

PRUink bond fund

Fund Fact Sheet August 2018

PRU LIFE U.K. 

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the fund is Eastspring Investments (Singapore) Limited.

Key Information and Investment Disclosure

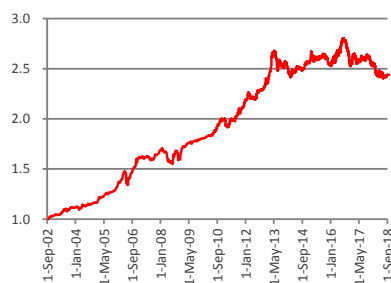
(all data as at 03 September 2018 unless otherwise stated)

Launch Date	24 September 2002	Fund Classification	Diversified
NAVPu (PHP)	2.4409	Minimum Risk Rating	1 (Conservative)
Fund Size	PHP 20.72 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	1.53% p.a.
Financial Year End	31 st December	Benchmark	Markit iBoxx ALBI Philippines

Fund Objective

The fund seeks to achieve an optimal level of income in the medium term together with long-term capital growth through investments in fixed income securities and money market instruments.

Fund Price Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

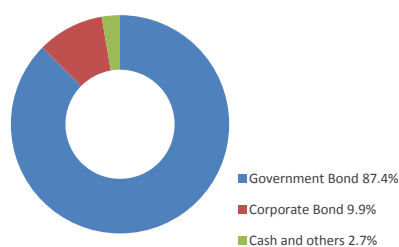
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	1.16%	-6.86%	-0.74%	-4.19%	5.75%

Fund Statistics

Highest NAVPU reached	(11 Aug 16)	2.80424
Lowest NAVPU reached	(24 Sep 02)	1.00000
Initial NAVPU	(24 Sep 02)	1.00000

Asset Allocation



Top 5 Holdings:

PHILIPPINE GOVERNMENT 4.625%	10.3%
12/04/2022	
PHILIPPINE GOVERNMENT 8.000%	9.1%
7/19/2031	
PHILIPPINE GOVERNMENT 3.625%	5.8%
09/09/2025	
PHILIPPINE GOVERNMENT 8.125%	5.7%
12/16/2035	
PHILIPPINE GOVERNMENT 6.125%	4.8%
10/24/2037	

Fund Manager's Commentary

The Philippine domestic bond market held up relatively well in August with the representative Markit iBoxx ALBI Philippine Government Bond index posting a modest gain of 0.2%.

During the month, rising inflationary pressures in the Philippines continued to put the Bangko Sentral ng Pilipinas (BSP) on a hawkish stance; Headline inflation accelerated to 5.7% YoY in July, up from 5.2% in the previous month and materially higher than the central bank's target of 2-4%. The rise in inflation was led by an increase in food and non-alcoholic beverage prices, while higher electricity tariffs was another contributing factor. The higher inflation print foreshadowed a decisive rate hike by the BSP as it raised its overnight borrowing rate by another 50bp to 4.00% at its August policy meeting, while guiding that it remained ready to take further policy action as needed to rein in inflationary pressures.

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Fund Manager's Commentary on PRUlink bond fund

Nevertheless, the tightening move was largely anticipated by the market following the central bank's recent guidance for a "strong follow-through monetary adjustment" and hence generally elicited a muted response in the bond market. Furthermore, declines in US Treasury yields during the month amid strong flight-to-quality flows also kept a lid on domestic interest rate expectation. Overall, the 10-year Philippine government bond yield fell 18 bps to 6.37%, while 2-year yield fell 4 bps to 4.95%.

Other economic data published during the month pointed to a softening of growth momentum even as growth remained generally at a robust level. GDP for 2Q 2018 surprised on the downside, coming in at a pace of 6.0% YoY, as it was dragged down by a larger contraction in net exports, which negated the impact of higher investment growth. Overseas Filipino Worker remittances declined 4.5% YoY to USD2.4bn in June, compared with a 6.9% increase in May, due to lower remittances from the UAE, Saudi Arabia and Kuwait. However, total remittance growth in 1H 18 remained decent, growing by 2.7% YoY to USD14.18bn.

PRUink managed fund

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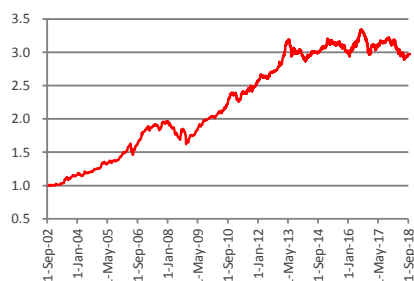
Launch Date	24 September 2002	Fund Classification	Diversified
NAVpu (PHP)	2.97244	Minimum Risk Rating	2 (Moderate)
Fund Size	PHP 5.89 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	1.79% p.a.
Financial Year End	31 st December	Benchmark	80% Markit iBoxx ALB Philippines + 20% PCI

** PCI - Philippines Composite Index*

Fund Objective

The fund seeks to optimize medium to long-term capital and income growth through investment in fixed income securities, money market instruments and shares of stocks listed in the Philippine Stock Exchange.

Performance Chart



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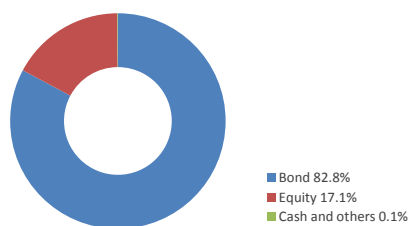
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	1.38%	-6.29%	-0.13%	-5.78%	7.07%

Fund Statistics

Highest NAVPU reached	(11 Aug 16)	3.34119
Lowest NAVPU reached	(23 Oct 02)	0.99568
Initial NAVPU	(24 Sep 02)	1.00000

Asset Allocation



Fund Manager's Commentary

The Philippine domestic bond market held up relatively well in August with the representative Markit iBoxx ALBI Philippine Government Bond index posting a modest gain of 0.2%.

Philippines equities extended gains in August, with the Philippine Stock Exchange Index rising 2.4% in local currency terms. A larger-than-expected policy rate hike by the central bank as well as decent quarterly results from consumer, telecom and property companies lent support. Headline inflation accelerated to 5.7% year-on-year in July, bringing average inflation in the first 7 months of 2018 to 4.5%, exceeding the central bank's full-year target range. The central bank raised its policy rate by another 50 basis points to 4% in the bid to tame inflation and curb further depreciation of the Peso. As a result, returns from the Philippine bond market were weak during the month.

From a global perspective, our central scenario remains one of benign inflation, combined with moderate economic and earnings growth. Central banks' reluctance to "take away the punch bowl", should prevent them from hiking aggressively, so long as wage inflation pressures remain muted.

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Fund Manager's Commentary on PRUlink managed fund

The rise in implied volatility across asset classes may be reflecting the shift from goldilocks macro conditions of extremely accommodative policy and financial conditions to a period of increased monetary policy uncertainty and rising trade war and protectionism risks.

We remain cautious on the Philippines equity market for now. The external environment has deteriorated recently as the trade deficit has widened on the back of higher oil prices and large government spending programs causing a surge in imports. The Peso has now depreciated to its lowest level in over 10 years, solidifying the decision by foreign investors to reduce their exposure to PHP assets. Furthermore, market participants judge the BSP to be too late in tightening monetary policy as inflation reached 6.4% y/y in August against an upper bound of 4% from the central bank.

More generally, the broader emerging market risk off environment provides a headwind for the Philippine equity market to recover.

We remain underweight equities given the more uncertain macroeconomic outlook in the near term (vs. the neutral allocation of 20%), whilst the Fund is overweight domestic bonds that we hope will benefit from longer dated yields falling as the central bank raises near term rates.

PRUink US dollar bond fund

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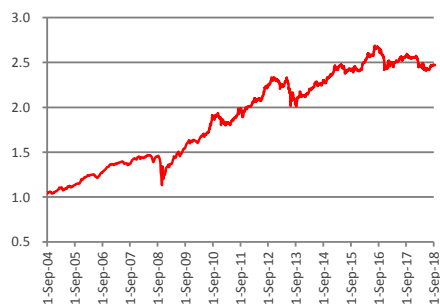
(all data as at 03 September 2018 unless otherwise stated)

Launch Date	03 June 2003	Fund Classification	Diversified
NAVpu (USD)	2.4714	Minimum Risk Rating	1 (Conservative)
Fund Size	USD 0.15 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.53% p.a.
Financial Year End	31 st December	Benchmark	JPM USD EMBI Global Philippines

Fund Objective

The fund seeks to achieve an optimal level of income in the medium term together with long-term capital growth through investments in fixed income securities denominated in USD.

Performance Chart



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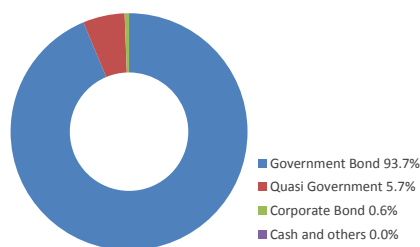
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	0.32%	-3.86%	3.87%	-3.38%	6.11%

Fund Statistics

Highest NAVPU reached	(12 Jul 16)	2.6872
Lowest NAVPU reached	(05 Aug 03)	0.96080
Initial NAVPU	(03 Jun 03)	1.00000

Asset Allocation



Top 5 Holdings:

REPUBLIC OF THE PHILIPPINES 9.5% 02/02/2030	11.6%
REPUBLIC OF THE PHILIPPINES 7.75% 01/14/2031	9.2%
REPUBLIC OF THE PHILIPPINES 10.625% 03/16/2025	9.1%
REPUBLIC OF THE PHILIPPINES 6.375% 10/23/2034	9.0%
REPUBLIC OF THE PHILIPPINES 3.950% 01/20/2040	7.3%

Fund Manager's Commentary

In August, the Philippine USD sovereign bonds rose with the JPMorgan EMBIG Philippine index delivering a gain of 0.49% over the month. The positive performance was driven mainly by accrual income, as gains from lower US interest rates were offset by a moderate widening in Philippine sovereign credit spreads.

During the month, trade tariffs and rising contagion fears in the Emerging Market (EM) region hogged the headlines; Risk sentiment was dampened by news that the US would consider increasing trade tariffs to 25% on an additional \$200 billion of Chinese imports, while Turkey's diplomatic tussle with the US also led to sanctions and tariffs being imposed on the country. The ongoing trade tensions, coupled with tighter global funding conditions, drew increased investor scrutiny on EM markets with larger external vulnerabilities, such as Turkey and Argentina, which contributed to the sharp market sell-offs there during the month.

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Fund Manager's Commentary on PRUlink US dollar bond fund

Against the risk-averse backdrop, the Philippine USD sovereign credit spreads widened in tandem with the broad EM sovereign bond market, with spreads of the JPMorgan EMBIG Philippine index widening by 7 bps. However, the negative impact from wider credit spreads were offset by lower US interest rates as US Treasury yields fell amid flight-to-quality flows.

On the domestic front, economic data published during the month pointed to a softening of growth momentum even as growth remained generally at a robust level. GDP for 2Q 2018 surprised on the downside, coming in at a pace of 6.0% YoY, as it was dragged down by a larger contraction in net exports, which negated the impact of higher investment growth. Overseas Filipino Worker remittances declined 4.5% YoY to USD2.4bn in June, compared with a 6.9% increase in May, due to lower remittances from the UAE, Saudi Arabia and Kuwait. However, total remittance growth in 1H 18 remained decent, growing by 2.7% YoY to USD14.18bn. Inflationary pressures also remained strong with headline inflation registering a new 5-year high of 5.7% YoY in July. This kept the Philippine central bank on a hawkish stance, as it raised policy rate by another 50 bps at the August policy meeting, following two 25bp rate hikes in May and June.

PRUink growth fund

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Key Information and Investment Disclosure

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Launch Date	22 July 2005	Fund Classification	Diversified
NAVpu (PHP)	3.91857	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 12.40 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 st December	Benchmark	20% Markit iBoxx ALBI Philippines + 80% PCI

**PCI - Philippines Composite Index*

Fund Objective

The fund seeks to optimize medium to long-term capital and income growth, with an emphasis on strong capital growth, through a greater focus of investment in shares of stocks listed in the Philippines. The fund also invests in fixed income securities, and money market instruments.

Performance Chart



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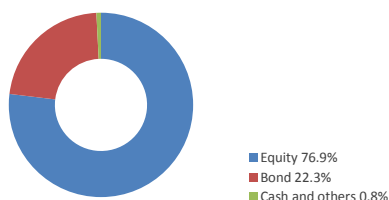
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	2.25%	-4.20%	3.24%	-8.73%	10.97%

Fund Statistics

Highest NAVPU reached	(30 Jan 18)	4.4577
Lowest NAVPU reached	(28 Oct 08)	0.99584
Initial NAVPU	(22 Jul 05)	1.00000

Asset Allocation



Fund Manager's Commentary

Philippines equities extended gains in August, with the Philippine Stock Exchange Index rising 2.4% in local currency terms. A larger-than-expected policy rate hike by the central bank as well as decent quarterly results from consumer, telecom and property companies lent support. Headline inflation accelerated to 5.7% year-on-year in July, bringing average inflation in the first 7 months of 2018 to 4.5%, exceeding the central bank's full-year target range. The central bank raised its policy rate by another 50 basis points to 4% in the bid to tame inflation and curb further depreciation of the Peso. As a result, returns from the Philippine bond market were weak during the month.

From a global perspective, our central scenario remains one of benign inflation, combined with moderate economic and earnings growth. Central banks' reluctance to "take away the punch bowl", should prevent them from hiking aggressively, so long as wage inflation pressures remain muted.

The rise in implied volatility across asset classes may be reflecting the shift from goldilocks macro conditions of extremely accommodative policy and financial conditions to a period of increased monetary policy uncertainty and rising trade war and protectionism risks.

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Fund Manager's Commentary on PRUlink growth fund

We remain cautious on the Philippines equity market for now. The external environment has deteriorated recently as the trade deficit has widened on the back of higher oil prices and large government spending programs causing a surge in imports. The Peso has now depreciated to its lowest level in over 10 years, solidifying the decision by foreign investors to reduce their exposure to PHP assets. Furthermore, market participants judge the BSP to be too late in tightening monetary policy as inflation reached 6.4% y/y in August against an upper bound of 4% from the central bank.

More generally, the broader emerging market risk off environment provides a headwind for the Philippine equity market to recover.

We remain underweight equities given the more uncertain macroeconomic outlook in the near term, whilst the Fund is overweight domestic bonds that we hope will benefit from longer dated yields falling as the central bank raises near term rates.

PRUink equity fund

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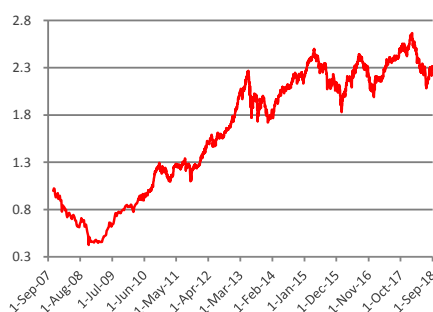
(all data as at 03 September 2018 unless otherwise stated)

Launch Date	23 October 2007	Fund Classification	Diversified
NAVpu (PHP)	2.31583	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 43.55 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 st December	Benchmark	Philippines Composite Index

Fund Objective

The fund seeks to optimize medium to long-term capital growth through investments in shares of stocks listed in the Philippines.

Performance Chart



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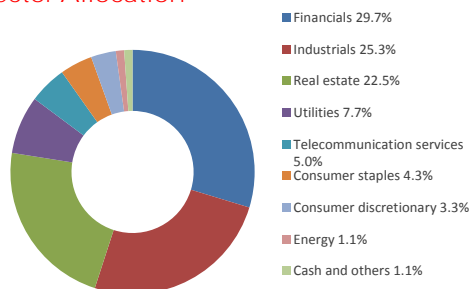
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	2.60%	-3.40%	4.94%	-9.21%	8.03%

Fund Statistics

Highest NAVPU reached	(30 Jan 18)	2.66632
Lowest NAVPU reached	(28 Oct 08)	0.42505
Initial NAVPU	(23 Oct 07)	1.00000

Sector Allocation



Top 5 Holdings:

SM INVESTMENTS CORP	9.8%
AYALA LAND INC.	8.9%
SM PRIME HOLDINGS INC.	8.4%
AYALA CORP	6.6%
BDO UNIBANK INC	6.4%

Fund Manager's Commentary

Philippines equities extended gains in August, with the Philippine Stock Exchange Index rising 2.4% in local currency terms. A larger-than-expected policy rate hike by the central bank as well as decent quarterly results from consumer, telecom and property companies lent support.

Headline inflation accelerated to 5.7% year-on-year in July, bringing average inflation in the first 7 months of 2018 to 4.5%, exceeding the central bank's full-year target range. The central bank raised policy rate by another 50 basis points to 4% in the bid to tame inflation and curb further depreciation of the Peso.

The overweight in First Gen and Energy Development Corp (EDC) as well as the underweight position in Bank of the Philippine Islands aided relative performance in August. First Gen's first half results exceeded expectations on the back of higher energy dispatch by its San Gabriel and Avion power plants. The San Gabriel plant also secured a six-year power supply agreement, reducing its exposure to the volatility of the spot market. Share price of EDC also surged in the month as the company announced a tender offer to buy back all its shares held by the public at P7.25 per share. The underweight in Bank of the Philippine Islands, which corrected in August, also helped relative performance. The bank's second quarter net income declined 12% from a year ago, dragged by lower non-interest income and higher expenses.

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Fund Manager's Commentary on PRUlink equity fund

The underweight in Jollibee Foods, Universal Robina (URC) and Globe Telecom hurt relative performance in August. Fast food chain operator Jollibee Foods reported strong earnings in the second quarter as rising disposable income and price increases translated to higher same-store sales growth. The underweight position in URC also detracted from relative performance as its share price continued to recover from recent lows. Globe Telecom's share price rose 15% in August, hurting the Fund's underweight position. Wireless data revenue rose quarter-on-quarter despite free data promotions, fuelling optimism that rising data consumption will drive earnings growth despite intense competition.

In August, the Fund increased its exposure to First Gen.

Philippines' macro fundamentals remain intact, underpinned by strong domestic demand.

The government's tax reform package is expected to reduce personal income tax burden for low-to-middle income earners and boost private consumption. Additional revenue from higher top-bracket income tax rates and excise duty on fuel, tobacco and sugar will also improve funding for large-scale infrastructure initiatives, which will in turn support long-term economic growth.

The Peso has been one of the worst-performing Asian currencies year-to-date. The currency is expected to remain under pressure going forward, driven by concerns over the country's deteriorating balance of payment and rising inflation as well as higher US interest rates.

The Fund is overweight in a select group of utilities due to their attractive valuations. It is also overweight attractively valued property stocks that are trading at a steep discount to their appraised net asset values.

PRUink proactive fund

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Key Information and Investment Disclosure

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Launch Date	17 February 2009	Fund Classification	Diversified
NAVpu (PHP)	2.10045	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 17.39 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 st December	Benchmark	50% Markit iBoxx ALBI Philippines + 50% PCI

* PCI - Philippines Composite Index

Fund Objective

The fund seeks to optimize medium to long-term capital and income growth with emphasis on dynamic asset allocation by fund managers through investment in fixed income securities, money market instruments and shares of stocks listed in the Philippines.

Performance Chart



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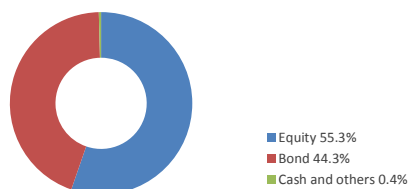
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	1.75%	-5.59%	0.51%	-7.99%	8.08%

Fund Statistics

Highest NAVPU reached	(30 Jan 18)	2.34008
Lowest NAVPU reached	(03 Mar 09)	0.99950
Initial NAVPU	(17 Feb 09)	1.00000

Asset Allocation



Fund Manager's Commentary

Philippines equities extended gains in August, with the Philippine Stock Exchange Index rising 2.4% in local currency terms. A larger-than-expected policy rate hike by the central bank as well as decent quarterly results from consumer, telecom and property companies lent support. Headline inflation accelerated to 5.7% year-on-year in July, bringing average inflation in the first 7 months of 2018 to 4.5%, exceeding the central bank's full-year target range. The central bank raised its policy rate by another 50 basis points to 4% in the bid to tame inflation and curb further depreciation of the Peso. As a result, returns from the Philippine bond market were weak during the month.

From a global perspective, our central scenario remains one of benign inflation, combined with moderate economic and earnings growth. Central banks' reluctance to "take away the punch bowl", should prevent them from hiking aggressively, so long as wage inflation pressures remain muted.

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Fund Manager's Commentary on PRUlink proactive fund

We remain cautious on the Philippines equity market for now. The external environment has deteriorated recently as the trade deficit has widened on the back of higher oil prices and large government spending programs causing a surge in imports. The Peso has now depreciated to its lowest level in over 10 years, solidifying the decision by foreign investors to reduce their exposure to PHP assets. Furthermore, market participants judge the BSP to be too late in tightening monetary policy as inflation reached 6.4% y/y in August against an upper bound of 4% from the central bank.

More generally, the broader emerging market risk off environment provides a headwind for the Philippine equity market to recover.

We remain underweight equities given the more uncertain macroeconomic outlook in the near term, whilst the Fund is overweight domestic bonds that we hope will benefit from longer dated yields falling as the central bank raises near term rates.

PRUlink asian local bond fund

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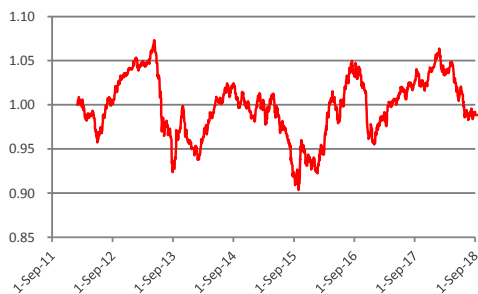
(all data as at 03 September 2018 unless otherwise stated)

Launch Date	28 January 2012	Fund Classification	Diversified
NAVpu (USD)	0.98851	Minimum Risk Rating	2 (Moderate)
Fund Size	USD 12.10 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.80% p.a.
Financial Year End	31 st December	Benchmark	Markit iBoxx ALBI x Chn Twd Cust

Fund Objective

The fund is structured as a feeder fund which invests in the Eastspring Investments – Asian Local Bond Fund (EI-Asian Local Bond Fund). The EI-Asian Local Bond Fund invests in a diversified portfolio consisting primarily of fixed income / debt securities issued by Asian entities or their subsidiaries. This Fund's portfolio primarily consists of securities denominated in the various Asian currencies and aims to maximize total returns through investing in fixed income or debt securities that are rated as well as

Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

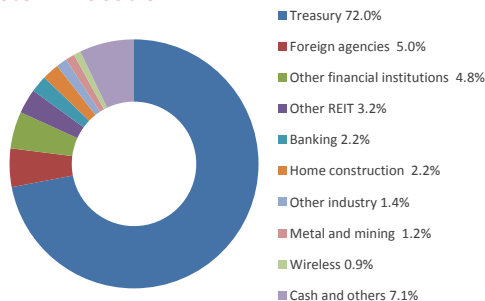
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	-0.36%	-3.81%	1.19%	-5.72%	-0.17%

Fund Statistics

Highest NAVPU reached	(09 May 13)	1.07329
Lowest NAVPU reached	(30 Sep 15)	0.90362
Initial NAVPU	(28 Jan 12)	1.00000

Sector Allocation



Top 5 Holdings:

KOREA (REPUBLIC OF) 2.125%	1.6%
06/10/2027	
THAILAND (KINGDOM OF) 4.0%	1.1%
06/17/2066	
KOREA (REPUBLIC OF) 2.0%	1.1%
09/10/2022	
INDONESIA (REPUBLIC OF) 8.375%	1.1%
03/15/2024	
KOREA (REPUBLIC OF) 1.875%	1.0%
03/10/2022	

Fund Manager's Commentary

Following a respite in July, risk sentiment again took a dive in August. The risk-averse backdrop contributed to broad weakness in Asian currencies, while performance of Asian domestic bond markets was mixed. Over the month, the custom Markit iBoxx Asian Local Bond Index was largely unchanged in USD terms.

During the month, trade tariffs and rising contagion fears in the Emerging Market (EM) region hogged the headlines, triggering a broad sell-off in the EM and Asia's risk assets; The risk-averse backdrop drove flight to quality flows, with the 10-year US Treasury (UST) yield falling by 10 bps to close the month at 2.86%. This was despite a modest rebound in UST yields towards month-end on the back of news that a trade deal was reached between the US and Mexico.

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Fund Manager's Commentary on PRUlink asian local bond fund

The declines in UST yields and soft risk sentiment influenced domestic interest rates lower in selected Asian markets. This included Korea, Singapore and Malaysia bond markets, which delivered positive local currency returns over the month. The Korean bond market was a key outperformer as softer employment outlook lowered expectation on rate hikes. Stronger Korean won against the US dollar also boosted total return in USD terms, making the market a top performer during the month. Another currency outperformer was the Thai baht which rose 1.3% against the US dollar and contributed to the market's outperformance in USD terms despite moderately higher government bond yields there.

However, Asian currency weakness elsewhere, including the Singapore dollar (-0.8%) and Malaysia ringgit (-1.0%) against the US dollar (USD) negated gains in the local currency bond markets. Nevertheless, it was the currencies of "twin-deficit" countries that were the hardest hit during this latest bout of risk aversion, with the Indian rupee and Indonesian rupiah falling by 3.5% and 2.0% respectively. The weak investor sentiment also spilled over to their bond markets, which saw the 10-year government bond yields rising by 18 bps and 44 bps respectively in India and Indonesia. The spike in IDR volatility prompted Bank Indonesia to raise policy rate by 25 bps to 5.50% - its fourth hike since May – to stem the slide in currency. India and the Philippines also raised rates to the tune of 25bp and 50bp respectively, although the rate hikes were aimed more at addressing the inflationary pressures in their countries; In India, the central bank statement emphasized potential upside risks to inflation due to the proposed hike in minimum support price (MSP) of summer crops, while in the Philippines, the hike came on the back of elevated CPI prints, with the July inflation coming in at 5.7%, which was materially above the central bank's target band of 2-4%.

In other notable policy developments, the People's Bank of China announced that it will impose a reserve requirement of 20% on banks that buy USD forward on behalf of clients and adopt other countercyclical measures to manage the renminbi weakness. Later in the month, the central bank also reintroduced a counter-cyclical factor to the USD-CNY fixing, which provided another boost to the RMB and helped provide some relief to the broad Asian currency complex.

The Fund's overweight in Indonesian and Indian bonds was negative for performance, as currencies weakened and bond yields rose in both countries. The underweight in Thai Baht and Korean Won was also negative for performance as both currencies strengthened in anticipation of policy tightening by the respective central banks. This was partially offset by the underweight in Malaysian Ringgit, and the overweight duration in Singapore and corporate bonds.

During the month, we went further underweight Korean Won and Thai Baht as both currencies appreciated against the rest of Asia, as we expect the monetary policy support to be limited, and both currencies are exposed to global trade slowdown.

We also increased duration exposure in Hong Kong and Singapore. We remain positive on Asian domestic bond markets as sufficient policy tightening has been priced in, valuation is attractive, and expect these markets to perform once the trade tension ease and Asian currencies find stability.

PRUlink asia pacific equity fund

Fund Fact Sheet August 2018

PRU LIFE U.K. 

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Key Information and Investment Disclosure

(all data as at 03 September 2018 unless otherwise stated)

Launch Date	26 February 2013	Fund Classification	Diversified
NAVpu (USD)	1.07936	Minimum Risk Rating	3 (Aggressive)
Fund Size	USD 27.02 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	2.05% p.a.
Financial Year End	31 st December	Benchmark	MSCI APXJ Index (Net)

Fund Objective

The fund is structured as a feeder fund which invests in the Eastspring Investments – Asia Pacific Equity Fund, which aims to maximize long-term total return by investing primarily in equity and equity-related securities of companies which are incorporated, listed in or have their area of primary activity in the Asia Pacific ex-Japan Region. This fund may also invest in depository receipts including American Depository Receipts and Global Depository Receipts, debt securities convertible into common shares, preference shares and warrants.

Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

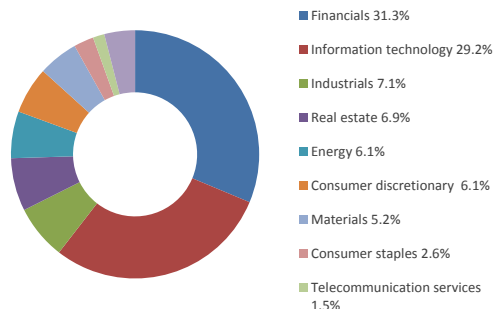
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	-1.84%	-0.80%	4.05%	-5.91%	1.39%

Fund Statistics

Highest NAVPU reached	(29 Jan 18)	1.24563
Lowest NAVPU reached	(22 Jan 16)	0.69551
Initial reached	(26 Feb 13)	1.00000

Sector Allocation



Top 5 Holdings:

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	6.0%
SAMSUNG ELECTRONICS LTD	4.6%
TENCENT HOLDINGS LTD	4.1%
CHINA CONSTRUCTION BANK CORP H	3.9%
INFOSYS LTD	3.2%

Fund Manager's Commentary

Global equity markets fell in early August on concerns over emerging market debt only to rally in the final week to blunt losses in many indices and even turn a handful positive. The MSCI AC World index ended 0.8% higher after an agreement between the US and Mexico over trade underpinned the final week's rally with the US helping Developed Markets outperform Emerging Markets for the fifth month in a row.

The currency weakness that dominated Emerging Markets this month also affected Asia, albeit to a lesser extent than other areas because of the lower levels of US-denominated debt (as a percentage of GDP), with the MSCI Asia Pacific ex Japan index falling 1.1% to be down 4.0% for the year.

The region was led lower by China, which lost 3.8%, with its technology stocks under pressure as US tariffs began to bite. Tencent was notably volatile losing 13% in the early part of the month before reclaiming almost all of it by the close.

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Fund Manager's Commentary on PRUlink asia pacific equity fund

Other North Asia markets fared better with Korea and Taiwan turning around early weakness to close 1.9% and 1.2% higher respectively with tech stocks in both notably outperforming. ASEAN indices continued their recent outperformance with Thailand, Malaysia and Indonesia recording modest gains, the latter responding positively to another rate increase by the central bank.

India markets were again strong with the MSCI India index hitting six-month highs and the local-denominated indices hitting record highs as positive momentum kept the markets moving higher. There was little in the way of significant newsflow during the month apart from investors possibly viewing India as a more insulated market from the effects of a US-China trade war. However, the Indian rupee declined to an all-time low against the US dollar at the end of the month on fears over the widening current account deficit due to higher oil prices.

Australia markets underperformed, as the country lost its prime minister in a party coup and then news came that the country had prevented technology groups Huawei and ZTE from participating in its 5G roll out. Both news items put the Australian dollar under pressure.

Kunlun Energy contributed to the Fund after the stock advanced 21% most of which came after its first-half results at the end of the month. Stronger volume growth and margins in its gas distribution and LNG processing businesses beat market expectations, offsetting a worse-than-expected decline in gas transmission, and leading to an almost 20% beat of consensus earnings expectations for the period. The Fund maintains its overweight position given its attractive valuation and strong positioning of its domestic gas pipeline distribution network.

The underweight in Alibaba, whose shares fell by 6% over the month, also contributed to relative performance. The technology company had a difficult month as the sector came under pressure amid regulatory uncertainties surrounding tighter rules over online gaming. Alibaba's first-quarter earnings also missed optimistic estimates, contributing to further selling pressure of this expensive name.

Axis Bank contributed to the Fund after an almost 18% rise during August following Q1 2019 results that were well ahead of consensus expectations. The company's extensive branch network and high levels of cash deposits gives a favourable tailwind in terms of cost of funding. Given the recent strong performance the Fund trimmed its holding to lock in some profits.

Retailer Tingyi weighed on the Fund as consumer stocks in China continued to come under pressure with a modestly weakening economy. The company has been one of the least liked stocks in China for some time and despite improving operational performance following a shift in corporate strategy, investors continued to shun the stock in August. We believe the stock remains attractively valued and continued strong execution can move the price towards a reflection of long-term sustainable earnings.

The Fund's overweight in Whitehaven Coal weighed on performance as the stock came off a 12-month high in July, and profit takers set in for a second month in a row. The company reported a mixed set of 2018 results with profits more or less in line, an unexpected special dividend added, but with the numbers accompanied by a softer guidance than was hoped for. The Fund retains its overweight position in the name.

Real Estate company Wharf Holdings detracted from performance after a 13% fall over the month. First-half profits, which were minus the Wharf REIC for the first time, still were lower by about 10% on an adjusted basis, missing market expectations. We continue to see potential upside as the stock is priced at a significant discount.

In August, the Fund opened positions in China's Lenovo and Korean auto supplier Nexteer while trimming Australian airline Qantas.

Following recent equity market weakness, Asian equities are trading below their long-term averages and remain cheap relative to developed markets of the west. Despite some market volatility and geopolitical concerns, we still see solid economic growth supported by a pickup in earnings delivery across Asia which can support sentiment for the region's shares over the long term.

Investors have ignored the price they are paying for growth and quality creating a valuation anomaly within Asian equity markets between value and quality / growth. We have positioned the Fund to exploit this anomaly.

PRUlink global emerging markets dynamic fund

Fund Fact Sheet August 2018



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Key Information and Investment Disclosure

(all data as at 03 September 2018 unless otherwise stated)

Launch Date	01 April 2014	Fund Classification	Diversified
NAVpu (USD)	1.05049	Minimum Risk Rating	3 (Aggressive)
Fund Size	USD 15.77 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	2.05% p.a.
Financial Year End	31 st December	Benchmark	MSCI Emerging Markets (Net Div)

Fund Objective

The fund is structured as a feeder fund which invests in the Eastspring Investments – Global Emerging Markets Dynamic Fund, which aims to generate long-term capital growth through a concentrated portfolio of equities, equity-related securities and bonds. This fund will invest primarily in securities of companies which are incorporated, or listed in, or operating principally from, or carrying on significant business in, or derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from the emerging markets worldwide. This fund may also invest in depository receipts including American Depository Receipts and Global Depository Receipts, preference shares and warrants.

Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

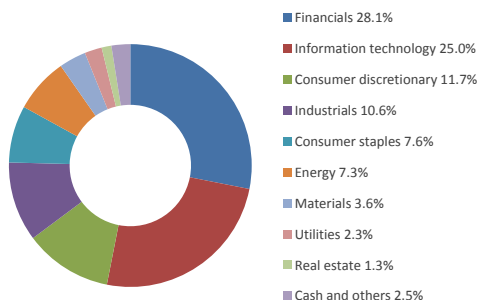
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	-2.66%	-0.85%	n.a.	-7.40%	1.12%

Fund Statistics

Highest NAVPU reached	(29 Jan 18)	1.24055
Lowest NAVPU reached	(22 Jan 16)	0.63696
Initial NAVPU	(01 Apr 14)	1.00000

Sector Allocation



Top 5 Holdings:

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	6.1%
SAMSUNG ELECTRONICS LTD	5.3%
CHINA CONSTRUCTION BANK CORP-H	4.0%
BAIDU ADR REPTG INC CLASS A	3.6%
NASPERS LTD	3.6%

Fund Manager's Commentary

Global equity markets fell in early August on concerns over emerging market debt only to rally in the final week to blunt the losses in many indices. The MSCI AC World index ended 0.8% higher after an agreement between the US and Mexico over trade underpinned the final week's rally with the MSCI US index's rise of 3.3% helping Developed Markets outperform Emerging Markets for the fifth month in a row. Japan outperformed most global markets with a 0.2% gain. On the downside, MSCI Europe fell 2.8% on concern over contagion from Turkey as well as weakness in Italy.

The MSCI Emerging Markets Index fell 2.7% as Turkey's index lost 29% in US dollar terms, making an over 50% loss for the year to date. Russia also fell sharply as its currency came under attack on news of fresh sanctions from the US, while Greece fell 10% despite emerging from its ECB-backed bail out scheme.

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Fund Manager's Commentary on PRUlink global emerging markets dynamic fund

In Latin America, Brazil pulled the continent lower as opinion polls began to favour a left wing leaning candidate, leading to fears that much needed reform will not take place. The collapse of the Venezuela bolivar currency and Argentina's approach to the IMF for a bailout package did little to help sentiment.

The currency contagion that dominated the early part of the month also affected Asia with the MSCI Asia ex Japan index falling 1.0% and is now down 4.7% for the year. The region was led lower by China, which lost 3.8%, with its technology stocks under pressure as US tariffs began to bite. Tencent was notably volatile losing 13% in early part of the month, before reclaiming almost all of it by the close.

With the near collapse of several emerging market currencies, countries with better balance sheets or lower levels of US dollar-denominated debt fared better with the dollar plateauing. In Asia, ASEAN indices continued their recent outperformance with Thailand, Malaysia and Indonesia recording modest gains, while Korea and Taiwan also turned around to end slightly higher.

India markets were again strong with the MSCI India index hitting six-month highs and the local currency denominated indices hitting record highs as positive momentum kept the markets moving higher. There was little in the way of significant newsflow during the month.

The Fund is overweight India's ICICI Bank given its attractive valuation relative to its long-term earnings potential. The bank had sold off on balance sheet concerns which have subsequently been addressed. ICICI bank now has conservative provisioning and appropriate capital ratios alongside its high quality domestic retail business. The stock contributed to performance in August as the stock rose more than 12% to add to a 10% rise in July following its Q1 results announcement which showed its asset quality was improving on a number of fronts. We retain an overweight position.

The Fund is overweight Chinese auto group Dongfeng Motor Group and the 15% rise in the stock price over the month contributed to the Fund's performance. This unloved, but attractively valued, stock has consistently been cash generative and it is well positioned to benefit from China's structural consumption growth. The stock began rising into the company's H1 results which showed profits up 15% year on year, ahead of consensus estimates, largely on the back of lower selling expenses. We still see long-term value in the stock at these levels and retain our overweight position.

Indian IT group Infosys also added value to the Fund as the stock again rose against a falling benchmark – the stock has risen in every calendar month but one over the past year. In August, the stock shook off the resignation of its CFO, its third senior departure this year, and continued the momentum started with its Q1 results posted in July. The stock remains attractively valued and continues to harvest rewards from its renewed corporate strategy over the medium term.

Retailer Tingyi weighed on the Fund as consumer stocks in China continued to come under pressure with a modestly weakening economy. The company has been one of the least liked stocks in China for some time and despite improving operational performance following a shift in corporate strategy, investors continued to shun the stock in August. We believe the stock remains attractively valued and continued strong execution can move the price towards a reflection of long-term sustainable earnings.

Russian financial group Sberbank detracted from the Fund after the stock fell 15% in US dollar terms during August. The bank released Q2 results that were largely above consensus expectations with net income 6% above estimates which reflects its dominant domestic franchise. However, the stock has been caught up in the general selloff of emerging market currencies that took place over the summer as well as worries over targeted sanctions. We maintain our overweight position given its attractive valuation.

Brazilian energy conglomerate Cosan also detracted from performance as the stock fell post a quarterly net loss with the company saying smaller domestic fuel sales and reduced sugar exports cost it in Q2. The truckers' strike in May was largely to blame for the drop as well as the fall in Brazilian real, which hurt investor sentiment. We continue to see a significant valuation opportunity in Cosan stock as improvements in the management's strategy can help deliver on its long-term potential which has been heavily discounted by the market.

In August, the Fund opened positions in CCR and Lenovo Group while closing out its holding in Megafon in Russia and trimming its holding in China Resources Cement.

Following recent equity market weakness, Global Emerging Market equity headline valuations are trading below their historical averages. These headline valuations also mask the many stock specific opportunities available to a disciplined value investor.

Relative to developed markets, emerging markets remain very cheap and within emerging markets there is extreme dispersion between cheap and expensive stocks as well as between value relative to growth / quality stocks, having been driven wider by expensive names outperforming. Despite recent market volatility and ongoing geopolitical concerns, we see a solid macroeconomic and corporate backdrop supporting the stock specific value opportunities we continue to find.

PRUink cash flow fund

Fund Fact Sheet August 2018

PRU LIFE U.K. 

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Key Information and Investment Disclosure

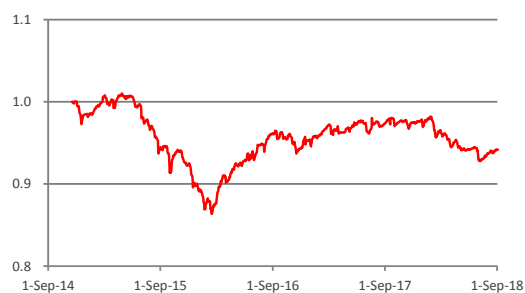
(all data as at 03 September 2018 unless otherwise stated)

Launch Date	17 November 2014	Fund Classification	Diversified
NAVpu (USD)	0.9417	Minimum Risk Rating	2 (Moderate)
Fund Size	USD 0.14 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.95% p.a.
Financial Year End	31 st December	Benchmark	50% JACI + 50% BofA ML US HY Con

Fund Objective

The fund seeks to provide investors with regular payout by investing in a diversified portfolio consisting primarily of high yield bonds and other fixed income/debt securities denominated in US dollars, issued in the US market rated below BBB-, as well as fixed income/debt securities issued by Asian entities or their subsidiaries. The Fund may in addition, at the Fund Manager's discretion, invest up to twenty percent (20%) of its assets in dividend yielding equities.

Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the fund.

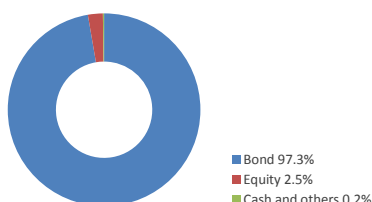
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	0.46%	-3.41%	n.a.	-2.84%	-1.57%

Fund Statistics

Highest NAVPU reached	(29 Apr 15)	1.01016
Lowest NAVPU reached	(15 Feb 16)	0.86352
Initial NAVPU	(17 Nov 14)	1.00000

Asset Allocation



Top 5 Holdings:

EASTSPRING INVESTMENTS US HIGH YIELD BOND - D CLASS	52.6%
EASTSPRING INVESTMENTS ASIAN BOND - D CLASS USD	44.8%
EASTSPRING INVESTMENTS WORLD VALUE EQUITY	2.5%
USD CASH (Alpha Committed)	0.2%

Fund Manager's Commentary

Global equities rose in August, although this was driven by strong gains in US stocks with broad declines elsewhere. Trade continued to define sentiment during the month, with the further escalation of US-China trade tensions – previously announced tariffs came into effect during August and fresh talks between the two countries yielded no significant progress – dominating headlines. In addition, a currency crisis in Turkey contributed to risk aversion and fears of contagion to other emerging markets amid geopolitical tensions with the US, rapidly rising inflation and concerns over the independence of the country's central bank. European equities declined in this environment, led by financials, in particular banks with exposure to Turkey, whilst automobile stocks were weaker on trade fears. UK-listed South African stocks declined on emerging market contagion risk; Asian stocks fell, led by China and Hong Kong. The US market rose, with the S&P 500 recording its longest bull market in history towards the end of the month. The market shrugged off trade tensions and emerging market jitters amid positive economic data.

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Fund Manager's Commentary on PRUlink cash flow fund

Returns from fixed income assets were generally positive in August, particularly Sovereign bonds and high quality credit in a month characterised by bouts of risk off sentiment due to emerging market weakness and global trade fears. US High Yield Bonds also performed well, benefiting from US economic strength and the lower sensitivity to rate rises amid the Fed's ongoing policy normalisation. Long duration US Treasuries were the standout performers, however, with investors seeking the perceived stability and safety of the asset class amid the sell offs and volatility in global equity markets.

Our central scenario remains one of benign inflation, combined with moderate economic and earnings growth. Central banks' reluctance to "take away the punch bowl", should prevent them from hiking aggressively, so long as wage inflation pressures remain muted.

The rise in implied volatility across asset classes may be reflecting the shift from goldilocks macro conditions of extremely accommodative policy and financial conditions to a period of increased monetary policy uncertainty and rising trade war and protectionism risks.

The Fund continues to hold a small developed market equity position, choosing to avoid Asia pacific equities at this juncture give the ongoing trade war rhetoric. Additionally it retains an overweight in US High Yield credit and underweight Asian bonds, the latter for similar reasons.

PRUlink asian balanced fund

Fund Fact Sheet August 2018

PRU LIFE U.K. 

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Key Information and Investment Disclosure

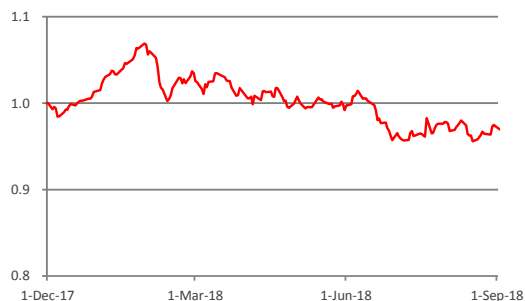
(all data as at 03 September 2018 unless otherwise stated)

Launch Date	09 October 2017	Fund Classification	Diversified
NAVpu (USD)	0.96907	Minimum Risk Rating	2 (Moderate)
Fund Size	USD 1.27 million	Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.95% p.a.
Financial Year End	31 st December	Benchmark	50% MSAP XJ + 25% JACI + 25% Markit iBoxx ALBI x CT

Fund Objective

The PRUlink asian balanced fund ("ABF" or "the fund") aims to maximize total return in the medium to long term by primarily investing in equities/equity-related securities of companies, which are incorporated, listed in, or have their area of primary activity in the Asia Pacific region (excluding Japan) as well as fixed income/debt securities issued by Asian entities or their subsidiaries. The fund is invested in three US dollar-denominated and Luxembourg-domiciled Asian SICAV funds of Eastspring Investments, namely, Asia Pacific Equity Fund, Asian Local Bond Fund, and Asian Bond Fund.

Performance Chart



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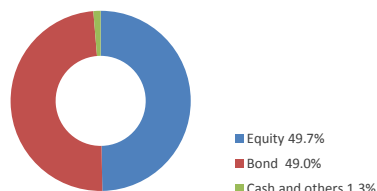
Annualize Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	-0.90%	n.a.	n.a.	-4.54%	-3.09%

Fund Statistics

Highest NAVPU reached	(29 Jan 18)	1.069
Lowest NAVPU reached	(17 Aug 18)	0.95583
Initial NAVPU	(09 Oct 17)	1.00000

Asset Allocation



Top 5 Holdings:

EASTSPRING INVESTMENTS ASIA PACIFIC EQUITY	49.7%
EASTSPRING INVESTMENTS ASIAN BOND -D CLASS USD	28.4%
EASTSPRING INVESTMENTS ASIAN LOCAL BOND - D CLASS	20.6%
USD CASH (Alpha Committed)	1.4%

Fund Manager's Commentary

Global equities rose in August, although this was driven by strong gains in US stocks with broad declines elsewhere. Trade continued to define sentiment during the month, with the further escalation of US-China trade tensions – previously announced tariffs came into effect during August and fresh talks between the two countries yielded no significant progress – dominating headlines. In addition, a currency crisis in Turkey contributed to risk aversion and fears of contagion to other emerging markets amid geopolitical tensions with the US, rapidly rising inflation and concerns over the independence of the country's central bank. European equities declined in this environment, led by financials, in particular banks with exposure to Turkey, whilst automobile stocks were weaker on trade fears. UK-listed South African stocks declined on emerging market contagion risk; Asian stocks fell, led by China and Hong Kong. The US market rose, with the S&P 500 recording its longest bull market in history towards the end of the month. The market shrugged off trade tensions and emerging market jitters amid positive economic data.

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Fund Manager's Commentary on PRUlink asian balanced fund

Returns from fixed income assets were generally positive in August, particularly Sovereign bonds and high quality credit in a month characterised by bouts of risk off sentiment due to emerging market weakness and global trade fears. US High Yield Bonds also performed well, benefiting from US economic strength and the lower sensitivity to rate rises amid the Fed's ongoing policy normalisation. Long duration US Treasuries were the standout performers, however, with investors seeking the perceived stability and safety of the asset class amid the sell offs and volatility in global equity markets.

Our central scenario remains one of benign inflation, combined with moderate economic and earnings growth. Central banks' reluctance to "take away the punch bowl", should prevent them from hiking aggressively, so long as wage inflation pressures remain muted.

The rise in implied volatility across asset classes may be reflecting the shift from goldilocks macro conditions of extremely accommodative policy and financial conditions to a period of increased monetary policy uncertainty and rising trade war and protectionism risks.

The Fund now has a neutral weighting to equities and an underweight to Asian local bonds relative to USD denominated Asian bonds. The latter position reflects our relative preference for USD denominated assets over those in EM local currencies due to the latter's vulnerability against the backdrop of trade war rhetoric.