

## Dynamic Portfolios

With so many funds to pick from, it can be a daunting task selecting the right funds that can meet your investment objectives. To help you, we offer five portfolios designed to meet different investment objectives and match different attitudes to risk. Each of our Dynamic Portfolios is a "fund of funds" which means that they invest in a collection of funds, which are themselves run by leading investment managers.

The Dynamic Portfolios utilise the combined expertise of Prudential's Portfolio Management Group (PMG) and Old Broad Street Research (OBSR), a Morning Star Company, one of the UK's most respected investment research companies.

- ▶ PMG manage the portfolios and decide the types of asset within each portfolio and the split between the asset classes.
- ▶ OBSR recommend the funds which they believe best meet the portfolio asset mix requirements set by PMG.

Although each portfolio invests in a range of underlying funds, it is available to you as a single unit linked fund choice.

There are five Dynamic Portfolios so you can choose the one that's right for you. Your Financial Adviser can help you decide which one will suit you best.

### **The Dynamic Portfolios are available through:**

**UK Bonds – through the Flexible Investment Plan or the Prudential Investment Plan**

**International Bonds – through the International Prudence Bond and Portfolio Account**

**Pensions – through the Flexible Retirement Plan, which can include a personal pension, income drawdown and SIPP (Self-invested Personal Pension).**

**ISAs and Open Ended Investment Companies (OEIC's)**

The value of your plan may go down as well as up and there may be times when you may not get back the full amount of your original investment. What you will receive will depend on your fund choice and how your fund performs.

### **How we manage the portfolios**

These portfolios are managed by PMG, a team of professional investment specialists within M&G Investment Management Limited, part of the Prudential Group. They will actively manage the portfolio asset allocations and buy and sell underlying funds as selected, and then recommended to them, by OBSR.

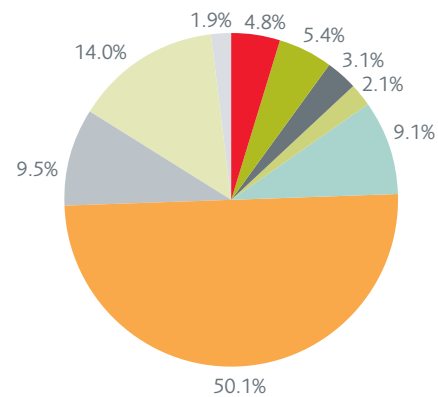
### **Reviewing the portfolios**

The portfolios will be actively monitored to help ensure that they continue to meet their objectives. This means that the asset split and the funds within each portfolio can change over time.

Your investment will automatically adjust to reflect any changes made to the underlying funds within the portfolio. This shows the asset allocation and fund selection as at 30 September 2011.

This portfolio is designed to help limit the risk to capital. It invests mainly in bonds, but does have some exposure to equities and property.

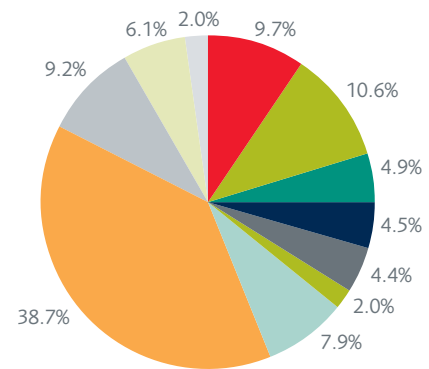
- **May be suitable for investors looking for some growth potential and who have a defensive investment strategy.**
- **May be suitable for investors wishing to help protect investment growth they have achieved, as they near retirement age.**



<b>UK equity funds</b> Cazenove UK Growth & Income	<b>4.8%</b>	<b>Investment grade corporate bonds funds</b> Fidelity MoneyBuilder Income Invesco Perpetual Corporate Bond M&G Strategic Corporate Bond Kames Investment Grade Bond Investec Strategic Bond	<b>50.1%</b>
<b>Europe equity funds</b> Henderson European Selected Opportunities	<b>5.4%</b>	<b>High yield bonds funds</b> Kames High Yield Bond Baillie Gifford High Yield Bond M&G High Yield Corporate Bond	<b>9.5%</b>
<b>Asia equity funds</b> First State Asia Pacific Leaders Fidelity South East Asia	<b>3.1%</b>	<b>Money market funds</b> M&G High Interest	<b>14.0%</b>
<b>Emerging markets equity funds</b> Aberdeen Emerging Markets	<b>2.1%</b>	<b>Cash</b>	<b>1.9%</b>
<b>Property funds</b> Aviva Property Fund M&G Property Portfolio	<b>9.1%</b>		

The portfolio invests largely in bonds, with exposure to equities and property.

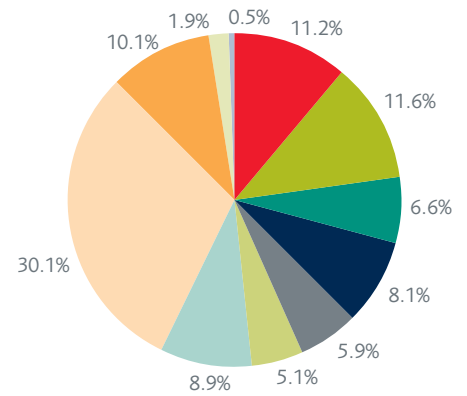
- **May be suitable for investors looking for some growth potential and who have a cautious investment strategy.**



<b>UK equity funds</b> Cazenove UK Growth & Income BlackRock UK M&G Recovery	<b>9.7%</b>	<b>Property funds</b> Aviva Property Fund M&G Property Portfolio	<b>7.9%</b>
<b>Europe equity funds</b> Henderson European Selected Opportunities Jupiter European Special Situations Henderson European Growth	<b>10.6%</b>	<b>Investment grade corporate bonds funds</b> Fidelity MoneyBuilder Income Invesco Perpetual Corporate Bond M&G Strategic Corporate Bond Kames Investment Grade Bond Investec Strategic Bond	<b>38.7%</b>
<b>US equity funds</b> Threadneedle American Schroder US Mid Cap	<b>4.9%</b>	<b>High yield bonds funds</b> Kames High Yield Bond Baillie Gifford High Yield Bond M&G High Yield Corporate Bond	<b>9.2%</b>
<b>Japan Equity funds</b> Schroder Tokyo	<b>4.5%</b>	<b>Money market funds</b> M&G High Interest	<b>6.1%</b>
<b>Asia equity funds</b> First State Asia Pacific Leaders Fidelity South East Asia	<b>4.4%</b>	<b>Cash</b>	<b>2.0%</b>
<b>Emerging markets equity funds</b> Aberdeen Emerging Markets	<b>2.0%</b>		

The portfolio provides a split between equity and bond funds with some exposure to property.

▶ **May be suitable for clients looking for growth potential on their investment, through exposure to equity based funds and bond funds.**

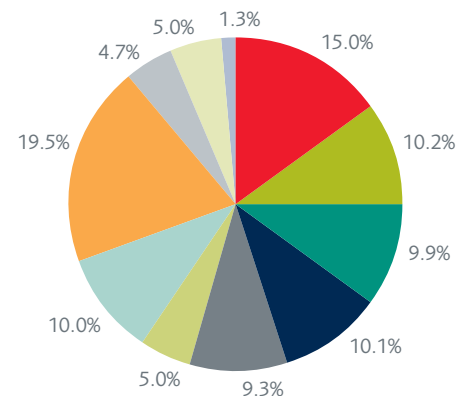


<ul style="list-style-type: none"> <li><span style="color: red;">■</span> <b>UK equity funds</b> <span style="float: right;">11.2%</span></li> <li>Cazenove UK Growth &amp; Income</li> <li>BlackRock UK</li> <li>M&amp;G Recovery</li> <li><span style="color: green;">■</span> <b>Europe equity funds</b> <span style="float: right;">11.6%</span></li> <li>Henderson European Selected Opportunities</li> <li>Jupiter European Special Situations</li> <li>Henderson European Growth</li> <li><span style="color: teal;">■</span> <b>US equity funds</b> <span style="float: right;">6.6%</span></li> <li>Threadneedle American</li> <li>Schroder US Mid Cap</li> <li><span style="color: darkblue;">■</span> <b>Japan equity funds</b> <span style="float: right;">8.1%</span></li> <li>Schroder Tokyo</li> <li><span style="color: grey;">■</span> <b>Asia equity funds</b> <span style="float: right;">5.9%</span></li> <li>First State Asia Pacific Leaders</li> <li>Fidelity South East Asia</li> <li><span style="color: lightgreen;">■</span> <b>Emerging markets equity funds</b> <span style="float: right;">5.1%</span></li> <li>Aberdeen Emerging Markets</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: teal;">■</span> <b>Property funds</b> <span style="float: right;">8.9%</span></li> <li>Aviva Property Fund</li> <li>M&amp;G Property Portfolio</li> <li><span style="color: orange;">■</span> <b>Investment grade corporate bonds funds</b> <span style="float: right;">30.1%</span></li> <li>Fidelity MoneyBuilder Income</li> <li>Invesco Perpetual Corporate Bond</li> <li>M&amp;G Strategic Corporate Bond</li> <li>Kames Investment Grade Bond</li> <li>Investec Strategic Bond</li> <li><span style="color: orange;">■</span> <b>High yield bonds funds</b> <span style="float: right;">10.1%</span></li> <li>Kames High Yield Bond</li> <li>Baillie Gifford High Yield Bond</li> <li>M&amp;G High Yield Corporate Bond</li> <li><span style="color: lightgreen;">■</span> <b>Money market funds</b> <span style="float: right;">1.9%</span></li> <li>M&amp;G High Interest Fund</li> <li><span style="color: blue;">■</span> <b>Cash</b> <span style="float: right;">0.5%</span></li> </ul>
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This portfolio has significant investment in equities with the remainder mainly invested in bonds.

▶ **May be suitable for clients looking for growth potential on their investment, but with some exposure to bond funds.**

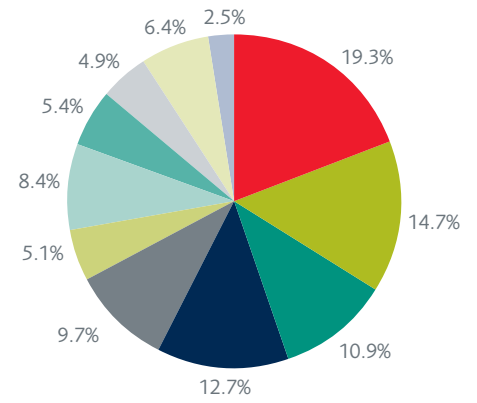
▶ **May be suitable for clients who are willing to accept more volatility by investing mainly in equities in return for greater growth potential, with some bond fund exposure to reduce the full exposure to equity investment risk.**



<ul style="list-style-type: none"> <li><span style="color: red;">■</span> <b>UK equity funds</b> <span style="float: right;">15.0%</span></li> <li>Cazenove UK Growth &amp; Income</li> <li>BlackRock UK</li> <li>M&amp;G Recovery</li> <li><span style="color: green;">■</span> <b>Europe equity funds</b> <span style="float: right;">10.2%</span></li> <li>Henderson European Selected Opportunities</li> <li>Jupiter European Special Situations</li> <li>Henderson European Growth</li> <li><span style="color: teal;">■</span> <b>US equity funds</b> <span style="float: right;">9.9%</span></li> <li>Threadneedle American</li> <li>Schroder US Mid Caps</li> <li>M&amp;G American Fund</li> <li><span style="color: darkblue;">■</span> <b>Japan equity funds</b> <span style="float: right;">10.1%</span></li> <li>Schroder Tokyo</li> <li>GLG Japan CoreAlpha</li> <li><span style="color: grey;">■</span> <b>Asia equity funds</b> <span style="float: right;">9.3%</span></li> <li>First State Asia Pacific Leaders</li> <li>Fidelity South East Asia</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: lightgreen;">■</span> <b>Emerging markets equity funds</b> <span style="float: right;">5.0%</span></li> <li>Aberdeen Emerging Markets</li> <li><span style="color: teal;">■</span> <b>Property funds</b> <span style="float: right;">10.0%</span></li> <li>Aviva Property Fund</li> <li>M&amp;G Property Portfolio</li> <li><span style="color: orange;">■</span> <b>Investment grade corporate bonds funds</b> <span style="float: right;">19.5%</span></li> <li>Fidelity MoneyBuilder Income</li> <li>Invesco Perpetual Corporate Bond</li> <li>M&amp;G Strategic Corporate Bond</li> <li>Kames Investment Grade Bond</li> <li>Investec Strategic Bond</li> <li><span style="color: grey;">■</span> <b>High yield bonds funds</b> <span style="float: right;">4.7%</span></li> <li>Kames High Yield Bond</li> <li>Baillie Gifford High Yield Bond</li> <li><span style="color: lightgreen;">■</span> <b>Money market funds</b> <span style="float: right;">5.0%</span></li> <li>M&amp;G High Interest Fund</li> <li><span style="color: blue;">■</span> <b>Cash</b> <span style="float: right;">1.3%</span></li> </ul>
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This portfolio invests largely in equities with some exposure to property.

- › **May be suitable for clients looking for growth potential from equity investments.**
- › **May be suitable for clients who are willing to accept investment volatility by investing in equities in return for greater growth potential.**



<p><b>UK equity funds</b> Cazenove UK Growth &amp; Income BlackRock UK M&amp;G Recovery Schroder UK Alpha Plus</p>	<p><b>19.3%</b></p>	<p><b>Asia equity funds</b> First State Asia Pacific Leaders Fidelity South East Asia</p>	<p><b>9.7%</b></p>
<p><b>Europe equity funds</b> Henderson European Selected Opportunities Jupiter European Special Situations Henderson European Growth</p>	<p><b>14.7%</b></p>	<p><b>Emerging markets equity funds</b> Aberdeen Emerging Markets</p>	<p><b>5.1%</b></p>
<p><b>US equity funds</b> Threadneedle American Schroder US Mid Cap M&amp;G American Fund</p>	<p><b>10.9%</b></p>	<p><b>Property funds</b> Aviva Property Fund M&amp;G Property Portfolio</p>	<p><b>8.4%</b></p>
<p><b>Japan equity funds</b> Schroder Tokyo GLG Japan CoreAlpha</p>	<p><b>12.7%</b></p>	<p><b>Investment grade corporate bonds funds</b> Fidelity Moneybuilder Income</p>	<p><b>5.4%</b></p>
		<p><b>High yield bonds funds</b> Kames High Yield Bond Baillie Gifford High Yield Bond</p>	<p><b>4.9%</b></p>
		<p><b>Money market funds</b> M&amp;G High Interest Fund</p>	<p><b>6.4%</b></p>
		<p><b>Cash</b></p>	<p><b>2.5%</b></p>

Ask your Financial Adviser to help you decide which portfolio is right for you. You should regularly review your investments with your Financial Adviser to review against your investment objectives.



[www.pru.co.uk](http://www.pru.co.uk)

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