sterling (£)

1 Euro € = 1.123050385 US dollar (US\$)

c) Investments - recognition and valuation

All investments are initially recognised at the transaction price net of direct transaction costs (excluding accrued interest).

Realised gains and losses on sales of investments are determined on the basis of the average cost method where applicable. Investment cost is adjusted by the amortisation of premiums and accretion of discounts on a straight line basis. It includes the net amount received, excluding any interest treated as income, from derivative instruments.

Unrealised gains or losses on investments are determined by reference to the opening and closing valuation of investments and includes surpluses or deficits arising from unsettled derivative contracts.

At the end of the reporting period all investments have been valued using the prices and the portfolio holdings determined on 29 March 2019, at the last valuation point of the accounting period.

The methods of determining value for the principal classes of investment are:

- Equities and debt securities which are traded on an active market are included at the mid price (the mid point between the quoted bid and offer prices), excluding any accrued interest in respect of bonds.
- Collective investment schemes are included at either the mid of their cancellation and creation prices for dual priced funds or their single price for single priced funds.
- Other equities and debt securities which are unquoted or not actively traded on a quoted market are included at a value estimated by the Administrator and under policies and procedures approved and overseen by the Board of Directors using an appropriate valuation technique, excluding any accrued interest in respect of bonds.
- Exchange traded futures and options are included at either their single price or, if separate buying and selling prices are quoted, the average of the two prices.
- Over the counter equity options, credit default swaps, interest rate swaps, asset swaps and inflation swaps are included at a value provided by Markit Valuations Limited, an independent credit derivative price provider. Their value excludes any accrued interest in respect of derivatives where the interest is income in nature.
- Forward currency contracts, for share class hedging and investment, are included at a value determined by reference to current forward exchange rates for contracts with similar maturity profiles.
- Cash and amounts held in current, deposit, and margin accounts and in other time-related deposits shall be valued at their nominal value.
- Bank of America Merrill Lynch (the futures clearing house) permit overdrawn currency positions as long as the net position is in credit.

d) Recognition of income and expenses

- Dividends and any withholding tax, including ordinary stock dividends and special dividends, from equity investments are recognised when the security is quoted ex-dividend.
- Distributions from collective investment schemes, including any equalisation, are recognised when the scheme is priced ex-distribution.
- Interest income from debt securities is recognised daily on an accruals basis and includes the amortisation of premiums and accretion of discounts on a straight line basis.
- Income from derivatives is recognised on an accruals basis.
- Fixed deposit, money market deposit and bank interest is recognised daily on an accruals basis.
- Underwriting commission is recognised when the issue takes place.

M&G (Lux) Investment Funds 1

Financial statements and notes

Notes to the financial statements

2 Summary of significant accounting policies (continued)

d) Recognition of income and expenses (continued)

- Fee rebates from investing in other collective investment schemes are recognised on an accruals basis.
- Expenses are recognised on an accruals basis.
- Luxembourg subscription tax (taxe d'abonnement) is recognised daily on an accruals basis.

e) Allocation of returns to share classes

The annual management charge, taxe d'abonnement, any share class hedging returns and associated share class hedging charges are directly attributable to individual share classes. All other returns are apportioned to each fund's share classes pro-rata to the value of the net assets of the relevant share class on the day that the income or expenses are recognised.

The Company operates income equalisation arrangements with a view to ensuring that the level of income accrued within a fund is not affected by the issue, conversion or redemption of fund shares during an accounting period.

The Directors operate a policy of "swing pricing" where a swing price adjustment may be added to the net asset value per share to determine the price at which shares may be issued or redeemed. The swing price adjustment protects existing shareholders from the dilutive effect of direct and indirect portfolio dealing costs incurred when investments are bought or sold in response to net flows of money into or out of the funds from investors buying and selling shares in the funds.

3 Distribution policy

Distribution shares may pay distributions to Shareholders, whereas Accumulation shares will instead accumulate all earnings pertaining to the relevant share class for the benefit of the Accumulation Shareholders. Distribution payments are made in the relevant share class currency.

The Directors will exercise their discretion to determine whether or not to declare a distribution in respect of Distribution shares. Distributions may be paid out of investment income, capital gains or capital at the discretion of the Directors. Distributions and their frequency are included in the Financial highlights section for each fund.

Unless detailed below, the distribution policy for all funds and distribution share classes is to distribute all investment income gross of expenses.

The following distribution share classes distribute an amount or fixed percentage of the Net Asset Value per Share as disclosed below. Where the amount of investment income earned is not sufficient to meet this fixed amount or fixed percentage, a fixed Distribution Share Class may be required to make a payment out of capital. The Directors will periodically review fixed Distribution Share Classes policies and reserve the right to make changes to the distribution rate in cases where maintaining it may adversely impact the respective funds or the Shareholders.

M&G (Lux) Dynamic Allocation Fund US dollar A-H M F4

M&G (Lux) Income Allocation Fund Euro A F2

M&G (Lux) Income Allocation Fund Euro A F3

M&G (Lux) Income Allocation Fund Euro B F2

M&G (Lux) Income Allocation Fund Euro B F3

M&G (Lux) Multi Asset 2023 Fund Euro P

In order to conduct a controlled dividend flow to shareholders, the below funds interim distributions will be at the fund manager's discretion, up to the maximum of the distributable income available for the period.

M&G (Lux) Emerging Markets Income Opportunities Fund

M&G (Lux) Global Dividend Fund

M&G (Lux) Global Listed Infrastructure Fund

M&G (Lux) Income Allocation Fund

4 Transaction costs

Direct portfolio transaction costs include broker execution commission and taxes and are incremental costs that are directly attributable to the transaction. Indirect portfolio transaction costs represent the difference between the buying and selling prices of the fund's investments (portfolio dealing spread); some types of investment, such as fixed interest securities, have no direct transaction costs and only the portfolio dealing spread is paid.

M&G (Lux) Investment Funds 1

Financial statements and notes

Notes to the financial statements

4 Transaction costs (continued)

Direct portfolio transaction costs	For the year ended 31 March 2019
M&G (Lux) Absolute Return Bond Fund	€1,262.46
M&G (Lux) Asian Fund ^[a]	US\$203,732.68
M&G (Lux) Conservative Allocation Fund	€891,503.14
M&G (Lux) Dynamic Allocation Fund	€3,268,594.21
M&G (Lux) Emerging Markets Bond Fund	US\$16,138.33
M&G (Lux) Emerging Markets Hard Currency Bond Fund	US\$0.00
M&G (Lux) Emerging Markets Income Opportunities Fund	US\$7,425.38
M&G (Lux) Episode Macro Fund ^[a]	US\$94,661.21
M&G (Lux) Euro Corporate Bond Fund ^[b]	€7,004.41
M&G (Lux) European Inflation Linked Corporate Bond Fund	€2,953.19
M&G (Lux) European Strategic Value Fund ^[c]	€550,581.08
M&G (Lux) Floating Rate High Yield Solution	US\$0.00
M&G (Lux) Global Convertibles Fund ^[b]	US\$50,354.49
M&G (Lux) Global Corporate Bond Fund ^[d]	US\$217.08
M&G (Lux) Global Dividend Fund ^[c]	US\$673,863.95
M&G (Lux) Global Emerging Markets Fund ^[a]	US\$384,217.05
M&G (Lux) Global Floating Rate High Yield Fund ^[e]	US\$0.00
M&G (Lux) Global High Yield Bond Fund ^[b]	US\$153.18
M&G (Lux) Global High Yield ESG Bond Fund	US\$0.00
M&G (Lux) Global Listed Infrastructure Fund	US\$7,995.93
M&G (Lux) Global Macro Bond Fund ^[a]	US\$10,811.86
M&G (Lux) Global Recovery Fund ^[f]	US\$1,067.95
M&G (Lux) Global Select Fund ^[b]	US\$18,705.47
M&G (Lux) Global Target Return Fund	€33,243.70
M&G (Lux) Global Themes Fund ^[g]	US\$135,266.93
M&G (Lux) Income Allocation Fund	€219,249.05
M&G (Lux) Japan Fund ^[a]	¥2,701,899.00
M&G (Lux) Japan Smaller Companies Fund ^[a]	¥3,051,811.00
M&G (Lux) Multi Asset 2023 Fund	€0.00
M&G (Lux) North American Dividend Fund ^[b]	US\$15,447.70
M&G (Lux) North American Value Fund ^[b]	US\$60,972.87
M&G (Lux) Optimal Income Fund ^[h]	€435,008.38
M&G (Lux) Pan European Dividend Fund ^[d]	€13,932.75
M&G (Lux) Pan European Select Fund ^[b]	€11,178.79
M&G (Lux) Positive Impact Fund ^[i]	US\$9,304.35
M&G (Lux) Short Dated Corporate Bond Fund ^[a]	€0.00
M&G (Lux) Sustainable Allocation Fund ^[i]	€10,762.69

^[a] For the period from 26 October 2018 (the launch date of the fund) to 31 March 2019.

^[b] For the period from 9 November 2018 (the launch date of the fund) to 31 March 2019.

^[c] For the period from 18 September 2018 (the launch date of the fund) to 31 March 2019.

^[d] For the period from 7 December 2018 (the launch date of the fund) to 31 March 2019.

^[e] For the period from 13 September 2018 (the launch date of the fund) to 31 March 2019.

^[f] For the period from 18 July 2018 (the launch date of the fund) to 31 March 2019.

^[g] For the period from 19 March 2019 (the launch date of the fund) to 31 March 2019.

^[h] For the period from 5 September 2018 (the launch date of the fund) to 31 March 2019.

^[i] For the period from 29 November 2018 (the launch date of the fund) to 31 March 2019.

5 Operating charges

Operating charges included in the Total Expense Ratio (TER) calculation 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).
- **Performance fee:** Fee based on fund performance.
- **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.
- **Taxation in Luxembourg:** Under current legislation, investors that are not resident in Luxembourg are not subject to capital gains or income tax, unless they have a permanent establishment in Luxembourg to which the share capital of the Company is allocated. Retail share classes of the Company are subject to a tax ('taxe d'abonnement') of 0.05% per annum and institutional share classes of 0.01%.

The operating charges paid by each share class of the sub-funds are shown in the Total Expense Ratio (TER) 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 the share classes may differ, and therefore the operating charges may differ. For each sub-fund there is no difference between operating charges and TER figures, unless disclosed under the specific TER table.

For M&G (Lux) Multi Asset 2023, the Management Company will take a 'Single Charge' from each Share Class of the Fund to cover its duties, as well as operating, administration and oversight costs associated with the Fund. Such charge will be calculated and taken into account daily ('Single Charge'). The Single Charge will be 1.60% and will include: Depositary's Fees, Custody Charges and Custody Transaction Charges, Paying Agents' Fees, Administration Fees, Directors' Fees, Service Provider Fees, and Other Expenses. As the Fund invests in collective investment schemes that are also managed by the Management Company (or an associate), the Management Company will rebate the Annual Management Charge and Administration Fee of the underlying collective investment scheme.

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6 Annual management, administration and share class hedging charges

Annual management charges are set out in the table below. In addition, there is an administration charge of 0.15% per share class. A Share class hedging charge of 0.01% - 0.055% will apply to hedged share classes. These charges are accrued daily based on the net asset value of each share class. Any amounts outstanding at the period end are disclosed in the Statement of net assets.

Please note that the following table lists the available share classes. Each share class further contains an accumulation and distribution option.

Annual Management Charge

	Share classes					
	A %	B %	C %	CI %	G %	GI %
M&G (Lux) Absolute Return Bond Fund	1.00	1.30	0.40	0.40	n/a	n/a
M&G (Lux) Asian Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Conservative Allocation Fund	1.40	1.90	0.60	0.60	n/a	n/a
M&G (Lux) Dynamic Allocation Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Emerging Markets Bond Fund	1.25	1.75	0.60	0.60	n/a	n/a
M&G (Lux) Emerging Markets Hard Currency Bond Fund	1.50	2.00	0.60	0.60	n/a	n/a
M&G (Lux) Emerging Markets Income Opportunities Fund	1.50	2.00	0.60	0.60	n/a	n/a
M&G (Lux) Episode Macro Fund	n/a	2.25	n/a	n/a	n/a	n/a
M&G (Lux) Euro Corporate Bond Fund	1.00	1.50	0.50	0.50	n/a	n/a
M&G (Lux) European Inflation Linked Corporate Bond Fund	1.00	1.50	0.40	0.40	n/a	n/a
M&G (Lux) European Strategic Value Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Floating Rate High Yield Solution	0.70	1.20	0.25	0.25	n/a	n/a
M&G (Lux) Global Convertibles Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Global Corporate Bond Fund	1.00	1.50	0.50	0.50	n/a	n/a
M&G (Lux) Global Dividend Fund	1.75	2.25	0.75	0.75	1.00	1.00
M&G (Lux) Global Emerging Markets Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global High Yield Bond Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global High Yield ESG Bond Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global Listed Infrastructure Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Macro Bond Fund	1.25	1.75	0.65	0.65	n/a	n/a
M&G (Lux) Global Recovery Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Select Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Global Target Return Fund	1.25	1.75	0.50	0.50	n/a	n/a
M&G (Lux) Global Themes Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Income Allocation Fund	1.50	2.00	0.65	0.65	n/a	n/a
M&G (Lux) Japan Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) North American Value Fund	1.50	2.00	0.75	0.75	n/a	n/a

Annual Management Charge

	Share classes					
	A %	B %	C %	CI %	G %	GI %
M&G (Lux) Optimal Income Fund	1.25	1.75	0.75	0.75	n/a	n/a
M&G (Lux) Pan European Dividend Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Pan European Select Fund	1.50	2.00	0.75	0.75	n/a	n/a
M&G (Lux) Positive Impact Fund	1.75	2.25	0.75	0.75	n/a	n/a
M&G (Lux) Short Dated Corporate Bond Fund	0.65	1.15	0.25	0.25	n/a	n/a
M&G (Lux) Sustainable Allocation Fund	1.50	2.00	0.60	0.60	n/a	n/a

Annual Management Charge

	Share classes					
	J %	JI %	K %	L %	LI %	P %
M&G (Lux) Absolute Return Bond Fund	[a]	[a]	nil	n/a	n/a	n/a
M&G (Lux) Asian Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Conservative Allocation Fund	[c]	[c]	nil	n/a	n/a	n/a
M&G (Lux) Dynamic Allocation Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Emerging Markets Bond Fund	[c]	[c]	nil	n/a	n/a	n/a
M&G (Lux) Emerging Markets Hard Currency Bond Fund	[c]	[c]	nil	0.35	0.35	n/a
M&G (Lux) Emerging Markets Income Opportunities Fund	[c]	[c]	nil	n/a	n/a	n/a
M&G (Lux) Episode Macro Fund	n/a	n/a	n/a	n/a	n/a	n/a
M&G (Lux) Euro Corporate Bond Fund	[d]	[d]	nil	n/a	n/a	n/a
M&G (Lux) European Inflation Linked Corporate Bond Fund	[a]	[a]	nil	n/a	n/a	n/a
M&G (Lux) European Strategic Value Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Floating Rate High Yield Solution	[e]	[e]	nil	[f]	n/a	n/a
M&G (Lux) Global Convertibles Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Global Corporate Bond Fund	[d]	[d]	nil	n/a	n/a	n/a
M&G (Lux) Global Dividend Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund	n/a	n/a	nil	n/a	n/a	n/a
M&G (Lux) Global High Yield Bond Fund	[g]	[g]	nil	0.40	0.40	n/a
M&G (Lux) Global High Yield ESG Bond Fund	[g]	[g]	nil	0.40	0.40	n/a
M&G (Lux) Global Listed Infrastructure Fund	[b]	[b]	nil	0.50	0.50	n/a
M&G (Lux) Global Macro Bond Fund	[g]	[g]	nil	n/a	n/a	n/a
M&G (Lux) Global Recovery Fund	[b]	[b]	nil	0.50	0.50	n/a
M&G (Lux) Global Select Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Global Target Return Fund	[d]	[d]	nil	n/a	n/a	n/a
M&G (Lux) Global Themes Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Income Allocation Fund	[g]	[g]	nil	n/a	n/a	n/a
M&G (Lux) Japan Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund	n/a	n/a	nil	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	n/a	1.60
M&G (Lux) North American Dividend Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) North American Value Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Optimal Income Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Pan European Dividend Fund	[b]	[b]	nil	n/a	n/a	n/a
M&G (Lux) Pan European Select Fund	[b]	[b]	nil	n/a	n/a	n/a

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6 Annual management, administration and share class hedging charges (continued)

Annual Management Charge

	J %	JI %	Share classes			P %
			K %	L %	LI %	
M&G (Lux) Positive Impact Fund	[b]	[b]	nil	0.50	0.50	n/a
M&G (Lux) Short Dated Corporate Bond Fund	[e]	[e]	nil	n/a	n/a	n/a
M&G (Lux) Sustainable Allocation Fund	[c]	[c]	nil	0.35	0.35	n/a

Annual Management Charge

	S %	Share classes			ZI %
		T %	TI %	Z %	
M&G (Lux) Absolute Return Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Asian Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Conservative Allocation Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Dynamic Allocation Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Emerging Markets Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Emerging Markets Hard Currency Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Emerging Markets Income Opportunities Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Episode Macro Fund	1.75	0.75	0.75	n/a	n/a
M&G (Lux) Euro Corporate Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) European Inflation Linked Corporate Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) European Strategic Value Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Floating Rate High Yield Solution	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Convertibles Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Corporate Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Dividend Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Emerging Markets Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Floating Rate High Yield Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global High Yield Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global High Yield ESG Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Listed Infrastructure Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Macro Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Recovery Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Select Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Target Return Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Global Themes Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Income Allocation Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Japan Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Japan Smaller Companies Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) North American Value Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Optimal Income Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Pan European Dividend Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Pan European Select Fund	n/a	n/a	n/a	nil	nil

Annual Management Charge

	S %	Share classes			ZI %
		T %	TI %	Z %	
M&G (Lux) Positive Impact Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Short Dated Corporate Bond Fund	n/a	n/a	n/a	nil	nil
M&G (Lux) Sustainable Allocation Fund	n/a	n/a	n/a	nil	nil

[a] Up to 0.40%.

[b] Up to 0.75%.

[c] Up to 0.60%.

[d] Up to 0.50%.

[e] Up to 0.25%.

[f] Upon agreement with the Company.

[g] Up to 0.65%.

7 Depositary, safe custody and custody transaction charges

The Depositary takes a charge from each fund as payment for its duties as depositary. The Depositary's charge is based on the NAV of each fund, and in normal circumstances, the fees payable to the Depositary for its provision of services shall be subject to a maximum of 1 basis point.

The Depositary also receives a fee in relation to the safe-keeping of each fund's assets (safe custody charges) and a fee in relation to processing transactions (custody transaction charges). The safe custody charge is a range between 0.00005% and 0.04% of the asset values and custody transaction charges range between €5 and €100 per transaction.

The Depositary's charge is calculated and taken into account daily on the same basis as described above for the Annual Management Charge. The safe custody charges and custody transaction charges are accrued daily.

JPM Collection account

Cash account arrangements have been put in place in respect of the SICAV and each fund. These cash accounts are held with a third party banking entity for collection of subscriptions, payment of redemptions and distributions for the SICAV and are deemed assets of the SICAV. The balance on these cash accounts was immaterial at the period end.

8 Audit fees

Audit fees are accrued on a daily basis and paid by the fund with the exception of:

M&G (Lux) Global Recovery Fund

M&G (Lux) Global Themes Fund

M&G (Lux) Positive Impact Fund

M&G (Lux) Sustainable Allocation Fund

The audit fee is borne by M&G Luxembourg S.A. for one year from the date of launch for the above sub-funds.

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9 Merger Costs

M&G will bear all costs associated with carrying out the mergers, including any taxes which may arise on the transfer of assets from the merging funds to the receiving Funds. Any other taxes relating to the disposal of assets (e.g. income tax or capital gains tax on disposal of assets) that would ordinarily be borne by the merging Feeder Fund or UK OEIC, even if incurred as a result of the merger, will be borne by the merging Feeder Fund or UK OEIC.

10 Directors' fees

The Directors are currently entitled to an annual fee paid by the Management Company. Yves Wagner, the Independent Director, received a fee of €35,000. Susanne Van Dootingh, the Independent Director, received a fee of €6,000. The other Directors did not receive any fees for their services. The Management Company shall also reimburse certain expenses of the Directors, in accordance with the Articles, out of the Administration Charge.

11 Taxes

Luxembourg

The Company is, in principle, liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.05% per annum of its NAV, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Company at the end of the relevant calendar quarter.

This rate is reduced to 0.01% per annum for:

- Undertakings whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions;
- Undertakings whose sole object is the collective investment in deposits with credit institutions; and
- Individual sub-funds of UCIs with multiple sub-funds, as well as for individual classes of securities issued within a UCI or within a sub-fund of a UCI with multiple sub-funds, provided that the securities of such sub-funds or classes are reserved to one or more institutional investors.

The table below shows the taxe d'abonnement applicable to each share class.

Taxe d'abonnement

	Share classes					
	A	B	C	CI	G	GI
	%	%	%	%	%	%
Current annual rate of local tax (Taxe d'abonnement)	0.05	0.05	0.05	0.01	0.05	0.01

	Share classes					
	J	JI	K	L	LI	P
	%	%	%	%	%	%
Current annual rate of local tax (Taxe d'abonnement)	0.05	0.01	0.01	0.05	0.01	1.60*

	Share classes				
	S	T	TI	Z	ZI
	%	%	%	%	%
Current annual rate of local tax (Taxe d'abonnement)	0.05	0.05	0.01	0.05	0.01

* The Single Charge which is 1.60% includes the taxe d'abonnement.

Other transaction taxes

Other jurisdictions may impose taxes, financial transactions taxes ('FTT') or other transaction taxes on certain assets held by the funds (for example, UK stamp duty, French FTT).

Withholding tax

Dividends, capital gains and interest received by the Company on its investments may be subject to withholding taxes in the countries of origin which are generally irrecoverable as the Company itself is exempt from income tax.

12 Swing pricing

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 funds from investors buying and selling shares in the funds.

To protect existing investors, the Directors operate a policy of swing pricing. This policy gives the Directors the power to apply a 'swing price adjustment' to the Net Asset Value per share so that portfolio transaction costs incurred as a result of investors buying and selling shares in the funds can be recovered from those investors through the price they pay or receive.

A swing price adjustment may be applied in the event that the daily net subscriptions or net redemptions exceed a predetermined threshold set by the Directors.

The published share price/NAV per share inclusive of the swing pricing adjustment is disclosed in the net asset values and total expense ratio table included within the Financial highlights section of each fund. The swing price adjustment is not recognised in the Statement of net assets or the Statement of operations and changes in net assets.

Swing price adjustments received through buying and selling shares is included in the net in/outflows in the Statement of operations and changes in net assets.

At the period end a swing price adjustment was applied to the following funds:

- M&G (Lux) Global Themes Fund
- M&G (Lux) Positive Impact Fund
- M&G (Lux) Sustainable Allocation Fund

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13 Transactions with connected persons

M&G Luxembourg S.A., as the Management Company, is a related party. Details of charges payable to M&G Luxembourg S.A. in respect of annual management, administration and share class hedging charges are disclosed in note 6. Amounts paid are disclosed in the Statement of operations and changes in net assets and amounts due at the period end are disclosed in the Statement of net assets and liabilities.

Amounts paid to / from M&G Prudent Allocation Fund, M&G Dynamic Allocation Fund, M&G European Inflation Linked Corporate Bond Fund and M&G Income Allocation Fund as a result of the merger are disclosed in other receivables and other payables in the statement of net assets and liabilities.

As at March 31, 2019, the M&G (Lux) Conservative Allocation Fund Sub-Fund invested in shares of the Sub-Funds M&G (Lux) Emerging Markets Hard Currency Bond Fund, M&G (Lux) Global Convertibles Fund and M&G (Lux) Global Corporate Bond Fund. The value of the shares held amounts to Euro 82,610 and represents 2.96% of the net assets of the Sub-Fund M&G (Lux) Conservative Allocation Fund.

As at March 31, 2019, the M&G (Lux) Dynamic Allocation Fund Sub-Fund invested in shares of the Sub-Funds M&G (Lux) Emerging Markets Hard Currency Bond Fund, M&G (Lux) Global Convertibles Fund, M&G (Lux) Global Corporate Bond Fund and M&G (Lux) Japan Fund. The value of the shares held amounts to Euro 221,170 and represents 3.02% of the net assets of the Sub-Fund M&G (Lux) Conservative Allocation Fund.

As at March 31, 2019, the M&G (Lux) Global Target Return Fund Sub-Fund invested in shares of the Sub-Fund M&G (Lux) Global Corporate Bond Fund. The value of the shares held amounts to Euro 2,281 and represents 2.21% of the net assets of the Sub-Fund M&G (Lux) Global Target Return Fund.

As at March 31, 2019, the M&G (Lux) Income Allocation Fund Sub-Fund invested in shares of the Sub-Fund M&G (Lux) Emerging Markets Hard Currency Bond Fund. The value of the shares held amounts to Euro 18,112 and represents 1.46% of the net assets of the Sub-Fund M&G (Lux) Income Allocation Fund.

As at March 31, 2019, the M&G (Lux) Multi Asset 2023 Fund Sub-Fund invested in shares of the Sub-Funds M&G (Lux) Absolute Return Bond Fund, M&G (Lux) Conservative Allocation Fund, M&G (Lux) Dynamic Allocation Fund, M&G (Lux) Emerging Markets Bond Fund, M&G (Lux) Emerging Markets Hard Currency Bond Fund, M&G (Lux) Episode Macro Fund, M&G (Lux) Global Convertibles Fund, M&G (Lux) Global Dividend Fund, M&G (Lux) Global High Yield Bond Fund, M&G (Lux) Global Target Return Fund, M&G (Lux) Income Allocation Fund and M&G (Lux) Optimal Income Fund. The value of the shares held amounts to Euro 151,096 and represents 99.11% of the net assets of the Sub-Fund M&G (Lux) Multi Asset 2023 Fund.

As at March 31, 2019, the M&G (Lux) Sustainable Allocation Fund Sub-Fund invested in shares of the Sub-Fund M&G (Lux) Global High Yield ESG Bond Fund. The value of the shares held amounts to Euro 431 and represents 2.02% of the net assets of the Sub-Fund M&G (Lux) Sustainable Allocation Fund.

The impact of the cross investment transactions has not been eliminated from the combined Statement of Net Assets and Statement of Changes in Net Assets.

There are no other related parties.

14 Cash collateral

The funds trade derivatives with a range of counterparties. The counterparties to the derivatives and amount held as collateral are shown under the portfolio statement.

15 Distributions

The following distributions were paid to Distribution share classes during the period:

M&G (Lux) Absolute Return Bond Fund

Distribution timetable			
Period to	31.03.18	30.09.18	
Ex dividend date	23.04.18	22.10.18	
Pay date	26.04.18	25.10.18	

Distribution rate per share class			
Euro	Euro €	Euro €	
Class 'A'	0.1117	0.1388	
Class 'B'	n/a	0.1129	
Class 'C'	0.1119	0.1399	
Sterling	UK p	UK p	
Class 'C-H'	0.1127	0.1410	
Swiss franc	Swiss €	Swiss €	
Class 'A-H'	0.1104	0.1350	
Class 'C-H'	0.1109	0.1360	
US dollar	US €	US €	
Class 'A-H'	0.1147	0.1440	
Class 'C-H'	0.1153	0.1453	

M&G (Lux) Conservative Allocation Fund

Distribution timetable					
Period to	31.03.18	30.06.18	30.09.18	31.12.18	
Ex dividend date	23.04.18	23.07.18	22.10.18	21.01.19	
Pay date	26.04.18	26.07.18	25.10.18	24.01.19	

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	
Class 'A'	0.0075	0.0390	0.0412	0.0369	
Class 'B'	0.0072	0.0389	0.0412	0.0366	
Class 'C'	0.0072	0.0391	0.0415	0.0371	
US dollar	US €	US €	US €	US €	
Class 'A-H'	0.0073	0.0386	0.0422	0.0380	
Class 'C-H'	0.0074	0.0386	0.0424	0.0383	

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15 Distributions (continued)

M&G (Lux) Dynamic Allocation Fund

Distribution timetable					
Period to	28.02.18	31.03.18	30.04.18	31.05.18	30.06.18
Ex dividend date	29.03.18	23.04.18	22.05.18	18.06.18	23.07.18
Pay date	05.04.18	26.04.18	25.05.18	21.06.18	26.07.18

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	0.0046	n/a	n/a	0.0339
Class 'C'	n/a	0.0042	n/a	n/a	0.0340
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.0045	n/a	n/a	0.0341
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	n/a	0.0052	n/a	n/a	0.0334
Class 'A-H M F4'	0.0294	0.0320	0.0326	0.0319	0.0316
Class 'C-H'	n/a	0.0044	n/a	n/a	0.0335

M&G (Lux) Dynamic Allocation Fund

Distribution timetable					
Period to	31.07.18	31.08.18	30.09.18	31.10.18	
Ex dividend date	20.08.18	24.09.18	22.10.18	19.11.18	
Pay date	23.08.18	27.09.18	25.10.18	22.11.18	

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	n/a	0.0399	n/a	
Class 'C'	n/a	n/a	0.0405	n/a	
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	n/a	0.0406	n/a	
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	n/a	n/a	0.0408	n/a	
Class 'A-H M F4'	0.0321	0.0309	0.0314	0.0297	
Class 'C-H'	n/a	n/a	0.0412	n/a	

M&G (Lux) Dynamic Allocation Fund

Distribution timetable					
Period to	30.11.18	31.12.18	31.01.19	28.02.19	
Ex dividend date	24.12.18	21.01.19	18.02.19	18.03.19	
Pay date	31.12.18	24.01.19	21.02.19	21.03.19	

Distribution rate per share class					
Euro	Euro €	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	0.0346	n/a	n/a	
Class 'C'	n/a	0.0349	n/a	n/a	
Sterling	UK p	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.0357	n/a	n/a	
US dollar	US €	US €	US €	US €	US €
Class 'A-H'	n/a	0.0356	n/a	n/a	
Class 'A-H M F4'	0.0297	0.0287	0.0302	0.0304	
Class 'C-H'	n/a	0.0358	n/a	n/a	

M&G (Lux) Emerging Markets Bond Fund

Distribution timetable				
Period to	05.12.18	31.12.18	31.01.19	28.02.19
Ex dividend date	06.12.18	21.01.19	18.02.19	18.03.19
Pay date	13.12.18	24.01.19	21.02.19	21.03.19

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.2968	n/a	n/a	n/a
Class 'A-H'	0.2851	n/a	n/a	n/a
Class 'B'	0.2968	n/a	n/a	n/a
Class 'B-H'	0.2851	n/a	n/a	n/a
Class 'C'	0.2968	n/a	n/a	n/a
Class 'C-H'	0.2849	n/a	n/a	n/a
Sterling	UK p	UK p	UK p	UK p
Class 'C'	n/a	n/a	n/a	n/a
Class 'CI'	n/a	n/a	n/a	n/a
US dollar	US €	US €	US €	US €
Class 'A'	0.2866	n/a	n/a	n/a
Class 'A M'	n/a	0.0585	0.0659	0.0588
Class 'C M'	n/a	0.0585	0.0659	0.0589
Class 'C'	0.2863	n/a	n/a	n/a

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Distribution timetable				
Period to	31.03.18	30.06.18	30.09.18	31.12.18
Ex dividend date	23.04.18	23.07.18	22.10.18	21.01.19
Pay date	26.04.18	26.07.18	25.10.18	24.01.19

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1177	0.1333	0.1339	0.1465
Class 'A-H'	0.1281	0.1328	0.1324	0.1428
Class 'C'	0.1177	0.1315	0.1346	0.1489
Class 'C-H'	0.1290	0.1350	0.1336	0.1445
Sterling	UK p	UK p	UK p	UK p
Class 'C'	0.1203	0.1381	0.1390	0.1542
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1271	0.1309	0.1312	0.1397
Class 'C-H'	0.1280	0.1321	0.1324	0.1416
US dollar	US €	US €	US €	US €
Class 'A'	0.1295	0.1386	0.1390	0.1500
Class 'C'	0.1297	0.1392	0.1395	0.1514

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15 Distributions (continued)

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable				
Period to	31.03.18	30.04.18	31.05.18	30.06.18
Ex dividend date	23.04.18	22.05.18	18.06.18	23.07.18
Pay date	26.04.18	25.05.18	21.06.18	26.07.18

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.0954	n/a	n/a	0.1587
Class 'C-H'	0.0962	n/a	n/a	0.1592
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	0.0976	n/a	n/a	0.1607
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.0947	n/a	n/a	0.1564
Class 'C-H'	0.0954	n/a	n/a	0.1578
US dollar	US €	US €	US €	US €
Class 'A'	0.0962	n/a	n/a	0.1642
Class 'A M'	0.0323	0.0471	0.0551	0.0611
Class 'C'	0.0968	n/a	n/a	0.1655
Class 'C M'	0.0324	0.0475	0.0557	0.0616

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable				
Period to	31.07.18	31.08.18	30.09.18	31.10.18
Ex dividend date	20.08.18	24.09.18	22.10.18	19.11.18
Pay date	23.08.18	27.09.18	25.10.18	22.11.18

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	n/a	0.1446	n/a
Class 'C-H'	n/a	n/a	0.1463	n/a
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	n/a	0.1484	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	n/a	0.1439	n/a
Class 'C-H'	n/a	n/a	0.1456	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	n/a	0.1514	n/a
Class 'A M'	0.0587	0.0409	0.0507	0.0341
Class 'C'	n/a	n/a	0.1531	n/a
Class 'C M'	0.0593	0.0414	0.0515	0.0344

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable				
Period to	30.11.18	31.12.18	31.01.19	28.02.19
Ex dividend date	24.12.18	21.01.19	18.02.19	18.03.19
Pay date	31.12.18	24.01.19	21.02.19	21.03.19

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1099	n/a	n/a
Class 'C-H'	n/a	0.1115	n/a	n/a
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.1155	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1070	n/a	n/a
Class 'C-H'	n/a	0.1085	n/a	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	0.1162	n/a	n/a
Class 'A M'	0.0343	0.0474	0.0274	0.0272
Class 'C'	n/a	0.1177	n/a	n/a
Class 'C M'	0.0346	0.0481	0.0280	0.0277

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable				
Period to	31.03.18	30.04.18	31.05.18	30.06.18
Ex dividend date	23.04.18	22.05.18	18.06.18	23.07.18
Pay date	26.04.18	25.05.18	21.06.18	26.07.18

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.1430	n/a	n/a	0.1391
Class 'B-H'	0.1427	n/a	n/a	0.1384
Class 'C-H'	0.1432	n/a	n/a	0.1393
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.1439	n/a	n/a	0.1400
Class 'A-H M'	0.0560	0.0530	0.0461	0.0402
Class 'C-H M'	0.0562	0.0531	0.0463	0.0403
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	0.1458	n/a	n/a	0.1404
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1413	n/a	n/a	0.1368
Class 'C-H'	0.1420	n/a	n/a	0.1372
US dollar	US €	US €	US €	US €
Class 'A'	0.1429	n/a	n/a	0.1430
Class 'A M'	0.0486	0.0546	0.0467	0.0409
Class 'C'	0.1434	n/a	n/a	0.1434
Class 'C M'	0.0487	0.0548	0.0468	0.0410

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15 Distributions (continued)

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable				
Period to	31.07.18	31.08.18	30.09.18	31.10.18
Ex dividend date	20.08.18	24.09.18	22.10.18	19.11.19
Pay date	23.08.18	27.09.18	25.10.18	22.11.18
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	n/a	0.1369	n/a
Class 'B-H'	n/a	n/a	0.1362	n/a
Class 'C-H'	n/a	n/a	0.1374	n/a
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	n/a	n/a	0.1400	n/a
Class 'A-H M'	0.0460	0.0487	0.0446	0.0520
Class 'C-H M'	0.0463	0.0489	0.0447	0.0524
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	n/a	0.1388	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	n/a	0.1357	n/a
Class 'C-H'	n/a	n/a	0.1363	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	n/a	0.1417	n/a
Class 'A M'	0.0463	0.0497	0.0449	0.0529
Class 'C'	n/a	n/a	0.1423	n/a
Class 'C M'	0.0466	0.0499	0.0451	0.0531

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable				
Period to	30.11.18	31.12.18	31.01.19	28.02.19
Ex dividend date	24.12.18	21.01.19	18.02.19	18.03.19
Pay date	31.12.18	24.01.19	21.02.19	21.03.19
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1536	n/a	n/a
Class 'B-H'	n/a	0.1527	n/a	n/a
Class 'C-H'	n/a	0.1545	n/a	n/a
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	n/a	0.1572	n/a	n/a
Class 'A-H M'	0.0522	0.0533	0.0530	0.0465
Class 'C-H M'	0.0525	0.0537	0.0533	0.0468
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.1589	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1507	n/a	n/a
Class 'C-H'	n/a	0.1514	n/a	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	0.1597	n/a	n/a
Class 'A M'	0.0522	0.0538	0.0538	0.0476
Class 'C'	n/a	0.1605	n/a	n/a
Class 'C M'	0.0525	0.0541	0.0542	0.0478

M&G (Lux) Global Dividend Fund

Distribution timetable		
Period to	30.09.18	05.12.18
Ex dividend date	01.10.18	06.12.18
Pay date	04.10.18	13.12.18
Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A'	0.0606	0.0426
Class 'C'	0.0606	0.0426
Class 'CI'	0.0606	0.0426
Singapore dollar	SGD €	SGD €
Class 'A'	0.0608	0.0403
Class 'C'	0.0606	0.0404
Sterling	UK p	UK p
Class 'C'	n/a	n/a
Class 'CI'	n/a	n/a
US dollar	US €	US €
Class 'A'	0.0609	0.0402
Class 'C'	0.0609	0.0403

M&G (Lux) Global Floating Rate High Yield Fund

Distribution timetable				
Period to	30.09.18	31.10.18	05.12.18	31.12.18
Ex dividend date	01.10.18	02.11.18	06.12.18	21.01.19
Pay date	04.10.18	07.11.18	13.12.18	24.01.19
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1165	0.0504	n/a
Class 'B-H'	n/a	0.1165	0.0509	n/a
Class 'C-H'	n/a	0.1165	0.0506	n/a
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	n/a	0.1177	0.0507	n/a
Class 'A-H M'	0.0372	0.0382	0.0502	0.0351
Class 'C-H M'	0.0372	0.0382	0.0502	0.0351
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	n/a	n/a	n/a
Class 'CI-H'	n/a	n/a	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1167	0.0501	n/a
Class 'C-H'	n/a	0.1174	0.0505	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	0.1178	0.0495	n/a
Class 'A M'	0.0373	0.0381	0.0498	0.0351
Class 'C'	n/a	0.1177	0.0497	n/a
Class 'C M'	0.0373	0.0381	0.0499	0.0352

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15 Distributions (continued)

M&G (Lux) Global Floating Rate High Yield Fund

Distribution timetable			
Period to	31.01.19	28.02.19	
Ex dividend date	18.02.19	18.03.19	
Pay date	21.02.19	21.03.19	
Distribution rate per share class			
Euro	Euro €	Euro €	
Class 'A-H'	n/a	n/a	
Class 'B-H'	n/a	n/a	
Class 'C-H'	n/a	n/a	
Singapore dollar	SGD €	SGD €	
Class 'A-H'	n/a	n/a	
Class 'A-H M'	0.0412	0.0397	
Class 'C-H M'	0.0413	0.0398	
Sterling	UK p	UK p	
Class 'C-H'	n/a	n/a	
Class 'CI-H'	n/a	n/a	
Swiss franc	Swiss €	Swiss €	
Class 'A-H'	n/a	n/a	
Class 'C-H'	n/a	n/a	
US dollar	US €	US €	
Class 'A'	n/a	n/a	
Class 'A M'	0.0416	0.0403	
Class 'C'	n/a	n/a	
Class 'C M'	0.0417	0.0403	

M&G (Lux) Global High Yield Bond Fund

Distribution timetable				
Period to	30.11.18	31.12.18	31.01.19	28.02.19
Ex dividend date	24.12.18	21.01.19	18.02.19	18.03.19
Pay date	31.12.18	24.01.19	21.02.19	21.03.19
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.0352	0.0608	0.0411	0.0473
Class 'B-H'	0.0286	0.0511	0.0294	0.0397
Class 'C-H'	0.0383	0.0660	0.0610	0.0510
US dollar	US €	US €	US €	US €
Class 'A'	0.0401	0.0695	0.0544	0.0547
Class 'C'	0.0415	0.0720	0.0676	0.0567

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable				
Period to	31.03.18	30.04.18	31.05.18	30.06.18
Ex dividend date	23.04.18	22.05.18	18.06.18	23.07.18
Pay date	26.04.18	25.05.18	21.06.18	26.07.18
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	0.1096	n/a	n/a	0.1016
Class 'C-H'	0.1098	n/a	n/a	0.1019
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	0.1114	n/a	n/a	0.1026
Class 'L-H'	n/a	n/a	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1081	n/a	n/a	0.0996
Class 'C-H'	0.1091	n/a	n/a	0.0999
US dollar	US €	US €	US €	US €
Class 'A'	0.1106	n/a	n/a	0.1041
Class 'A M'	0.0349	0.0359	0.0340	0.0340
Class 'C'	0.1110	n/a	n/a	0.1046

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable				
Period to	31.07.18	31.08.18	30.09.18	31.10.18
Ex dividend date	20.08.18	24.09.18	22.10.18	19.11.18
Pay date	23.08.18	27.09.18	25.10.18	22.11.18
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	n/a	0.1010	n/a
Class 'C-H'	n/a	n/a	0.1018	n/a
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	n/a	0.1027	n/a
Class 'L-H'	n/a	n/a	0.1202	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	n/a	0.1004	n/a
Class 'C-H'	n/a	n/a	0.1007	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	n/a	0.1046	n/a
Class 'A M'	0.0385	0.0338	0.0323	0.0392
Class 'C'	n/a	n/a	0.1052	n/a

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable				
Period to	30.11.18	31.12.18	31.01.19	28.02.19
Ex dividend date	24.12.18	21.01.19	18.02.19	18.03.19
Pay date	31.12.18	24.01.19	21.02.19	21.03.19
Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A-H'	n/a	0.1099	n/a	n/a
Class 'C-H'	n/a	0.1108	n/a	n/a
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	0.1140	n/a	n/a
Class 'L-H'	n/a	0.1042	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	n/a	0.1077	n/a	n/a
Class 'C-H'	n/a	0.1085	n/a	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	0.1146	n/a	n/a
Class 'A M'	0.0362	0.0384	0.0352	0.0355
Class 'C'	n/a	0.1152	n/a	n/a

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15 Distributions (continued)

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable				
Period to	31.03.18	30.04.18	31.05.18	30.06.18
Ex dividend date	23.04.18	22.05.18	18.06.18	23.07.18
Pay date	26.04.18	25.05.18	21.06.18	26.07.18

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0483	n/a	n/a	0.1009
Class 'C'	0.0484	n/a	n/a	0.1016
Sterling	UK p	UK p	UK p	UK p
Class 'C'	0.0477	n/a	n/a	0.1009
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A'	0.0496	n/a	n/a	0.1017
Class 'C'	0.0498	n/a	n/a	0.1023
US dollar	US €	US €	US €	US €
Class 'A'	0.0506	n/a	n/a	0.1000
Class 'A M'	0.0247	0.0392	0.0488	0.0195
Class 'C'	0.0508	n/a	n/a	0.1006

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable				
Period to	31.07.18	31.08.18	30.09.18	31.10.18
Ex dividend date	20.08.18	24.09.18	22.10.18	19.11.18
Pay date	23.08.18	27.09.18	25.10.18	22.11.18

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	n/a	0.0905	n/a
Class 'C'	n/a	n/a	0.0912	n/a
Sterling	UK p	UK p	UK p	UK p
Class 'C'	n/a	n/a	0.0909	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A'	n/a	n/a	0.0891	n/a
Class 'C'	n/a	n/a	0.0899	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	n/a	0.0891	n/a
Class 'A M'	0.0296	0.0220	0.0294	0.0094
Class 'C'	n/a	n/a	0.0899	n/a

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable				
Period to	30.11.18	31.12.18	31.01.19	28.02.19
Ex dividend date	24.12.18	21.01.19	18.02.19	18.03.19
Pay date	31.12.18	24.01.19	21.02.19	21.03.19

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	n/a	0.0862	n/a	n/a
Class 'C'	n/a	0.0873	n/a	n/a
Sterling	UK p	UK p	UK p	UK p
Class 'C'	n/a	0.0877	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A'	n/a	0.0847	n/a	n/a
Class 'C'	n/a	0.0856	n/a	n/a
US dollar	US €	US €	US €	US €
Class 'A'	n/a	0.0840	n/a	n/a
Class 'A M'	0.0473	0.0271	0.0156	0.0179
Class 'C'	n/a	0.0850	n/a	n/a

M&G (Lux) Global Macro Bond Fund

Distribution timetable		
Period to		31.12.18
Ex dividend date		21.01.19
Pay date		24.01.19

Distribution rate per share class		
Euro		Euro €
Class 'A'		0.0754
Class 'A-H'		0.0604
Class 'B'		0.0585
Class 'B-H'		0.0557
Class 'C'		0.0786
Class 'C-H'		0.0639
Singapore dollar		SGD €
Class 'A-H'		0.0593
Class 'C-H'		0.0602
Sterling		UK p
Class 'C-H'		n/a
Class 'CI-H'		n/a
US dollar		US €
Class 'A'		0.0870
Class 'C'		0.0700

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15 Distributions (continued)

M&G (Lux) Income Allocation Fund

Distribution timetable				
Period to	31.03.18	30.04.18	31.05.18	30.06.18
Ex dividend date	23.04.18	22.05.18	18.06.18	23.07.18
Pay date	26.04.18	25.05.18	21.06.18	26.07.18

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0177	0.0482	0.0250	0.0228
Class 'A F2'	n/a	0.0169	0.0167	0.0164
Class 'A F3'	n/a	0.0254	0.0250	0.0246
Class 'A Q'	0.0172	n/a	n/a	0.0970
Class 'B F2'	n/a	0.0169	0.0167	0.0164
Class 'B F3'	n/a	0.0254	0.0250	0.0246
Class 'B Q'	0.0172	n/a	n/a	0.0967
Class 'C'	0.0184	0.0482	0.0251	0.0228
Class 'C Q'	0.0311	n/a	n/a	0.0972
Class 'ZI'	n/a	n/a	0.0257	0.0163
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.0286	0.0473	0.0252	0.0229
Class 'C-H'	0.0286	0.0475	0.0253	0.0230
US dollar	US €	US €	US €	US €
Class 'A-H'	0.0175	0.0472	0.0253	0.0231
Class 'C-H'	0.0288	0.0470	0.0254	0.0231

M&G (Lux) Income Allocation Fund

Distribution timetable				
Period to	31.07.18	31.08.18	30.09.18	31.10.18
Ex dividend date	20.08.18	24.09.18	22.10.18	19.11.18
Pay date	23.08.18	27.09.18	25.10.18	22.11.18

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0250	0.0244	0.0245	0.0234
Class 'A F2'	0.0167	0.0163	0.0164	0.0157
Class 'A F3'	0.0249	0.0244	0.0244	0.0234
Class 'A Q'	n/a	n/a	0.0745	n/a
Class 'B F2'	0.0166	0.0163	0.0163	0.0156
Class 'B F3'	0.0249	0.0243	0.0244	0.0233
Class 'B Q'	n/a	n/a	0.0742	n/a
Class 'C'	0.0251	0.0246	0.0246	0.0236
Class 'C Q'	n/a	n/a	0.0748	n/a
Class 'ZI'	0.0257	0.0252	0.0253	0.0242
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.0252	0.0247	0.0248	0.0238
Class 'C-H'	0.0253	0.0248	0.0249	0.0239
US dollar	US €	US €	US €	US €
Class 'A-H'	0.0254	0.0249	0.0250	0.0240
Class 'C-H'	0.0254	0.0250	0.0251	0.0241

M&G (Lux) Income Allocation Fund

Distribution timetable				
Period to	30.11.18	31.12.18	31.01.19	28.02.19
Ex dividend date	24.12.18	21.01.19	18.02.19	18.03.19
Pay date	31.12.18	24.01.19	21.02.19	21.03.19

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.0235	0.0227	0.0254	0.0256
Class 'A F2'	0.0157	0.0152	0.0158	0.0160
Class 'A F3'	0.0235	0.0227	0.0236	0.0238
Class 'A Q'	n/a	0.0702	n/a	n/a
Class 'B F2'	0.0157	0.0152	0.0158	0.0159
Class 'B F3'	0.0234	0.0226	0.0235	0.0237
Class 'B Q'	n/a	0.0698	n/a	n/a
Class 'C'	0.0237	0.0229	0.0256	0.0258
Class 'C Q'	n/a	0.0707	n/a	n/a
Class 'ZI'	0.0244	0.0236	0.0264	0.0266
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H'	0.0239	0.0231	0.0259	0.0262
Class 'C-H'	0.0241	0.0233	0.0261	0.0264
US dollar	US €	US €	US €	US €
Class 'A-H'	0.0241	0.0234	0.0262	0.0265
Class 'C-H'	0.0242	0.0235	0.0264	0.0267

M&G (Lux) Multi Asset 2023 Fund

Distribution timetable				
Period to				13.12.18
Ex dividend date				14.12.18
Pay date				19.12.18

Distribution rate per share class				
Euro				Euro €
Class 'P'				0.2500

M&G (Lux) Optimal Income Fund

Distribution timetable				
Period to	30.09.18	31.10.18	30.11.18	31.12.18
Ex dividend date	01.10.18	02.11.18	03.12.18	02.01.19
Pay date	04.10.18	07.11.18	06.12.18	07.01.19

Distribution rate per share class				
Euro	Euro €	Euro €	Euro €	Euro €
Class 'A'	0.1754	n/a	n/a	n/a
Class 'B'	0.1756	n/a	n/a	n/a
Class 'C'	0.1753	n/a	n/a	n/a
Class 'CI'	n/a	n/a	n/a	n/a
Singapore dollar	SGD €	SGD €	SGD €	SGD €
Class 'A-H M'	0.0354	0.0217	0.0213	0.0237
Sterling	UK p	UK p	UK p	UK p
Class 'C-H'	n/a	n/a	n/a	n/a
Class 'CI-H'	n/a	n/a	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1760	n/a	n/a	n/a
Class 'C-H'	0.1761	n/a	n/a	n/a
US dollar	US €	US €	US €	US €
Class 'A-H'	0.1722	n/a	n/a	n/a
Class 'A-H M'	0.0355	0.0218	0.0209	0.0237
Class 'C-H'	0.1719	n/a	n/a	n/a
Class 'CI-H'	n/a	n/a	n/a	n/a
Class 'J-H'	0.1746	n/a	n/a	n/a

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15 Distributions (continued)

M&G (Lux) Optimal Income Fund

Distribution timetable		
Period to	31.01.19	06.03.19
Ex dividend date	01.02.19	07.03.19
Pay date	06.02.19	14.03.19
Distribution rate per share class		
Euro	Euro €	Euro €
Class 'A'	n/a	0.1139
Class 'B'	n/a	0.1135
Class 'C'	n/a	0.1139
Class 'CI'	n/a	0.1174
Singapore dollar	SGD €	SGD €
Class 'A-H M'	0.0166	0.0324
Sterling	UK p	UK p
Class 'C-H'	n/a	n/a
Class 'CI-H'	n/a	n/a
Swiss franc	Swiss €	Swiss €
Class 'A-H'	n/a	0.1113
Class 'C-H'	n/a	0.1123
US dollar	US €	US €
Class 'A-H'	n/a	0.1146
Class 'A-H M'	0.0225	0.0267
Class 'C-H'	n/a	0.1147
Class 'CI-H'	n/a	0.1144
Class 'J-H'	n/a	0.1146

M&G (Lux) Short Dated Corporate Bond Fund

Distribution timetable		
Period to	31.12.18	
Ex dividend date	21.01.19	
Pay date	24.01.19	
Distribution rate per share class		
Euro	Euro €	
Class 'A'	0.0395	
Class 'C'	0.0400	
US dollar	US €	
Class 'A-H'	0.0427	
Class 'C-H'	0.0431	

16 Significant Events

During the year ending 31 March 2019, following shareholder approval on 21 and 28 February, 7 ICAV funds merged into equivalent funds within M&G (Lux) Investment Funds 1 as follows:

Merging Sub-Fund	Receiving Sub-Fund	Merger Exchange Ratio	Effective Date
M&G Feeder of Emerging Markets Bond (GBP Class I Income) Fund	M&G (Lux) Emerging Markets Bond Fund Class GBP C Distribution	0.116400618	22 March 2019
M&G Feeder of Episode Macro (GBP Class T-H Accumulation) Fund	M&G (Lux) Episode Macro Fund Class GBP T-H Accumulation	0.113146358	22 March 2019
M&G Feeder of Global Dividend (GBP Class I Accumulation) Fund	M&G (Lux) Episode Macro Fund Class GBP C Accumulation	0.158027828	22 March 2019
M&G Feeder of Global Dividend (GBP Class I Income) Fund	M&G (Lux) Euro Corporate Bond Fund Class GBP C Distribution	0.143073886	22 March 2019
M&G Feeder of Global Floating Rate High Yield (GBP Class I-H Income) Fund	M&G (Lux) European Strategic Value Fund Class GBP C-H Distribution	0.097150128	22 March 2019
M&G Feeder of Global Macro Bond (GBP Class I-H Income) Fund	M&G (Lux) Global Convertibles Fund Class GBP C-H Distribution	0.096147633	22 March 2019
M&G Feeder of Optimal Income (GBP Class I Income) Fund	M&G (Lux) Global Corporate Bond Fund Class GBP C-H Distribution	0.103682513	22 March 2019

17 Subsequent events

Subsequent to the period end the Board of Directors resolved to pay distributions to the following funds and distribution share classes.

M&G (Lux) Absolute Return Bond Fund

Distribution timetable		
Period to	31.03.19	
Ex dividend date	23.04.19	
Pay date	26.04.19	
Distribution rate per share class		
Euro	Euro €	
Class 'A'	0.1455	
Class 'B'	0.1472	
Class 'C'	0.1471	
Sterling	UK p	
Class 'C-H'	0.1514	
Swiss franc	Swiss €	
Class 'A-H'	0.1421	
Class 'C-H'	0.1441	
US dollar	US €	
Class 'A-H'	0.1552	
Class 'C-H'	0.1571	

M&G (Lux) Investment Funds 1

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17 Subsequent events (continued)

M&G (Lux) Conservative Allocation Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0363
Class 'B'	0.0361
Class 'C'	0.0366
US dollar	US €
Class 'A-H'	0.0380
Class 'C-H'	0.0383

M&G (Lux) Dynamic Allocation Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Australian dollar	AUD €	AUD €	AUD €
Class 'A-H M'	n/a	0.0106	0.0228
Class 'C-H M'	n/a	0.0106	0.0228
Euro	Euro €	Euro €	Euro €
Class 'A'	0.0345	n/a	n/a
Class 'C'	0.0345	n/a	n/a
Hong Kong dollar	HKD €	HKD €	HKD €
Class 'A-H M'	n/a	0.1054	0.2276
Class 'C-H M'	n/a	0.1055	0.2278
Sterling	UK p	UK p	UK p
Class 'C-H'	0.0355	n/a	n/a
US dollar	US €	US €	US €
Class 'A-H'	0.0361	n/a	n/a
Class 'A-H M F4'	0.0300	0.0306	0.0294
Class 'C-H'	0.0364	n/a	n/a

M&G (Lux) Emerging Markets Bond Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Euro	Euro €	Euro €	Euro €
Class 'A'	0.2381	n/a	n/a
Class 'A-H'	0.2240	n/a	n/a
Class 'B'	0.2376	n/a	n/a
Class 'B-H'	0.2236	n/a	n/a
Class 'C'	0.2386	n/a	n/a
Class 'C-H'	0.2244	n/a	n/a
Sterling	UK p	UK p	UK p
Class 'C'	0.0135	n/a	n/a
Class 'CI'	0.1650	n/a	n/a
US dollar	US €	US €	US €
Class 'A'	0.2273	n/a	n/a
Class 'A M'	0.0578	0.0647	0.0643
Class 'C'	0.2278	n/a	n/a
Class 'C M'	0.0579	0.0647	0.0646

M&G (Lux) Emerging Markets Hard Currency Bond Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1393
Class 'A-H'	0.1309
Class 'C'	0.1422
Class 'C-H'	0.1330
Sterling	UK p
Class 'C'	0.1402
Swiss franc	Swiss €
Class 'A-H'	0.1294
Class 'C-H'	0.1312
US dollar	US €
Class 'A'	0.1393
Class 'C'	0.1415

M&G (Lux) Investment Funds 1

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17 Subsequent events (continued)

M&G (Lux) Emerging Markets Income Opportunities Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Euro	Euro €	Euro €	Euro €
Class 'A-H'	0.0813	n/a	n/a
Class 'C-H'	0.0826	n/a	n/a
Sterling	UK p	UK p	UK p
Class 'C-H'	0.0850	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.0802	n/a	n/a
Class 'C-H'	0.0814	n/a	n/a
US dollar	US €	US €	US €
Class 'A'	0.0866	n/a	n/a
Class 'A M'	0.0316	0.0484	0.0580
Class 'C'	0.0883	n/a	n/a
Class 'C M'	0.0323	0.0492	0.0590

M&G (Lux) Euro Corporate Bond Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1057
Class 'C'	0.1192
Class 'CI'	0.0654
US dollar	US €
Class 'A-H'	0.0693
Class 'C-H'	0.0710

M&G (Lux) Floating Rate High Yield Solution

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Euro	Euro €	Euro €	Euro €
Class 'A-H'	0.1433	n/a	n/a
Class 'B-H'	0.1422	n/a	n/a
Class 'C-H'	0.1443	n/a	n/a
Singapore dollar	SGD €	SGD €	SGD €
Class 'A-H'	0.1490	n/a	n/a
Class 'A-H M'	0.0483	0.0510	0.0529
Class 'C-H M'	0.0486	0.0515	0.0533
Sterling	UK p	UK p	UK p
Class 'C-H'	0.1474	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1416	n/a	n/a
Class 'C-H'	0.1426	n/a	n/a
US dollar	US €	US €	US €
Class 'A'	0.1512	n/a	n/a
Class 'A M'	0.0490	0.0539	0.0538
Class 'C'	0.1523	n/a	n/a
Class 'C M'	0.0493	0.0543	0.0542

M&G (Lux) Global Convertibles Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0431
Class 'A-H'	0.0358
Class 'B'	0.0286
Class 'B-H'	0.0272
Class 'C'	0.0474
Class 'C-H'	0.0384
US dollar	US €
Class 'A-H'	0.0354
Class 'C-H'	0.0369

M&G (Lux) Global Corporate Bond Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A-H'	0.1157
Class 'C-H'	0.1166
US dollar	US €
Class 'A'	0.1264
Class 'C'	0.1285

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17 Subsequent events (continued)

M&G (Lux) Global Dividend Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1141
Class 'C'	0.1146
Class 'CI'	0.1161
Singapore dollar	SGD €
Class 'A'	0.1091
Class 'C'	0.1095
Sterling	UK p
Class 'C'	0.0108
Class 'CI'	0.1092
US dollar	US €
Class 'A'	0.1093
Class 'C'	0.1098

M&G (Lux) Global Emerging Markets Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19
Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1646
Class 'C'	0.1767
Singapore dollar	SGD €
Class 'A'	0.0682
Class 'C'	0.0699
US dollar	US €
Class 'A'	0.1439
Class 'C'	0.1542

M&G (Lux) Global Floating Rate High Yield Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19
Distribution rate per share class			
Australian dollar	AUD €	AUD €	AUD €
Class 'A-H M'	n/a	0.0299	0.0425
Class 'C-H M'	n/a	0.0299	0.0426
Euro	Euro €	Euro €	Euro €
Class 'A-H'	0.1533	n/a	n/a
Class 'B-H'	0.1529	n/a	n/a
Class 'C-H'	0.1536	n/a	n/a
Hong Kong dollar	HKD €	HKD €	HKD €
Class 'A-H M'	n/a	0.2991	0.4271
Class 'C-H M'	n/a	0.2988	0.4271
Singapore dollar	SGD €	SGD €	SGD €
Class 'A-H'	0.1546	n/a	n/a
Class 'A-H M'	0.0384	0.0437	0.0419
Class 'C-H M'	0.0386	0.0439	0.0419
Sterling	UK p	UK p	UK p
Class 'C-H'	0.0096	n/a	n/a
Class 'CI-H'	0.0706	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.1529	n/a	n/a
Class 'C-H'	0.1533	n/a	n/a
US dollar	US €	US €	US €
Class 'A'	0.1557	n/a	n/a
Class 'A M'	0.0388	0.0445	0.0423
Class 'C'	0.1561	n/a	n/a
Class 'C M'	0.0389	0.0447	0.0424

M&G (Lux) Global High Yield Bond Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19
Distribution rate per share class			
Euro	Euro €	Euro €	Euro €
Class 'A-H'	0.0490	0.0506	0.0511
Class 'B-H'	0.0412	0.0426	0.0429
Class 'C-H'	0.0533	0.0548	0.0556
US dollar	US €	US €	US €
Class 'A'	0.0567	0.0588	0.0594
Class 'C'	0.0587	0.0610	0.0615

M&G (Lux) Investment Funds 1

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17 Subsequent events (continued)

M&G (Lux) Global High Yield ESG Bond Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Euro	Euro €	Euro €	Euro €
Class 'A-H'	0.1004	n/a	n/a
Class 'C-H'	0.1012	n/a	n/a

Sterling	UK p	UK p	UK p
Class 'C-H'	0.1034	n/a	n/a
Class 'L-H'	0.1068	n/a	n/a

Swiss franc	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.0991	n/a	n/a
Class 'C-H'	0.1000	n/a	n/a

US dollar	US €	US €	US €
Class 'A'	0.1058	n/a	n/a
Class 'A M'	0.0348	0.0392	0.0395
Class 'C'	0.1070	n/a	n/a

M&G (Lux) Global Listed Infrastructure Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Euro	Euro €	Euro €	Euro €
Class 'A'	0.0642	n/a	n/a
Class 'C'	0.0651	n/a	n/a

Sterling	UK p	UK p	UK p
Class 'C'	0.0627	n/a	n/a

Swiss franc	Swiss €	Swiss €	Swiss €
Class 'A'	0.0626	n/a	n/a
Class 'C'	0.0633	n/a	n/a

US dollar	US €	US €	US €
Class 'A'	0.0613	n/a	n/a
Class 'A M'	0.0277	0.0320	0.0473
Class 'C'	0.0622	n/a	n/a

M&G (Lux) Global Macro Bond Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1081
Class 'A-H'	0.0837
Class 'B'	0.0838
Class 'B-H'	0.0772
Class 'C'	0.1128
Class 'C-H'	0.0885

Singapore dollar	SGD €
Class 'A-H'	0.0838
Class 'C-H'	0.0850

Sterling	UK p
Class 'C-H'	0.0067
Class 'CI-H'	0.0571

US dollar	US €
Class 'A'	0.1222
Class 'C'	0.0983

M&G (Lux) Global Select Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1679
Class 'C'	0.1897

US dollar	US €
Class 'A'	0.1401
Class 'C'	0.1509

M&G (Lux) Income Allocation Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Euro	Euro €	Euro €	Euro €
Class 'A'	0.0576	0.0259	0.0253
Class 'A F2'	0.0160	0.0163	0.0159
Class 'A F3'	0.0238	0.0242	0.0236
Class 'A Q'	0.1082	n/a	n/a
Class 'B F2'	0.0160	0.0162	0.0158
Class 'B F3'	0.0237	0.0240	0.0235
Class 'B Q'	0.1080	n/a	n/a
Class 'C'	0.0581	0.0262	0.0256
Class 'C Q'	0.1088	n/a	n/a
Class 'ZI'	0.0583	0.0271	0.0264

Singapore dollar	SGD €	SGD €	SGD €
Class 'A-H'	0.0591	0.0266	0.0260
Class 'C-H'	0.0599	0.0269	0.0263

US dollar	US €	US €	US €
Class 'A-H'	0.0606	0.0270	0.0264
Class 'C-H'	0.0606	0.0272	0.0267

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17 Subsequent events (continued)

M&G (Lux) North American Dividend Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1563
Class 'C'	0.1737
US dollar	US \$
Class 'A'	0.1377
Class 'C'	0.1489

M&G (Lux) Optimal Income Fund

Distribution timetable			
Period to	31.03.19	30.04.19	31.05.19
Ex dividend date	23.04.19	20.05.19	24.06.19
Pay date	26.04.19	23.05.19	27.06.19

Distribution rate per share class			
Australian dollar	AUD \$	AUD \$	AUD \$
Class 'A-H M'	n/a	n/a	0.0339
Class 'C-H M'	n/a	n/a	0.0339
Euro	Euro €	Euro €	Euro €
Class 'A'	0.0000	n/a	n/a
Class 'B'	0.0000	n/a	n/a
Hong Kong dollar	0.0000	n/a	n/a
Class 'CI'	0.0000	n/a	n/a
Hong kong dollar	HKD \$	HKD \$	HKD \$
Class 'A-H M'	n/a	n/a	0.3348
Class 'C-H M'	n/a	n/a	0.3349
Singapore dollar	SGD \$	SGD \$	SGD \$
Class 'A-H M'	0.0172	0.0262	0.0326
Sterling	UK p	UK p	UK p
Class 'C-H'	0.0052	n/a	n/a
Class 'CI-H'	0.0000	n/a	n/a
Swiss franc	Swiss €	Swiss €	Swiss €
Class 'A-H'	0.0000	n/a	n/a
Class 'C-H'	0.0000	n/a	n/a
US dollar	US \$	US \$	US \$
Class 'A-H'	0.0000	n/a	n/a
Class 'A-H M'	0.0174	0.0263	0.0326
Class 'C-H'	0.0000	n/a	n/a
Class 'CI-H'	0.0000	n/a	n/a
Class 'J-H'	0.0000	n/a	n/a

M&G (Lux) Pan European Dividend Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.1894
Class 'B'	0.1339
Class 'C'	0.2175
Class 'CI'	0.1586
US dollar	US \$
Class 'A'	0.1233
Class 'C'	0.1278

M&G (Lux) Positive Impact Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0379
Class 'C'	0.0380
Sterling	UK p
Class 'C'	0.0365
Swiss franc	Swiss €
Class 'A'	0.0374
Class 'C'	0.0375
US dollar	US \$
Class 'A'	0.0374
Class 'C'	0.0375

M&G (Lux) Short Dated Corporate Bond Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19

Distribution rate per share class	
Euro	Euro €
Class 'A'	0.0584
Class 'C'	0.0592
US dollar	US \$
Class 'A-H'	0.0642
Class 'C-H'	0.0650

M&G (Lux) Investment Funds 1

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17 Subsequent events (continued)

M&G (Lux) Sustainable Allocation Fund

Distribution timetable	
Period to	31.03.19
Ex dividend date	23.04.19
Pay date	26.04.19
Distribution rate per share class	
Euro	Euro ¢
Class 'A'	0.1025
Class 'B'	0.1024
Class 'C'	0.1028
Class 'CI'	0.1026
Singapore dollar	SGD ¢
Class 'A-H'	0.1097
Class 'C-H'	0.1098
Swiss franc	Swiss ¢
Class 'A-H'	0.1088
Class 'C-H'	0.1090
US dollar	US ¢
Class 'A-H'	0.1099
Class 'C-H'	0.1101

Other information (unaudited)

Risk management policies

The funds' investment activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest.

These financial statements are designed to enable users to evaluate the nature and extent of those risks and how they are managed.

Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in a fund's portfolio attributable to changes in market variables, such as interest rates, foreign exchange rates, equity and commodity prices or an issuer's creditworthiness.

In measuring and monitoring market risk, the global exposure of a fund is calculated on a daily basis, using a 'commitment' approach or 'Value at Risk' (VaR) approach.

'Commitment' approach

The commitment approach is applied for funds investing only in traditional asset classes, namely equities, fixed income, money market instruments and collective investment schemes.

In addition, the approach is applied for funds which use or intend to use derivatives or instruments embedding derivatives, but only for efficient portfolio management purposes, or in a simple way not necessarily restricted to efficient portfolio management.

Under the commitment approach the global exposure of funds is measured and monitored using a commitment (adjusted notional) methodology.

'Value at Risk' approach

The absolute Value at Risk (VaR) approach is a methodology for estimating the maximum potential loss – with a degree of statistical confidence – due to market risk based on historic market volatilities and correlations. Specifically, the absolute VaR approach gives a broad indication of the maximum potential loss at a given confidence level (probability), over a specific time period under normal market conditions.

Instrument and portfolio modelling techniques are based on market accepted practices and are subject to regular audit (back-testing). Market risk factors that are analysed include LIBOR / swap rates, government yield curves, equity prices, foreign exchange, market volatility, credit spreads and credit default swap (CDS) spreads.

The VaR model is based on a Monte Carlo process with VaR reported on the basis of a 99% confidence interval over a one month period (20 business days). Risk factor history used in the Monte Carlo process is based on 250 equally weighted business days. From the variance/covariance matrices, a parametric Monte Carlo scenario set of 5,000 simulations is derived and applied to the fund.

VaR does have limitations in its ability to present valid levels of risk in extreme market conditions. Accordingly, the Risk Analysis team also carries out monthly stress testing and scenario-based analysis. Stress testing allows for extreme sets of market

circumstances which may not be reflected in historical data sets, thereby enabling further assessment of combinations of market movements which may cause serious damage to portfolio values. The key element to the scenariobased analysis is challenging the correlation assumptions implicit within statistical based models such as VaR.

The stress test and scenario-based analysis is customised for each fund type and the VaR analysis is produced on a daily basis.

The table below shows funds using the 'commitment' approach and those using the VaR approach:

Fund	Global exposure approach
M&G (Lux) Absolute Return Bond Fund	VaR
M&G (Lux) Asian Fund	Commitment
M&G (Lux) Conservative Allocation Fund	VaR
M&G (Lux) Dynamic Allocation Fund	VaR
M&G (Lux) Emerging Markets Bond Fund	VaR
M&G (Lux) Emerging Markets Hard Currency Bond Fund	VaR
M&G (Lux) Emerging Markets Income Opportunities Fund	VaR
M&G (Lux) Episode Macro Fund	VaR
M&G (Lux) Euro Corporate Bond Fund	VaR
M&G (Lux) European Inflation Linked Corporate Bond Fund	VaR
M&G (Lux) European Strategic Value Fund	Commitment
M&G (Lux) Floating Rate High Yield Solution	VaR
M&G (Lux) Global Convertibles Fund	VaR
M&G (Lux) Global Corporate Bond Fund	VaR
M&G (Lux) Global Dividend Fund	Commitment
M&G (Lux) Global Emerging Markets Fund	Commitment
M&G (Lux) Global Floating Rate High Yield Fund	VaR
M&G (Lux) Global High Yield Bond Fund	VaR
M&G (Lux) Global High Yield ESG Bond Fund	VaR
M&G (Lux) Global Listed Infrastructure Fund	Commitment
M&G (Lux) Global Macro Bond Fund	VaR
M&G (Lux) Global Recovery Fund	Commitment
M&G (Lux) Global Select Fund	Commitment
M&G (Lux) Global Target Return Fund	VaR
M&G (Lux) Global Themes Fund	Commitment
M&G (Lux) Income Allocation Fund	VaR
M&G (Lux) Japan Fund	Commitment
M&G (Lux) Japan Smaller Companies Fund	Commitment
M&G (Lux) Multi Asset 2023 Fund	Commitment
M&G (Lux) North American Dividend Fund	Commitment
M&G (Lux) North American Value Fund	Commitment
M&G (Lux) Optimal Income Fund	VaR
M&G (Lux) Pan European Dividend Fund	Commitment
M&G (Lux) Pan European Select Fund	Commitment
M&G (Lux) Positive Impact Fund	Commitment
M&G (Lux) Short Dated Corporate Bond Fund	VaR
M&G (Lux) Sustainable Allocation Fund	VaR

Other information (unaudited)

Risk management policies

VaR limit

When VaR is calculated as a percentage of the net asset value to assets a fund's market risk, it may not be greater than the VaR limit set for the fund.

For the financial period from 31 March 2018 to 29 March 2019 the table below shows the VaR limits set for the funds, together with the lowest, highest and average VaR calculated for each fund during the period.

for the year to 31 March 2019	VaR limit	Lowest	Highest	Average
	%	%	%	%
M&G (Lux) Absolute Return Bond Fund	6.00	0.61	1.75	0.96
M&G (Lux) Asian Fund ^[a]	n/a	n/a	n/a	n/a
M&G (Lux) Conservative Allocation Fund	8.00	1.71	3.20	2.49
M&G (Lux) Dynamic Allocation Fund	14.00	2.55	4.78	3.62
M&G (Lux) Emerging Markets Bond Fund ^[b]	20.00	1.61	2.53	2.13
M&G (Lux) Emerging Markets Hard Currency Bond Fund	15.00	1.77	5.10	2.81
M&G (Lux) Emerging Markets Income Opportunities Fund	20.00	3.37	4.60	3.95
M&G (Lux) Episode Macro Fund ^[a]	15.00	4.44	7.72	5.98
M&G (Lux) Euro Corporate Bond Fund ^[c]	13.00	0.73	0.99	0.84
M&G (Lux) European Inflation Linked Corporate Bond Fund	10.00	0.44	0.84	0.60
M&G (Lux) European Strategic Value Fund ^[d]	n/a	n/a	n/a	n/a
M&G (Lux) Floating Rate High Yield Solution	11.00	0.61	5.06	1.58
M&G (Lux) Global Convertibles Fund ^[c]	13.00	2.15	3.40	2.56
M&G (Lux) Global Corporate Bond Fund ^[e]	13.00	1.78	2.09	1.92
M&G (Lux) Global Dividend Fund ^[d]	n/a	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund ^[a]	n/a	n/a	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund ^[f]	10.00	0.80	2.40	1.18
M&G (Lux) Global High Yield Bond Fund ^[c]	12.00	1.02	5.17	1.50
M&G (Lux) Global High Yield ESG Bond Fund	12.00	0.79	2.54	1.44
M&G (Lux) Global Listed Infrastructure Fund	n/a	n/a	n/a	n/a
M&G (Lux) Global Macro Bond Fund ^[a]	20.00	1.62	2.40	2.09
M&G (Lux) Global Recovery Fund ^[g]	n/a	n/a	n/a	n/a
M&G (Lux) Global Select Fund ^[c]	n/a	n/a	n/a	n/a
M&G (Lux) Global Target Return Fund	6.00	1.29	2.86	2.01
M&G (Lux) Global Themes Fund ^[h]	n/a	n/a	n/a	n/a
M&G (Lux) Income Allocation Fund	11.00	3.01	3.98	3.48
M&G (Lux) Japan Fund ^[a]	n/a	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund ^[a]	n/a	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund	n/a	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund ^[c]	n/a	n/a	n/a	n/a
M&G (Lux) North American Value Fund ^[c]	n/a	n/a	n/a	n/a
M&G (Lux) Optimal Income Fund ^[i]	20.00	1.32	1.87	1.55
M&G (Lux) Pan European Dividend Fund ^[e]	n/a	n/a	n/a	n/a
M&G (Lux) Pan European Select Fund ^[c]	n/a	n/a	n/a	n/a
M&G (Lux) Positive Impact Fund ^[j]	n/a	n/a	n/a	n/a
M&G (Lux) Short Dated Corporate Bond Fund ^[a]	3.00	0.37	0.52	0.45

	VaR limit	Lowest	Highest	Average
for the year to 31 March 2019	%	%	%	%
M&G (Lux) Sustainable Allocation Fund ^[l]	12.00	3.33	4.35	3.97

^[a] Fund launched on 26 October 2018.

^[b] Fund launched on 17 September 2018.

^[c] Fund launched on 9 November 2018.

^[d] Fund launched on 18 September 2018.

^[e] Fund launched on 7 December 2018.

^[f] Fund launched on 13 September 2018.

^[g] Fund launched on 18 July 2018.

^[h] Fund launched on 19 March 2019.

^[i] Fund launched on 5 September 2018.

^[j] Fund launched on 29 November 2018.

Leverage risk

Derivatives can be used by the fund to generate market exposure to investments exceeding the net asset value. As a result of this exposure, positive or negative movement in markets may have a more significant effect on the net asset value of the fund.

Derivatives can also be employed to hedge exposure. Consequently, higher derivative usage will not necessarily imply a higher level of risk for the fund.

For funds using VaR approaches we disclose the level of this leverage employed during the financial reporting period on a 'sum of notionals' basis.

The lowest, highest and average level of leverage employed and utilisation of the leverage level calculated during the financial period from 31 March 2018 to 29 March 2019 are shown in the table below. Please note that not all the funds were in existence for the whole financial period and therefore the data is only calculated from their respective launch dates (see footnote below table).

for the year to 31 March 2019 ^[a]	Lowest	Highest	Average
M&G (Lux) Absolute Return Bond Fund (€'000)	34,953	95,037	50,037
M&G (Lux) Absolute Return Bond Fund (%)	81	197	114
M&G (Lux) Asian Fund (US\$'000) ^[b]	n/a	n/a	n/a
M&G (Lux) Asian Fund (%) ^[b]	n/a	n/a	n/a
M&G (Lux) Conservative Allocation Fund (€'000)	3,937,381	7,505,572	4,685,350
M&G (Lux) Conservative Allocation Fund (%)	125	228	155
M&G (Lux) Dynamic Allocation Fund (€'000)	12,403,548	23,787,967	15,311,239
M&G (Lux) Dynamic Allocation Fund (%)	153	263	185
M&G (Lux) Emerging Markets Bond Fund (US\$'000) ^[c]	1,048	231,194	60,257
M&G (Lux) Emerging Markets Bond Fund (%) ^[c]	2	31	13
M&G (Lux) Emerging Markets Hard Currency Bond Fund (US\$'000)	26,882	120,205	36,152
M&G (Lux) Emerging Markets Hard Currency Bond Fund (%)	14	55	18
M&G (Lux) Emerging Markets Income Opportunities Fund (US\$'000)	0	145	11
M&G (Lux) Emerging Markets Income Opportunities Fund (%)	0	1	0
M&G (Lux) Episode Macro Fund (US\$'000) ^[b]	441,914	691,954	530,357
M&G (Lux) Episode Macro Fund (%) ^[b]	153	244	189
M&G (Lux) Euro Corporate Bond Fund (€'000) ^[d]	234,902	508,320	369,965
M&G (Lux) Euro Corporate Bond Fund (%) ^[d]	18	43	31
M&G (Lux) European Inflation Linked Corporate Bond Fund (€'000)	72,563	134,284	89,070
M&G (Lux) European Inflation Linked Corporate Bond Fund (%)	78	144	97

Other information (unaudited)

Risk management policies

Leverage risk (continued)

for the year to 31 March 2019 ^[a]	Lowest	Highest	Average
M&G (Lux) European Strategic Value Fund (€'000) ^[e]	n/a	n/a	n/a
M&G (Lux) European Strategic Value Fund (%) ^[e]	n/a	n/a	n/a
M&G (Lux) Floating Rate High Yield Solution (US\$'000)	972	59,005	35,981
M&G (Lux) Floating Rate High Yield Solution (%)	56	109	89
M&G (Lux) Global Convertibles Fund (US\$'000) ^[d]	77,971	197,463	110,344
M&G (Lux) Global Convertibles Fund (%) ^[d]	7	18	10
M&G (Lux) Global Corporate Bond Fund (US\$'000) ^[f]	10,164	27,289	15,047
M&G (Lux) Global Corporate Bond Fund (%) ^[f]	53	139	77
M&G (Lux) Global Dividend Fund (US\$'000) ^[e]	n/a	n/a	n/a
M&G (Lux) Global Dividend Fund (%) ^[e]	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund (US\$'000) ^[b]	n/a	n/a	n/a
M&G (Lux) Global Emerging Markets Fund (%) ^[b]	n/a	n/a	n/a
M&G (Lux) Global Floating Rate High Yield Fund (US\$'000) ^[g]	107,701	7,469,081	2,362,951
M&G (Lux) Global Floating Rate High Yield Fund (%) ^[g]	77	205	103
M&G (Lux) Global High Yield Bond Fund (US\$'000) ^[d]	20,949	155,156	62,442
M&G (Lux) Global High Yield Bond Fund (%) ^[d]	52	256	93
M&G (Lux) Global High Yield ESG Bond Fund (US\$'000)	8,314	37,266	11,369
M&G (Lux) Global High Yield ESG Bond Fund (%)	53	171	63
M&G (Lux) Global Listed Infrastructure Fund (US\$'000)	n/a	n/a	n/a
M&G (Lux) Global Listed Infrastructure Fund (%)	n/a	n/a	n/a
M&G (Lux) Global Macro Bond Fund (US\$'000) ^[b]	513,483	1,312,921	713,947
M&G (Lux) Global Macro Bond Fund (%) ^[b]	69	176	96
M&G (Lux) Global Recovery Fund (US\$'000) ^[h]	n/a	n/a	n/a
M&G (Lux) Global Recovery Fund (%) ^[h]	n/a	n/a	n/a
M&G (Lux) Global Select Fund (US\$'000) ^[d]	n/a	n/a	n/a
M&G (Lux) Global Select Fund (%) ^[d]	n/a	n/a	n/a
M&G (Lux) Global Target Return Fund (€'000)	155,934	335,159	209,326
M&G (Lux) Global Target Return Fund (%)	125	280	189
M&G (Lux) Global Themes Fund (US\$'000) ^[i]	n/a	n/a	n/a
M&G (Lux) Global Themes Fund (%) ^[i]	n/a	n/a	n/a
M&G (Lux) Income Allocation Fund (€'000)	556,489	1,945,286	680,732
M&G (Lux) Income Allocation Fund (%)	43	150	54
M&G (Lux) Japan Fund (¥'000) ^[b]	n/a	n/a	n/a
M&G (Lux) Japan Fund (%) ^[b]	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund (¥'000) ^[b]	n/a	n/a	n/a
M&G (Lux) Japan Smaller Companies Fund (%) ^[b]	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund (€'000)	n/a	n/a	n/a
M&G (Lux) Multi Asset 2023 Fund (%)	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund (US\$'000) ^[d]	n/a	n/a	n/a
M&G (Lux) North American Dividend Fund (%) ^[d]	n/a	n/a	n/a
M&G (Lux) North American Value Fund (US\$'000) ^[d]	n/a	n/a	n/a
M&G (Lux) North American Value Fund (%) ^[d]	n/a	n/a	n/a
M&G (Lux) Optimal Income Fund (€'000) ^[j]	163,413	30,327,456	3,442,488
M&G (Lux) Optimal Income Fund (%) ^[j]	93	205	129
M&G (Lux) Pan European Dividend Fund (€'000) ^[f]	n/a	n/a	n/a
M&G (Lux) Pan European Dividend Fund (%) ^[f]	n/a	n/a	n/a
M&G (Lux) Pan European Select Fund (€'000) ^[d]	n/a	n/a	n/a
M&G (Lux) Pan European Select Fund (%) ^[d]	n/a	n/a	n/a
M&G (Lux) Positive Impact Fund (US\$'000) ^[k]	n/a	n/a	n/a
M&G (Lux) Positive Impact Fund (%) ^[k]	n/a	n/a	n/a
M&G (Lux) Short Dated Corporate Bond Fund (€'000) ^[b]	43,282	129,906	56,790
M&G (Lux) Short Dated Corporate Bond Fund (%) ^[b]	74	225	90

for the year to 31 March 2019 ^[a]	Lowest	Highest	Average
M&G (Lux) Sustainable Allocation Fund (€'000) ^[k]	7,390	39,559	16,313
M&G (Lux) Sustainable Allocation Fund (%) ^[k]	67	193	85

^[a] Global Exposure Stated as Gross Notional. Expressed as a % over Fund Valuation.

^[b] Fund launched on 26 October 2018.

^[c] Fund launched on 17 September 2018.

^[d] Fund launched on 9 November 2018.

^[e] Fund launched on 18 September 2018.

^[f] Fund launched on 7 December 2018.

^[g] Fund launched on 13 September 2018.

^[h] Fund launched on 18 July 2018.

^[i] Fund launched on 19 March 2019.

^[j] Fund launched on 5 September 2018.

^[k] Fund launched on 29 November 2018.

Other information (unaudited)

Other regulatory disclosures

Remuneration

In line with the requirements of the Undertakings for Collective Investments in Transferable Securities (UCITS) V, the UCITS Manager is subject to a remuneration policy which is consistent with the principles outlined in SYSC19E of the FCA Handbook (UCITS Remuneration Code).

The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its staff is in line with the risk policies and objectives of the UCITS funds it manages. Further details of the remuneration policy applicable at an M&G Limited level can be found here:

<https://www.mandg.com/about-us/policies-and-business-principles>. M&G's remuneration policy and its implementation is reviewed on an annual basis, or more frequently where required, and approved by the M&G Remuneration Committee. The latest review found that the remuneration policy continued to align to all local regulatory requirements and continued to operate as intended.

The UCITS management company is required under UCITS to make quantitative disclosures of remuneration. These disclosures are made in line with M&G's interpretation of currently available guidance on quantitative remuneration disclosures. As market or regulatory guidance evolves, M&G may consider it appropriate to make changes to the way in which quantitative disclosures are calculated. Members of staff and senior management typically provide both UCITS and non-UCITS related services and have a number of areas of responsibility. Therefore, only the portion of remuneration for those individuals' services which may be attributable to UCITS is included in the remuneration figures disclosed. Accordingly the figures are not representative of any individual's actual remuneration.

Securities Financing Transactions Regulation (SFTR)

Under the Securities Financing Transactions Regulation ('SFTR'), the Company is required to disclose certain information in relation to its use of Securities Financing Transactions ('SFTs') including Total Return Swaps ('TRSs'). SFTs include various types of transactions, however, the Company is currently only permitted to enter into TRSs, and only in relation to the following sub-funds:

- M&G (Lux) Absolute Return Bond Fund
- M&G (Lux) Conservative Allocation Fund
- M&G (Lux) Dynamic Allocation Fund
- M&G (Lux) Floating Rate High Yield Solution
- M&G (Lux) Global Floating Rate High Yield Fund
- M&G (Lux) Global Target Return Fund
- M&G (Lux) Income Allocation Fund
- M&G (Lux) Optimal Income Fund

During the period from 1 April 2018 to 31 March 2019 no funds entered into Total Return Swaps.

Swiss investor information

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

For these funds the TERs are disclosed in the 'Net Asset Values and Total Expense Ratio' table that can be found in each fund's financial highlights section.

Glossary

1933 Act: The United States Securities Act of 1933, as amended.

1940 Act: The United States Securities Act of 1940, as amended.

Accumulation shares: Shares in respect of which all earnings are accumulated and added to the capital property of a fund.

Administration agreement: The administration agreement dated 14 September 2018 pursuant to which the Administrator is appointed to provide services with respect to the Company.

Administrator: State Street Bank Luxembourg S.C.A.

Ancillary liquid assets: Refers to (i) cash deposits; and (ii) money market instruments, such as short-term debt securities (i.e., debt securities with less than one year to maturity), treasury bills, commercial paper, certificates of deposit and bankers acceptances.

Articles: Articles of incorporation of the Company.

Auditor: Ernst & Young S.A.

Base currency: The base currency of the Company is the Euro.

Below investment grade: Debt securities from less creditworthy issuers. These securities are rated BBB-/Baa3 or lower using the highest rating available from one of the independent rating agencies e.g. Standard & Poor's, Moody's or Fitch. Also known as "high yield" securities, because they typically offer higher income in exchange for their higher level of default risk compared to investment grade debt securities.

Business day: Unless otherwise stated in a Fund Supplement, any day when the banks are fully open for normal banking business in both England and Luxembourg (excluding 24 December and 31 December).

Class or Class of shares or Share class: A class of shares in issue or to be issued.

Company: M&G (Lux) Investment Funds 1.

CSSF: The Luxembourg Commission de Surveillance du Secteur Financier or its successor, being the Luxembourg regulatory authority in charge of the supervision of UCIs in the Grand-Duchy of Luxembourg.

CSSF Circular 04/146: the CSSF Circular 04/146 of 17 June 2004 regarding the protection of undertakings for collective investment and their investors against late trading and market timing practices, as amended.

CSSF Regulation 12/02: the CSSF Regulation 12/02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended.

Dealing day: Unless otherwise stated in a Fund Supplement, any Business Day.

Dealing request deadline: 13.00 hours (Luxembourg time) on each Dealing Day or such other time as the Directors may determine.

Defaulted Bond: When a bond issuer does not maintain interest payments or repay the amount borrowed when due.

Depository: State Street Bank Luxembourg S.C.A.

Depository agreement: The depository agreement dated 7 December 2018 pursuant to which the Depository is appointed to provide depository services to the Company.

Directors: The members of the Board of Directors of the Company for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time.

Distribution shares: Shares in respect of which dividends may be distributed periodically to Shareholders.

Distributor: M&G International Investments S.A.

Emerging markets: Countries with less established financial markets and investor protections. Typically, emerging and developing countries are those defined as such by the International Monetary Fund or the World Bank or those who have low or middle income economies according to the World Bank. The list of emerging and less developed markets is subject to continuous change. Examples include most countries in Asia, Latin America, Eastern Europe, the Middle East and Africa.

Environmental, Social and Governance (ESG): Non-financial considerations affecting an issuer such as carbon emissions and environmental regulations, accounting and tax policies, disclosure and investor communication, shareholder rights and remuneration policies.

ESMA: The European Securities and Markets Authority or its successor authority.

ESMA guidelines 2014/937: Refers to the guidelines on ETFs and other UCITS issues published on 1 August 2014 by ESMA (ESMA/2014/937), as implemented in Luxembourg and entered into force on 1 October 2014 as may be amended, supplemented and/or implemented from time to time.

EU: The European Union.

EURIBOR: The Euro Interbank Offered Rate, which is based on the average interest rates at which a panel of European banks borrow money from one another.

FATCA: The provisions of the US HIRE Act generally referred to as the Foreign Account Tax Compliance Act.

FCA: The Financial Conduct Authority or its successor authority in the United Kingdom.

FCA rules: The rules of the FCA, as the same may be amended from time to time.

Floating Rate Bond: A bond which pays a variable rate of income that is regularly reset in line with changes in market interest rates.

Fund: A specific pool of assets, or sub-fund established within the Company, within the meaning of Article 181 of the UCI Law.

Fund Supplement: A supplement to this Prospectus specifying certain information in respect of a Fund.

Fund manager: An employee of M&G Limited who manages the investment of money on its behalf.

Group or Group of companies: Companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognised international accounting rules, as amended.

Hard currency: A currency that is widely accepted for international payments. It usually comes from a country that has a strong and stable economic and political situation. Typically, the most tradable currencies in the world are the US Dollar, Euro, Japanese Yen, British Pound, Swiss Franc, Canadian Dollar, Australian Dollar, New Zealand Dollar and South African Rand.

Hedged share classes: Those classes where a currency hedging strategy is applied.

Glossary

Ineligible investor: Any person to whom a transfer of shares (legally or beneficially) or by whom a holding of shares (legally or 3 beneficially) would or, in the opinion of the Directors, might: a) be in breach of any law (or regulation by a competent authority) of any country or territory by virtue of which the person in question is not qualified to hold such shares; or b) require the Company, the Management Company or the Investment manager to be registered under any law or regulation whether as an investment fund or otherwise, or cause the Company to be required to comply with any registration requirements in respect of any of its shares, whether in the United States of America or any other jurisdiction; or c) cause the Company, its Shareholders, the Management Company or the Investment manager some legal, regulatory, taxation, pecuniary or material administrative disadvantage which the Company, its Shareholders, the Management Company or the Investment manager might not otherwise have incurred or suffered.

Initial offer period: the period set by the Directors in relation to any fund or Class of shares as the period during which shares are initially on offer and as specified in the relevant Fund Supplement.

Initial offer price: The initial price payable for a Share as specified in the relevant Fund Supplement of the fund.

Institutional investor: As defined in the UCI Law and by guidelines or recommendations issued by the CSSF from time to time.

Investment grade: Debt securities that are typically considered by a credit rating agency as being capable of meeting their payment obligations. Debt securities rated BBB-/Baa3 or higher using the highest rating available from one of the independent credit ratings agencies (Standard & Poor's, Moody's or Fitch or another recognized credit rating agency) are considered investment grade.

Investment management agreement: The investment management agreement dated 7 December 2018 pursuant to which the investment manager is appointed to provide discretionary investment management services to the Company and the funds.

Investment manager: M&G Investment Management Limited.

IRS: The US Internal Revenue Service.

KIID: Key Investor Information Document applicable to a Share Class.

Luxembourg: The Grand-Duchy of Luxembourg.

Management Agreement: The management agreement dated 1 October 2018 pursuant to which the Management Company is appointed by the Company.

Management Company: M&G Luxembourg S.A.

Member state: A member state of the European Union. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the European Union, within the limits set forth by this agreement 4 and related acts, are considered as equivalent to member states of the European Union.

Minimum subsequent subscription: The minimum additional investment for each class of Shares as specified in Appendix 2 of the Prospectus.

Minimum holding: Where applicable, the minimum holding for each class of Shares as specified in Appendix 2 of the Prospectus.

Minimum subscription: The minimum initial investment for each class of Shares as specified in Appendix 2 of the Prospectus.

Money market instruments: Instruments normally dealt on the money market which are liquid, and have a value which can be accurately determined at any time, and instruments eligible as money market instruments, as defined by guidelines issued by the CSSF from time to time.

Net Asset Value: The net asset value of the Company, a fund or a Class (as the context may require) as calculated in accordance with the Articles and the Prospectus.

Net Asset Value per share: The Net Asset Value in respect of any fund or Class divided by the number of shares of the relevant fund or Class in issue at the relevant time.

Non-Member State: Any state which is not a Member State.

OECD: The Organisation for Economic Co-operation and Development.

OECD CRS: OECD Common Reporting Standard.

OTC (over the counter) derivative: A derivative instrument entered into with an approved counterparty outside of an exchange.

Price per share: Unless otherwise defined in a Fund Supplement, the Net Asset Value per Share attributable to the shares issued in respect of a fund or Class, plus or minus any attributable swing price adjustment, as described in the section of this Prospectus entitled 'Swing Pricing and Dilution Levy'.

Prospectus: This Prospectus, as may be amended or supplemented from time to time.

Reference currency: The currency of the relevant fund.

Registrar and transfer agent: RBC Investor Services Bank S.A.

Registrar and transfer agency agreement: The registrar and transfer agency agreement dated 7 December 2018 pursuant to which the registrar and transfer agent is appointed to provide certain registration and transfer agency services in respect of the funds.

Regulated market: A regulated market according to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EC ('MiFID'). A list of EU-regulated markets according to MiFID is regularly updated and published by the European Commission.

Share or shares: Shares of any Class in the Company as the context requires.

Share class currency: The currency of the relevant Class.

Shareholder: A person registered as the holder of shares on the Company's register of shareholders.

Suspended: Temporarily halting the trading of a listed security on the stock exchange. It can be voluntary (requested by the issuing company) or imposed by regulators. Typically, trading suspensions are introduced ahead of important news announcements, following technical glitches, or due to regulatory concerns.

Transferable securities: (i) shares and other securities equivalent to shares ('shares'); (ii) bonds and other debt instruments ('debt securities'); and (iii) any other negotiable securities that carry the right to acquire any such transferable securities by subscription or exchange, to the extent they do not qualify as Techniques and Instruments as described in Appendix 1 of this Prospectus.

UCI(s): Undertaking(s) for collective investment.

UCI law: The Luxembourg law of 17 December 2010 on undertakings for collective investment, as may be amended from time to time.

UCITS: An undertaking for collective investment in transferable securities established pursuant to the UCITS Directive.

Glossary

UCITS directive: The Directive 2009/65/EC of the European Parliament and Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended by Directive 2014/91/EU as regards depositary functions, remuneration policies and sanctions.

United States, US or USA: The United States of America (including the States and District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction.

Unlisted/unquoted: Shares of ownership in companies that are not listed on a public exchange, known as private companies.

Valuation day: Unless otherwise stated in a Fund Supplement, any Business Day.

