

# M&G Global Emerging Markets Fund Sterling Class I – Accumulation shares

Monthly Fund Review as at 31 December 2024

For investment professionals only

## Highlights

- Emerging markets delivered a negative return in December, which was partly due to the poor performance of South Korea, Brazil and India. South Korea witnessed its biggest political crisis in decades when President Yoon Suk Yeol declared a surprise martial law but lifted it soon after, following a severe backlash. The fund's relative performance was hurt by an overweight position in Brazil and an underweight position in Taiwan. Stockpicking in some sectors including financials also detracted.
- Key detractors included holdings in Teck Resources, a global diversified miner, with interests in copper, zinc and metallurgical coal; China-based biopharmaceutical company Beigene and US-listed oil and gas explorer Kosmos Energy. Key contributors included Chinese companies Kunlun Energy, that explores and produces crude oil and natural gas; China Communications Services, a provider of engineering and construction services to the telecommunications industry. Brava Energia, an oil and gas exploration and production company, also added value. The company recently received the authorisation from the National Agency of Petroleum, Natural Gas and Biofuels to start production at FPSO Atlanta.
- During the month, we began a new position in Eletrobras.

## The main risks associated with this fund

The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested.

Investing in emerging markets involves a greater risk of loss as there may be difficulties in buying, selling, safekeeping or valuing investments in such countries.

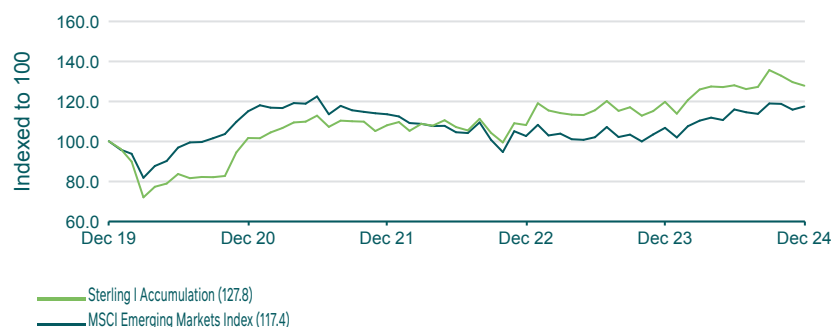
The fund can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.

Further risk factors that apply to the fund can be found in the fund's Prospectus.

## Single year performance (5 years)

	2024	2023	2022	2021	2020
■ Sterling I Accumulation	6.8%	10.7%	0.1%	6.2%	1.6%
■ MSCI Emerging Markets Index	10.0%	4.0%	-9.6%	-1.3%	15.0%
■ Sector	8.0%	4.3%	-12.4%	-0.4%	13.6%

## Performance over 5 years



## Fund performance

	1 month	3 months	YTD	1 year	3 years p.a.	5 years p.a.
■ Sterling I Accumulation	-1.4%	-5.7%	6.8%	6.8%	5.8%	5.0%
■ MSCI Emerging Markets Index	1.4%	-1.3%	10.0%	10.0%	1.1%	3.3%
■ Sector	0.9%	-1.1%	8.0%	8.0%	-0.4%	2.2%

Past performance is not a guide to future performance.

**Performance comparison:** The benchmark is a target which the Fund seeks to outperform. The index has been chosen as the fund's target benchmark as it best reflects the scope of the fund's investment policy. The benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

The fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The fund's holdings may deviate significantly from the benchmark's constituents.

Source: Morningstar, Inc and M&G, as at 31 December 2024. Returns are calculated on a price to price basis with income reinvested. Benchmark returns stated in GBP terms.

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## Key information

Fund manager(s)	Michael Bourke
Fund manager tenure from	30 September 2018
ISIN	GB00B3FFXX47
Launch date of fund	05 February 2009
Launch of share class	05 February 2009
Fund size (millions)	£ 641.90
Benchmark(s)	MSCI Emerging Markets Index
Benchmark type	Target
Sector	IA Global Emerging Markets sector
Number of companies	90
Historic yield	2.35%
Portfolio turnover over 12 months	53.12%
VaR	9.87%
Payment dates	Mar
Ex-dividend dates	Feb

## Charges

Maximum entry charge	0.00%
Ongoing charge	0.75%

## Risk characteristics

As at 31/12/2024	Fund
Alpha (%)	4.37
Information ratio	0.76
Sharpe Ratio	0.21
Historic tracking error (%)	6.11
Beta	0.91
Standard deviation (%)	13.67
Forecast tracking error (active risk, %)	5.80
Active share (%)	84.11

## Things you should know

The fund invests mainly in company shares and is therefore likely to experience larger price fluctuations than funds that invest in bonds and/or cash.

## Fund ratings as at 31 December 2024

Morningstar Medalist Rating™	Analyst-Driven %
<b>Bronze</b>	100
	Data Coverage %
	100

Overall Morningstar rating  
Financial Express Crown Rating



Fund Calibre Rating  
Source of Morningstar ratings: Morningstar  
Source: Financial Express  
Source: FundCalibre

Yes

Ratings should not be taken as a recommendation.

## Industry breakdown (%)

	Fund	Index	Relative weight
Financials	26.8	23.7	3.1
Consumer discretionary	22.5	13.1	9.4
Information technology	12.9	24.3	-11.4
Industrials	7.9	6.6	1.3
Materials	6.3	5.7	0.6
Energy	5.4	4.6	0.9
Communication services	4.4	9.4	-5.0
Utilities	3.4	2.7	0.7
Real Estate	3.4	1.7	1.7
Consumer staples	2.5	4.8	-2.3
Health care	2.4	3.5	-1.0
Cash	2.1	0.0	2.1

## Largest holdings (%)

	Fund	Index	Relative weight
Taiwan Semiconductor	5.4	10.5	-5.2
Samsung Electronics	4.5	2.6	1.9
Prosus	4.5	0.0	4.5
Alibaba Group Holding	4.2	2.3	1.9
HDFC Bank	3.2	1.5	1.7
AIA	2.8	0.0	2.8
Jd.com	2.2	0.6	1.7
Ping AN Insurance Group of China	2.0	0.6	1.5
Absa Group	1.9	0.1	1.8
Inchcape	1.9	0.0	1.9

## Capitalisation breakdown (%)

	Fund	Index	Relative weight
Mega cap (> \$50bn)	32.3	44.1	-11.8
Large cap (\$10 - \$50bn)	28.2	36.3	-8.0
Mid cap (\$2 - \$10bn)	23.4	19.6	3.8
Small cap (< \$2bn)	12.5	0.1	12.4
Other	1.7	0.0	1.7
Cash	2.1	0.0	2.1

## Country breakdown (%)

	Fund	Index	Relative weight
China	29.5	27.8	1.8
South Korea	12.4	9.0	3.4
Brazil	10.1	4.0	6.1
Taiwan	6.2	19.6	-13.4
South Africa	5.8	2.7	3.1
India	5.0	19.4	-14.4
Hong Kong	4.9	0.1	4.9
Indonesia	4.7	1.5	3.2
Other	19.3	15.9	3.4
Cash	2.1	0.0	2.1

## Largest overweights (%)

	Fund	Index	Relative weight
Prosus	4.5	0.0	4.5
AIA	2.8	0.0	2.8
Samsung Electronics	4.5	2.6	1.9
Alibaba Group Holding	4.2	2.3	1.9
Inchcape	1.9	0.0	1.9
Absa Group	1.9	0.1	1.8
Teck Resources	1.8	0.0	1.8
Jd.com	2.2	0.6	1.7
HDFC Bank	3.2	1.5	1.7
FAR East Horizon	1.7	0.0	1.6

## Currency breakdown (%)

	Fund	Index	Relative weight
US dollar	21.9	2.6	19.3
Hong Kong dollar	16.7	21.9	-5.1
South Korean won	12.4	9.0	3.4
Brazilian real	10.1	3.6	6.6
South African rand	9.3	2.9	6.4
British pound	5.9	0.0	5.9
New Taiwan Dollar	5.4	19.7	-14.3
Indian rupee	4.3	19.4	-15.2
Indonesian rupiah	4.2	1.5	2.7
Other	9.8	19.4	-9.6

Currency exposures in the table above show positions after hedging to the fund's reference/valuation currency.

## Largest underweights (%)

	Fund	Index	Relative weight
Taiwan Semiconductor	5.4	10.5	-5.2
Tencent Holdings	0.0	4.6	-4.6
Meituan Dianping	0.0	1.3	-1.3
Reliance Industries	0.0	1.1	-1.1
China Construction Bank	0.0	1.1	-1.1
ICICI Bank	0.0	1.0	-1.0
Infosys	0.0	1.0	-1.0
HON HAI Precision Industry	0.0	0.9	-0.9
Xiaomi	0.0	0.9	-0.9
Pinduoduo	0.0	0.9	-0.9

## Fund codes and charges

Share class	ISIN	Bloomberg	Currency	Share class launch date	Ongoing charge	Historic yield	Minimum initial investment	Minimum top up investment
Sterling A Acc	GB00B3FFXV23	MGGEMAA LN	GBP	05/02/2009	1.15%	2.01%	£500	£100
Sterling A Inc	GB00B3FFXW30	MGGEMAI LN	GBP	05/02/2009	1.15%	3.15%	£500	£100
Sterling I Acc	GB00B3FFXX47	MGGEMIA LN	GBP	05/02/2009	0.75%	2.35%	£500,000	£10,000
Sterling I Inc	GB00B3FFXY53	MGGEMII LN	GBP	05/02/2009	0.75%	3.13%	£500,000	£10,000
Sterling IH Acc	GB00BJXT7057	MGGIGHA LN	GBP	06/12/2019	0.78%	2.37%	£500,000	£10,000
Sterling IH Inc	GB00BJXT7164	MGGIGHI LN	GBP	06/12/2019	0.78%	3.19%	£500,000	£10,000
Sterling R Acc	GB00B6TDBH53	MGGEMRA LN	GBP	03/08/2012	1.00%	2.14%	£500	£100
Sterling R Inc	GB00B7QFRS45	MGGEMRI LN	GBP	03/08/2012	1.00%	3.14%	£500	£100

Any ongoing charge figure with \* indicates an estimate. The ongoing charge figure may vary from year to year and excludes portfolio transaction costs. The charges are mostly, if not exclusively, the Annual Charge which may be discounted depending on the size of the fund. For further details, please see the fund's Key Investor Information Document (KIID). The fund's annual report for each financial year will include details on the exact charges made. Please go to [www.mandg.co.uk/literature](http://www.mandg.co.uk/literature) to view the Costs and charges illustration which contains information on the costs and charges applicable to your chosen fund and share class.

Please note that not all of the share classes listed above might be available in your country. Please see the Important Information for Investors document and the relevant fund's Prospectus for more information on the risks associated with this fund and which share classes are available for which product and which investor type.

## Important information

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

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The value of investments will fluctuate, which will cause fund prices to fall as well as rise and investors may not get back the original amount invested.

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