

# M&G Global Convertibles Fund

Sterling Class I – Accumulation shares



Monthly Fund Review as at 31 March 2025

For investment professionals only

## Highlights

- The fund's relative performance in March was supported by holdings in convertibles from pharmaceutical companies Lantheus and Halozyme Therapeutics. A bond exchangeable into the shares of Tencent Holdings also aided relative performance.
- Conversely, holdings in convertibles from hard disk drive manufacturer Seagate, Core Scientific and Coinbase held back relative returns. The latter two companies are active in the crypto currency space. Shares in both companies fell in March reflecting the weakness of cryptocurrencies.
- During the month, we sold our holding in a convertible from BNP Paribas and a bond exchangeable into the shares of Deutsche Telekom. Both were in-the-money, high delta names close to maturity. We also sold a convertible from Cellnex Telecom, which was out-of-the money and had a low delta. We bought a recently-issued convertible from German residential REIT Tag Immobilien and shares in Assystem, a nuclear engineering services company. We also bought another recently-issued convertible, one from banking software company Alkami Technology and synthetic exchangeable into Samsung Electronics.

## 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.

Convertibles are subject to the risks associated with both bonds and company shares, and to risks specific to the asset class. Their value may change significantly depending on economic and interest rate conditions, the creditworthiness of the issuer and the performance of the underlying company shares. In addition, issuers of convertibles may fail to meet payment obligations and their credit ratings may be downgraded. Convertibles may also be harder to sell than the underlying company shares.

The fund may use derivatives to profit from an expected rise or fall in the value of an asset. Should the asset's value vary in an unexpected way, the fund will incur a loss. The fund's use of derivatives may be extensive and exceed the value of its assets (leverage). This has the effect of magnifying the size of losses and gains, resulting in greater fluctuations in the value of the fund.

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.

## Key information

<b>Fund manager(s)</b>	Léonard Vinville
<b>Fund manager tenure from</b>	13 July 2007
<b>Deputy fund manager(s)</b>	David Romani, Yannis Karachalios
<b>ISIN</b>	GB00B1Z68387
<b>Launch date of fund</b>	13 July 2007
<b>Launch of share class</b>	13 July 2007
<b>Fund size (millions)</b>	£ 223.64
<b>Benchmark(s)</b>	FTSE Global Focus Convertible Index
<b>Benchmark type</b>	Target
<b>Sector</b>	Morningstar Convertible Bond - Global sector
<b>Number of holdings</b>	83
<b>Historic yield</b>	3.17%
<b>Average credit rating<sup>1</sup></b>	BBB
<b>Modified duration (years)</b>	1.58
<b>Portfolio turnover over 12 months</b>	48.02%
<b>VaR</b>	9.21%
<b>Average coupon</b>	1.54
<b>Spread duration (years)</b>	1.7
<b>Delta</b>	0.50
<b>Convexity</b>	3.5%
<b>Points over bond floor to maturity</b>	0.1%
<b>Elasticity</b>	42.3%
<b>Expected life</b>	2.5
<b>Portfolio yield (%)</b>	-2.70%
<b>Payment dates</b>	Mar
<b>Ex-dividend date</b>	Feb

<sup>1</sup>See important information section for explanation of average credit rating methodology.

## Charges

<b>Maximum entry charge</b>	0.00%
<b>Ongoing charge</b>	0.85%

## Things you should know

The fund allows for the extensive use of derivatives.

## Fund ratings as at 31 March 2025

Morningstar Medalist Rating™	Analyst-Driven %
<b>Neutral</b>	10
	Data Coverage %
	95

Overall Morningstar rating  
Financial Express Crown Rating



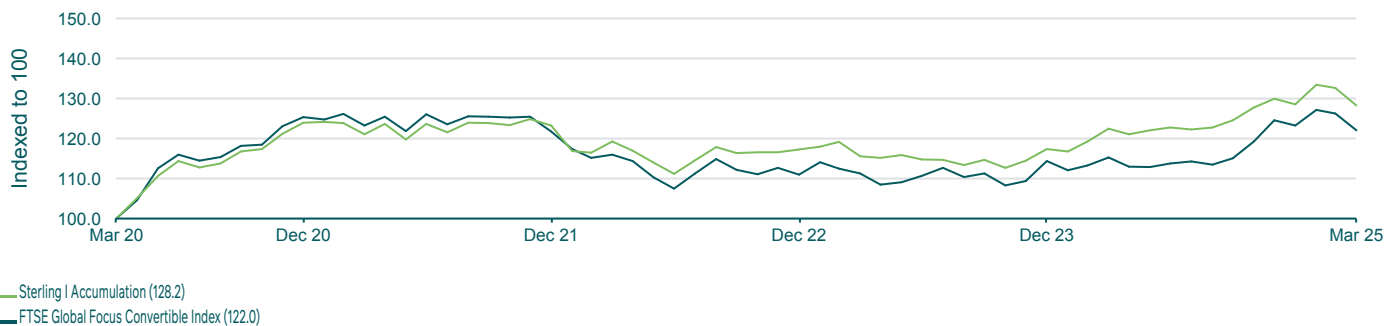
Source of Morningstar ratings: Morningstar  
Source: Financial Express

Ratings should not be taken as a recommendation.

## Single year performance (5 years)

	2024	2023	2022	2021	2020
■ Sterling I Accumulation	9.6%	0.1%	-4.9%	-0.5%	18.3%
■ FTSE Global Focus Convertible Index	7.8%	3.1%	-8.9%	-2.9%	21.5%
■ Sector	6.4%	2.2%	-8.0%	-1.3%	21.5%

## Performance over 5 years



## Fund performance

	1 month	3 months	YTD	1 year	3 years p.a.	5 years p.a.
■ Sterling I Accumulation	-3.3%	-0.3%	-0.3%	4.7%	2.4%	5.1%
■ FTSE Global Focus Convertible Index	-3.4%	-1.0%	-1.0%	5.9%	1.7%	4.1%
■ Sector	-2.7%	-0.1%	-0.1%	4.2%	1.3%	4.3%

Past performance is not a guide to future performance.

**Performance comparison:** The fund is actively managed. 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 target benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

Until 24 February 2020 the name of the benchmark was Thomson Reuters Global Focus Convertible Bond Index.

Source: Morningstar, Inc and M&G, as at 31 March 2025. Returns are calculated on a price to price basis with income reinvested. Benchmark returns stated in GBP terms.

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## Industry breakdown (%)

	Fund
Consumer discretionary	24.7
Technology	21.5
Industrials	15.4
Health care	10.0
Financials	9.9
Real Estate	7.4
Telecommunications	3.5
Basic materials	3.1
Energy	1.9
Consumer staples	1.2
Cash	1.5

## Credit rating breakdown (%)

	Net exposure
AAA	0.0
AA	0.0
A	11.6
BBB	14.0
BB	10.1
B	2.7
CCC	0.0
CC	0.0
C	0.0
D	0.0
No rating	56.9
Equity	3.3
Cash	1.5

A mid-average credit rating for each security, where available from S&P, Fitch, Moody's, is calculated. Where a security has not been rated by S&P, Fitch or Moody's, we may use M&G's internal credit rating. Ratings should not be taken as a recommendation.

## Currency breakdown (%)

	Fund
US dollar	79.6
Euro	9.9
British pound	4.5
Japanese yen	2.4
Hong Kong dollar	1.9
Australian dollar	1.7
Singapore dollar	0.0

## Largest holdings (%)

	Fund
Uber Technologies	3.9
Seagate HDD Cayman	3.9
Lantheus Holdings	3.3
Goldman Sachs Finance Corp International	3.2
Barclays Bank	3.1
Nutanix	3.0
Itron	2.9
Alibaba Group Holding	2.8
BOX	2.6
Jd.com	2.4

## Country breakdown (%)

	Fund
US	52.1
China	18.0
UK	8.0
Germany	5.1
Italy	3.2
Japan	2.4
Israel	1.8
Australia	1.7
Other	6.4
Cash	1.5

## 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	GB00B1Z68163	MGGLCON LN	GBP	13/07/2007	1.25%	2.79%	£500	£100
Sterling A Inc	GB00B1Z68270	MGGLCAI LN	GBP	13/07/2007	1.25%	4.19%	£500	£100
Sterling A-H Acc	GB00B8J73Y29	MGCVAHG LN	GBP	28/09/2012	1.28%	2.65%	£500	£100
Sterling I Acc	GB00B1Z68387	MGGLCIA LN	GBP	13/07/2007	0.85%	3.17%	£500,000	£10,000
Sterling I Inc	GB00B758PJ12	MGGCVII LN	GBP	03/08/2012	0.85%	4.17%	£500,000	£10,000
Sterling I-H Acc	GB00B8J73758	MGCVIHG LN	GBP	28/09/2012	0.88%	3.03%	£500,000	£10,000
Sterling R Acc	GB00B7L56P93	MGGCVRA LN	GBP	03/08/2012	1.10%	2.93%	£500	£100
Sterling R Inc	GB00B6T8JQ52	MGGCVRI LN	GBP	03/08/2012	1.10%	4.18%	£500	£100
Sterling R-H Acc	GB00B8J72X47	MGCVRHG LN	GBP	28/09/2012	1.13%	2.80%	£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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Cash may be held on deposit and/or in the Northern Trust Cash Funds, a range of collective investment schemes.

<sup>1</sup>The fund's average credit rating uses a mid-average rating (S&P, Fitch, Moody's or M&G's internal rating if no rating is available from these ratings agencies) of securities held by the fund. It excludes some derivatives that are used for efficient portfolio management only. Ratings should not be taken as a recommendation.

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

The Morningstar Overall Rating based on the fund's Sterling Class I shares. Copyright © 2025 Morningstar UK Limited. All Rights Reserved. Ratings should not be taken as recommendation.

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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### Contact M&G

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