

M&G Recovery Fund

Sterling Class I – Accumulation shares

Monthly Fund Review as at 31 March 2025

For investment professionals only

Fund description

The fund aims to provide a combination of capital growth and income to deliver a return, net of the Ongoing Charge Figure, that is higher than that of the FTSE All-Share Index over any five-year period. At least 80% of the fund is invested in the shares of companies across any sector and of any size that are based, or do most of their business, in the UK. The fund manager's approach to selecting investments focuses on companies with the potential for recovery, for example: those where there has been a significant share price decline; those undergoing significant change, with the potential to recover and develop over the long term; those that need support from investors to develop the business and where the long-term prospects are undervalued by the market. The fund manager can also invest up to 20% of the fund in benchmark constituents classified as "non-recovery companies" (ie, those companies not in the recovery cycle) with the aim of reducing the risk of underperforming the benchmark.

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.

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	14.2%	2.2%	-10.5%	13.5%	-10.1%
■ FTSE All-Share Index	9.5%	7.9%	0.3%	18.3%	-9.8%
■ Sector	8.0%	7.3%	-9.2%	17.1%	-6.2%

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%	-0.6%	-0.6%	12.5%	2.7%	10.6%
■ FTSE All-Share Index	-2.2%	4.5%	4.5%	10.5%	7.2%	12.0%
■ Sector	-3.4%	0.1%	0.1%	5.0%	3.5%	10.0%

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 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. For each Share Class the Benchmark will be denominated or hedged into the relevant share class currency. The Benchmark for each Share Class will be shown in its respective KIID.

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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Key information

Fund manager(s)	Michael Stiasny
Fund manager tenure from	31 December 2020
Deputy fund manager(s)	Elina Symon
ISIN	GB00B4X1L373
Launch date of fund	23 May 1969
Launch of share class	15 January 2010
Fund size (millions)	£ 901.05
Benchmark(s)	FTSE All-Share Index
Benchmark type	Target
Sector	IA UK All Companies sector
Number of companies	72
Historic yield	2.78%
Portfolio turnover over 12 months	21.69%
Payment dates	Feb, Aug
Ex-dividend date	Jan, Jul

Charges

Maximum entry charge	0.00%
Ongoing charge	0.68%

Risk characteristics

As at 31/03/2025	Fund
Alpha (%)	-4.52
Information ratio	-0.77
Sharpe Ratio	-0.03
Historic tracking error (%)	5.89
Beta	1.16
Standard deviation (%)	14.14
Forecast tracking error (active risk, %)	4.84
Active share (%)	60.38

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 March 2025

Morningstar Medalist Rating™	Analyst-Driven %
Bronze	10
	Data Coverage %
	96

Overall Morningstar rating
Financial Express Crown Rating

Source of Morningstar ratings: Morningstar
Source: Financial Express

Ratings should not be taken as a recommendation.



Industry breakdown (%)

	Fund	Index	Relative weight
Financials	24.3	27.0	-2.7
Health care	16.8	11.5	5.2
Consumer discretionary	11.6	7.7	3.9
Consumer staples	11.5	14.5	-3.0
Energy	10.5	10.1	0.4
Basic materials	8.7	5.5	3.2
Industrials	6.7	12.0	-5.3
Utilities	5.9	3.9	2.1
Telecommunications	1.6	1.2	0.4
Real Estate	1.0	2.4	-1.3
Technology	0.6	4.2	-3.6
Other	0.0	0.0	0.0
Cash	0.8	0.0	0.8

Largest overweights (%)

	Fund	Index	Relative weight
Mesoblast	3.3	0.0	3.3
Kenmare Resources	3.0	0.0	3.0
BP	5.8	2.9	2.9
Imperial Brands	3.7	1.0	2.7
Oxford Biomedica	1.8	0.0	1.8
Direct Line Insurance Group	1.7	0.2	1.6
National Grid	3.5	2.0	1.5
GVC Holdings	1.6	0.1	1.4
Premier Foods	1.5	0.1	1.4
Beazley	1.6	0.2	1.4

Capitalisation breakdown (%)

	Fund	Index	Relative weight
Large	62.5	86.9	-24.4
Medium	19.6	11.4	8.2
Small	7.1	1.7	5.4
Preference shares	0.0	0.0	0.0
FTSE AIM	1.8	0.0	1.8
Non-FTSE All-Share	8.3	0.0	8.3
Cash	0.8	0.0	0.8

Country breakdown (%)

	Fund	Index	Relative weight
UK	93.7	100.0	-6.3
Australia	3.3	0.0	3.3
Hong Kong	1.1	0.0	1.1
Canada	0.7	0.0	0.7
Ireland	0.5	0.0	0.5
EURO Market	0.0	0.0	0.0
France	0.0	0.0	0.0
Cash	0.8	0.0	0.8

Breakdown in table is based on country of listing.

Largest underweights (%)

	Fund	Index	Relative weight
RELX	0.0	3.0	-3.0
Royal Dutch Shell	4.1	7.0	-2.9
Unilever	1.9	4.6	-2.7
Astrazeneca	4.3	6.9	-2.6
Rolls-Royce Holdings	0.0	2.6	-2.6
BAT	0.0	2.6	-2.6
London Stock Exchange Group	0.0	2.3	-2.3
Barclays	0.0	1.7	-1.7
Diageo	0.2	1.8	-1.6
Haleon	0.0	1.4	-1.4

Largest holdings (%)

	Fund	Index	Relative weight
HSBC	7.6	6.4	1.2
BP	5.8	2.9	2.9
Astrazeneca	4.3	6.9	-2.6
Royal Dutch Shell	4.1	7.0	-2.9
Imperial Brands	3.7	1.0	2.7
National Grid	3.5	2.0	1.5
Glaxosmithkline	3.4	2.4	1.0
Mesoblast	3.3	0.0	3.3
Kenmare Resources	3.0	0.0	3.0
RBS	2.7	1.4	1.4

Currency breakdown (%)

	Fund	Index	Relative weight
British pound	94.5	100.0	-5.5
Australian dollar	3.3	0.0	3.3
Hong Kong dollar	1.1	0.0	1.1
Canadian dollar	0.7	0.0	0.7
Euro	0.5	0.0	0.5
US dollar	0.0	0.0	0.0

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

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	GB0031289217	MGSRCVA LN	GBP	23/05/1969	1.08%	2.41%	£500	£100
Sterling A Inc	GB0031289100	MGSRCVI LN	GBP	27/06/1977	1.08%	3.53%	£500	£100
Sterling I Acc	GB00B4X1L373	MGRCVIA LN	GBP	15/01/2010	0.68%	2.78%	£500,000	£10,000
Sterling I Inc	GB00B4VSCB59	MGRCVII LN	GBP	15/01/2010	0.68%	3.52%	£500,000	£10,000
Sterling R Acc	GB00B7759Y38	MGRCVRA LN	GBP	03/08/2012	0.93%	2.55%	£500	£100
Sterling R Inc	GB00B754SC36	MGRCVRI LN	GBP	03/08/2012	0.93%	3.53%	£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 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

The M&G Recovery Fund is a sub-fund of M&G Investment Funds (3).

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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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