

M&G PROPERTY PORTFOLIO MOVES TO CANCELLATION PRICING

London, 7 June 2016 – As previously warned, due to volatility of flows, M&G Investments (M&G) has changed the pricing basis of its M&G Property Portfolio and M&G Feeder of Property Portfolio from creation to cancellation as of today, 7 June.

The pricing basis of the fund is monitored on an ongoing basis and the decision to return to cancellation pricing reflects a change in the balance between buyers and sellers.

Fiona Rowley, manager of the M&G Property Portfolio, believes that commercial property is entering the maturing phase of the cycle and that moving forward, we should expect 'more normal' mid-single-digit returns, dominated by income rather than capital growth. The stability of income from property still makes it an attractive asset class and according to Fiona, expected returns for UK commercial property should be around 6% per annum over the next three years.

There may be further volatility in flows and subsequent possible changes to pricing as the EU Referendum nears.

-ENDS-

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Notes to Editors

About M&G

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