

PruFund Cautious (Euro) Fund PruFund Protected Cautious (Euro) Fund



This document is for use by individuals who are familiar with investment terminology. If there is product information included that you would like to discuss, then please contact your financial adviser.

Fund aim

The fund aims for steady and consistent growth over the medium to long term (5 to 10 years or more) through a cautious approach to investing. The fund invests in European and international equities, property, fixed interest securities, index-linked securities, cash and other specialist investments. The fund will aim to invest 50-75% in fixed interest securities, index-linked securities and cash, although we may occasionally move outside this range to meet the fund objectives.

Fund manager commentary

30 June 2021

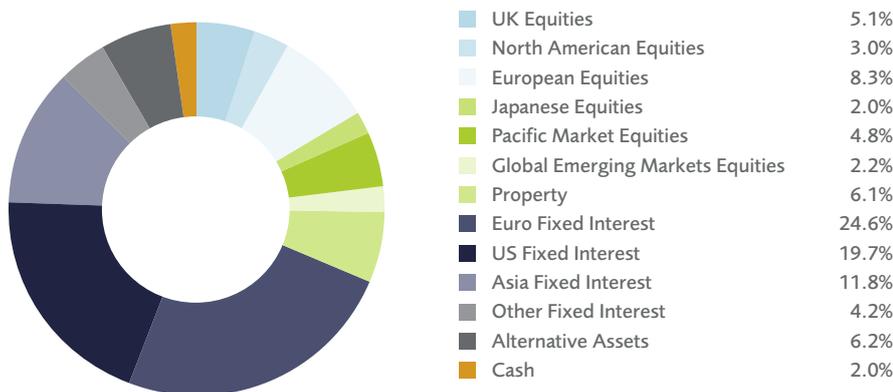
The rollout of COVID-19 vaccinations continued to gather pace globally, allowing authorities to ease restrictions and economic activity to accelerate. The majority of the world's stockmarkets registered solid gains in the second quarter of 2021, buoyed by the widespread rollout of vaccination programmes which aided the reopening of economies. Investment returns among European shares were particularly strong as vaccination take-up in the region accelerated following a slow start.

However, the US and other developed nations saw inflation surge during the second quarter, driven by strong post-lockdown demand and shortages of some raw materials. Global commodity markets continued to reflect that rebounding demand for raw materials – the price of oil advanced by more than 20% during the quarter, for example. Fixed income markets were also higher in the period as central banks dampened speculation they would be withdrawing stimulus measures soon, and many investors seemed to shrug off global inflation fears.

UK commercial property returns continued to increase in the second quarter of 2021, with all sectors providing a positive contribution. However, greater polarisation is expected regionally, between well-located assets with the highest environmental, social and governance (ESG) credentials and the rest. Investor demand is likely to remain keenly focused on "beds and sheds", as well as emerging alternatives.

The M&G Treasury & Investment Office (T&IO) outlook is cautiously optimistic although much uncertainty remains in 2021.

Asset allocation



Please note figures may not add up to 100% due to rounding. Source: Prudential as at 30 June 2021. Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

M&G Treasury & Investment Office (T&IO)

- T&IO are our in-house investment strategists and "manager of managers"
- They are a well-resourced team that includes experienced investment professionals with specialist expertise in capital markets research, investment strategy design, liability management, and portfolio management
- T&IO are a well-established team who are entrusted with the day to day asset allocation decisions for £177 billion of policyholders' money as at end December 2020.

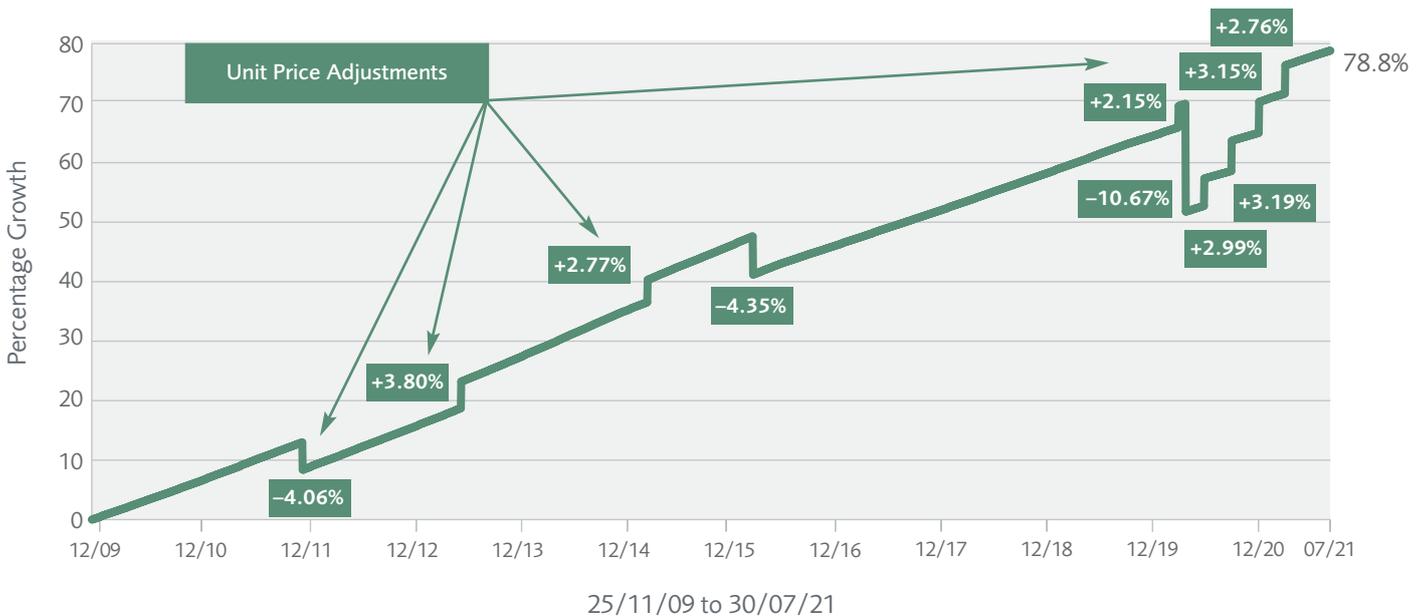
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Past performance

Performance of the PruFund Cautious (Euro) Fund in each year of the last 5 years

31/07/20 to 31/07/21	31/07/19 to 31/07/20	31/07/18 to 31/07/19	31/07/17 to 31/07/18	31/07/16 to 31/07/17
13.0%	-2.6%	4.1%	4.1%	4.2%

Percentage growth since launch on 25 November 2009



Source: Financial Express (FE) Analytics. Please remember that past performance is not a reliable indicator of future performance. The figures are intended only to demonstrate performance history of the fund over the period shown. They include a representative fund charge of 0.65% pa and any additional investment expenses. They take no account of product or advice charges.

The application of charges will impact the overall performance. Please also note that our charges may vary in the future and may be higher than they are now. Fund Performance is based upon the movement of the daily price and is shown as total return in the fund's currency of denomination with gross income reinvested. The value of your investment can go down as well as up and you may not get back the amount you put in. Performance is shown on a bid to bid price basis.

These funds are available through our Prudential International Investment Bond and International Prudence Bond. Investments in the PruFund Range of Funds are backed by assets in the Long-Term Fund of The Prudential Assurance Company Ltd, through a reinsurance agreement.

These funds aim to protect investors against some of the ups and downs of investment performance using "smoothing" mechanisms. Please refer to "Your guide to investing in the PruFund Range of Funds" for more information.

Where the PruFund Protected Cautious (Euro) Fund is available, it includes a guarantee. This means that on the Guarantee Date your fund will have a value equal to at least the value of the fund holding at the start of the guarantee period, after a proportional reduction for any regular or one-off withdrawals. Where the fund's available, there's a charge for the guarantee; please see "The PruFund Range of Funds: Guarantee options" for more information. PruFund Protected Funds are currently closed to new investments.

For any fund, there may be a delay in buying, selling or switching of units. These delays will only apply in exceptional circumstances and if this applies to you, we will let you know. For more information, please refer to your Contract Conditions, which you can get from your Financial Adviser.

www.prudential-international.com

The registered office of Prudential International is in Ireland at Montague House, Adelaide Road, Dublin 2. Prudential International is a marketing name of Prudential International Assurance plc, a life assurance company operating from Ireland. Registration No. 209956. Prudential International Assurance plc is authorised and regulated by the Central Bank of Ireland and in the context of its UK regulated activities only, is deemed authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website. Prudential International is part of the same corporate group as The Prudential Assurance Company Limited. Both The Prudential Assurance Company Limited and Prudential International are direct and indirect subsidiaries respectively of M&G plc, a company incorporated in the United Kingdom. The Prudential Assurance Company Limited is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America or Prudential plc, an international group incorporated in the United Kingdom.