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M&G increases access to Chinese equity investment opportunities with selection of new managers

The equity investment team at M&G, a leading savings and investments business, has today increased its access to investment opportunities in Chinese companies through the selection of two managers – local stock-picker Value Partners Group Limited (“Value Partners”) and the Asian Pacific equities investment team at M&G.

Value Partners will manage a mandate in excess of £500 million – a portion of M&G’s overall £2 billion plus exposure to Chinese equities – focusing on a blend of actively managed onshore and offshore Chinese equities, using the MSCI China All Shares Index.

The beneficiaries of these new mandates are customers in the £136 billion Prudential with-profits fund, which includes PruFund. As the UK’s largest with-profits fund, it offers investors access to a wide range of assets, across different asset types and countries, creating a diversified portfolio which spreads the risk of investment.

Known for its value bias investment style, Value Partners was established in 1993 and became the first asset management firm to be listed on the Main Board on the Hong Kong Stock Exchange. The company is headquartered in Hong Kong and has offices in Shanghai, Shenzhen, Beijing, Kuala Lumpur, Singapore and London.

The allocation of the internal mandate follows the significant investment by M&G in [September 2019](#) in an Asia Pacific equity fund management and research capability, to meet increasing client demand for assets in the region.

Jack Daniels, Chief Investment Officer, M&G plc, says: “As one of the world’s largest and fastest growing economies, China is home to exciting companies with cutting-edge technology and a burgeoning consumer base. For active managers like us, it is essential to blend our own expertise with that of a local partner to ensure our customers can benefit from their extensive experience, which should in turn result in excellent investment returns.”

Mr. Hendrik von Ripperda-Cosyn, Country Head and Managing Director, European Business of Value Partners said “We are proud to have been chosen as the investment specialist to help M&G manage its China equity allocation and look forward to seeing the mandate grow. As a result of the growth of China’s equity markets, both in terms of global index weightings and overall market capitalisation, we are now seeing an increasing number of asset owners beginning to implement dedicated, standalone China allocations. We expect this to be the beginning of a major shift in strategic asset allocations toward China.”

