

M&G LAUNCHES FIRST GLOBAL LISTED INFRASTRUCTURE FUND

- Targets core infrastructure and opportunities arising from an increasingly digital world

London, 05 October 2017 – M&G Investments, a leading international asset manager, today announces the launch of a global equity infrastructure fund which aims to provide investors with both a growing income stream and long-term capital appreciation.

The fund will invest in companies that own or control critical physical infrastructure which supports global economic growth, and in businesses whose assets underpin the day-to-day functioning of society. Revenues from these types of businesses are often inflation protected, and the stable and growing cash flows they generate are typically available in the stock market with a higher yield and lower volatility compared to global equities.

The M&G Global Listed Infrastructure Fund, managed by Alex Araujo, has a total return objective, aiming to outperform the MSCI AC World Index over any five-year period, and seeking to deliver an income stream to unitholders that increases every year.

The strategy draws on a proprietary, global investment universe which offers depth and liquidity. The fund provides diversification by geography and by infrastructure class, but the fund manager goes an important step further. The traditional, core infrastructure definition is augmented by modern elements supporting an increasingly digital and connected world.

Alex Araujo, fund manager, says: “The fund will invest in companies which own and operate the infrastructure we have come to rely upon in daily life, including utilities, energy, and transport infrastructure. Due to their critical, essential nature, demand for these services tends to display resilience throughout the economic cycle.

“However, the infrastructure landscape has had to evolve to support the realities of modern-day life, which increasingly depends on digital services and high-speed connectivity. Accordingly, we broaden our investible universe to include an ‘evolving’ infrastructure class, which offers long-term structural growth and compelling investment opportunities for the fund.”

Graham Mason, CIO for M&G equity, multi-asset and retail fixed interest, says: “With rising inflation expectations in developed markets, investors are seeking global equity products which can offer diversification, an inflation-protected income stream, and strong long-term total returns. Combining Alex's experience with the breadth of M&G Group's infrastructure expertise, I am confident this fund will deliver an exciting new opportunity for our clients who seek cash flows that have the potential to grow over the long term.”

Alex Araujo continues: “Investing in long-life businesses and physical assets requires a resolute focus on sustainability. As such, we explicitly integrate Environmental, Social, and Governance (ESG) considerations into our investment process. With infrastructure businesses increasingly accountable to multiple stakeholders on ESG-related issues, we seek to mitigate risk, preserve capital, and grow our clients’ savings over the long term”

The fund sits within M&G’s equity income team, overseen by Stuart Rhodes, manager of the M&G Global Dividend Fund, a top quartile performer since launch in 2008*.

ENDS

*Source: Morningstar, 30 September 2017 / GBP I Acc / Sector: IA Global Sector Average/Count / Fund Manager Tenure: July 18, 2008

Notes to editors

About Alex Araujo, fund manager

Alex Araujo was appointed manager of the M&G Global Listed Infrastructure Fund at its launch in October 2017. He joined M&G’s Income team in July 2015 as an embedded analyst and named co-deputy fund manager of the M&G Global Dividend Fund in April 2016. He has more than 20 years’ experience in financial markets, having previously worked at UBS and BMO Financial Group where he specialised in US and Canadian equities. Alex graduated from the University of Toronto with an MA in economics and is a CFA charterholder.

About John Weavers, deputy fund manager

John Weavers has been the manager of the M&G North American Dividend Fund since April 2015. In January 2016, he was appointed deputy fund manager of the M&G Global Dividend Fund before being joined by Alex Araujo as co-deputy fund manager in April 2016. Prior to April 2015, John was deputy manager of the M&G Pan European Dividend Fund and the M&G Dividend Fund for two years. John joined M&G as a graduate in 2007 and worked as an analyst in the Equity Research team before joining the Income team in January 2012. He graduated from Oxford University with an honours degree in politics, philosophy and economics and is a CFA charterholder.

About M&G

M&G is a leading international asset manager with a long-term, active approach to investing. The firm has been helping people to prosper by putting their money to work for more than 85 years. M&G’s customers include private investors, members of pension schemes and life insurance policyholders. Responding to the ever changing financial landscape, the firm has developed a wide range of investment solutions, across equities, fixed income, real estate, multi asset and infrastructure. At 30 June 2017 M&G manages over £281.5 / €320.6 billion in assets for its customers.

Headquartered in London, M&G employs over 2,000 people worldwide in 16 countries, managing assets in Europe, Asia and the US. M&G is the asset management arm of Prudential Plc in the UK and Europe.

As a steward of clients’ assets M&G recognises the importance of responsible investing with the analysis of environmental, social and governance (ESG) factors core to the business. M&G is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Program, which is dedicated to achieving the long-term goal of building climate resilient economies. M&G’s £27 billion real estate business arm has a sector leading approach to responsible property management, and is committed to assessing and improving the sustainability performance of its funds.



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