

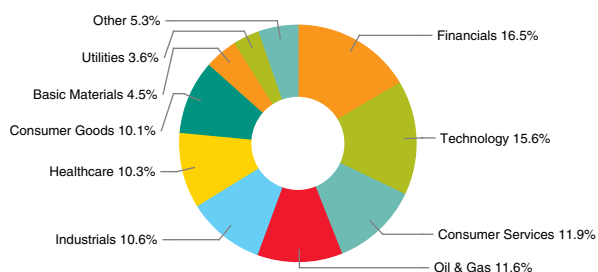
# Prudential North America Equity Passive fund (Series 3)



## Fund description

The investment strategy of the fund is to purchase units in the M&G PP North America Equity Passive Fund. The fund is passively managed, tracking movements in its benchmark, the FTSE World North America Index. Tracking this Index is achieved by the fund replicating the holdings of the larger companies in the Index plus holding a carefully modelled stratified sample of the remainder of the companies in the Index. This fund invests in the securities of North American (including Canadian) issuers and may only invest in companies which are listed, registered or trading within North America.

## Fund breakdown



The asset mix is likely to vary in the future.

## Top holdings

	%
1 Exxon Mobil	2.9
2 Apple	2.9
3 Microsoft	1.7
4 International Business Machines	1.7
5 Chevron	1.5
6 Procter & Gamble	1.4
7 Johnson & Johnson	1.4
8 AT&T	1.4
9 Berkshire Hathaway	1.3
10 General Electric	1.3

The asset mix is likely to vary in the future.

Source: M&G

All figures are as at 30 September 2011, unless otherwise stated.

## Performance

### Past performance of the fund over each of the last 5 years to the end of September

	30/09/06 - 30/09/07	30/09/07 - 30/09/08	30/09/08 - 30/09/09	30/09/09 - 30/09/10	30/09/10 - 30/09/11
North America Equity Passive fund	8.2	-9.4	3.5	12.3	1.1
Benchmark	8.3	-9.9	4.6	11.9	1.5

### Past performance of the fund to 30 September 2011

	Quarter	1 Year*	3 Years*	5 Years*
North America Equity Passive fund	-11.9	1.1	5.5	2.9
Benchmark	-11.8	1.5	5.9	3.0

Source: Prudential. \* annualised

Based on percentage change in unit price. It is important to remember that past performance is not a reliable indicator of future performance. The value of your investment may go down as well as up and the fund value at retirement may be less than the payments you have made.

## Key facts

Underlying fund size	£77m
Number of holdings	483
Underlying fund launch date	15/09/1999
Portfolio Manager	Richard O'Connor
Benchmark	FTSE World North America Index
Investment Style	Passive
Sedol code	3424812
Performance Objective	To match the performance of the benchmark as closely as possible.

## Commentary

A potent mix of stalling domestic growth, wrangling by policymakers over the country's debt ceiling and fears over the impact of the eurozone crisis on the global economy conspired to make the third quarter a difficult time for US equities. As with other stockmarkets, investors overlooked company fundamentals, shunning cyclical businesses like commodities, banks and construction in favour of pharmaceuticals and tobacco stocks.

The US Federal Reserve has signalled that a third round of quantitative easing is now a possibility in a further effort to stimulate activity, while interest rates will remain at their current level of 0.25% for the next two years. But it was not all gloom; data released in late September showed that the US economy did not weaken as much as previously thought during spring, which in turn provided some much-welcomed optimism for investors.

# Prudential North America Equity Passive fund (Series 3)

## Prudential risk rating

### Higher

#### What type of funds are in this risk category?

These are specialist equity funds that focus on set geographical regions or a particular type of share e.g. shares of smaller companies or those that conform to certain criteria.

## What is the risk rating?

- › These risk ratings have been developed by Prudential to help provide an indication of a fund's potential level of risk and reward based on the type of assets which may be held by the fund. Other companies may use different descriptions and as such these risk ratings should not be considered as generic across the fund management industry.
- › We regularly review our fund risk ratings, so they may change in the future. If, in our view, there is a material change in the fund's level of risk, for example due to a significant change to the assets held by the fund or in the way the fund is managed, we will provide information on the new risk rating. We recommend that you make sure you understand the risk rating of any fund before you invest. You will find this information at [www.pru.co.uk/factsheets](http://www.pru.co.uk/factsheets)
- › You should also consider discussing your decision and the appropriateness of a fund's risk rating with an adviser.

## Important information

### Who is this factsheet for and what does it do?

This factsheet is intended for the trustees, sponsors, advisers and members of occupational pension schemes using Prudential group pension contracts and Prudential grouped personal pensions and Stakeholder pension contracts.

Its purpose is to provide an insight into how investment markets and funds have performed over the period and is provided for information only.

If you are not familiar with any of the investment terminology included on this factsheet, then please contact an adviser.

### Can I get advice?

This factsheet should not be considered as financial advice and any changes to investment arrangements should be discussed with an adviser. It is not our intention to give an indication of how any particular funds will perform in the future. The commentary in this factsheet reflects the general views of the individual fund manager and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

### Who manages the funds?

This fund is managed by M&G Investments.

### How are the performance figures calculated?

The performance shown overleaf is measured on the fluctuation of the daily published price. This published price is adjusted to accommodate the fund's dealing cycle where appropriate.

To obtain current unit price and performance information for all funds in the Prudential Fund range, simply log on to [www.pru.co.uk/funds](http://www.pru.co.uk/funds) and choose 'Prudential Corporate Pension Fund Prices' then filter on (Series 3).

### How are the fund prices calculated?

This fund operates on a single swinging price basis, based on the valuation of the underlying assets and cash flows into and out of the fund. This valuation price will be the published price.

### What is the dealing cycle?

This fund is forward priced which means that the member receives the next available unit price after their instruction has been received.

This fund has a dealing cycle of T+0. This means that money received on day T buys units at the valuation date price applicable at close of business on the same day.

### Other important information

Exchange Rate fluctuations may cause the Sterling values of overseas investments to rise or fall.

Please note the performance figures shown do not take into account the effect of charges, which can be found in your 'A Guide to Fund Options'.

Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

