

PruFund Cautious (Sterling) Fund PruFund Protected Cautious (Sterling) Fund



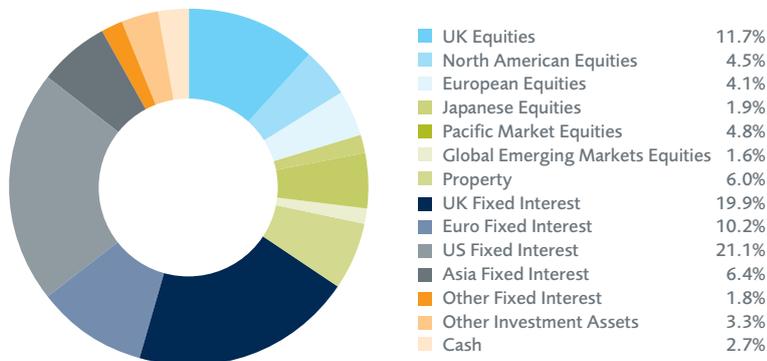
This document is for use by individuals who are familiar with investment terminology. If there is product information included that you would like to discuss, then please contact your financial adviser.

Fund aim

Objective: The fund aims for steady and consistent growth through a cautious approach to investing.

Fund investments: The fund invests around 70% in a well diversified portfolio of UK and international fixed interest securities and holdings of cash and money market instruments. The balance is invested in equities, property and alternative assets.

Asset allocation



Source: Prudential as at 30 September 2018. Asset allocations are regularly reviewed and may vary from time to time, but will always be consistent with the fund objective.

Prudential Portfolio Management Group Ltd

- PPMG are the in-house investment strategists and "manager of managers" for the Prudential in the UK.
- They are independent of the various underlying asset management businesses within the Prudential Group.
- PPMG is a team of over 80 that includes experienced investment professionals with specialist expertise in capital markets research, investment strategy design, liability management, alternative investments and portfolio management.
- Control of over £170 billion as at the end of August 2018 of Prudential's investments.

Fund manager commentary 30 September 2018

An escalating trade war between the US and China was very much at the forefront of investors' minds during the third quarter of 2018. Despite the prospects of import duties being applied to a significant volume of products both from China into the US and vice versa, so far at least, economic growth in both countries remains resilient.

Over quarter three the UK stockmarket was one of the worst performers globally. In the US the S&P 500 Index and NASDAQ composite reached all-time highs. Performance of European stockmarkets was disappointing with company shares facing several headwinds. Japanese shares made solid gains, performing particularly well in September. Stockmarkets in Asia Pacific ex Japan declined as the fears of a global trade war hit investor risk appetite. Emerging market stocks were under pressure as a crisis in Turkey, fears of a global trade war and a rising US dollar dampened investor sentiment.

In 2018 UK commercial property has generated a reasonably strong total return; however, gains are more modest compared to the same period in 2017. Capital value and rental value growth continue to be strongest in Industrials. UK gilts declined over the third quarter of 2018 as higher-than-expected inflation readings and some robust economic data helped push 10-year yields higher. The Bank of England raised interest rates from 0.5% to 0.75%. UK corporate bonds held up well with Index-linked gilts outperforming conventional gilts.

Prudential Portfolio Management Group's outlook for the global economy remains constructive and they expect solid global economic growth to continue in 2018.

This commentary reflects the general views of individual fund managers and should not be taken as a recommendation or advice as to how any specific market is likely to perform.

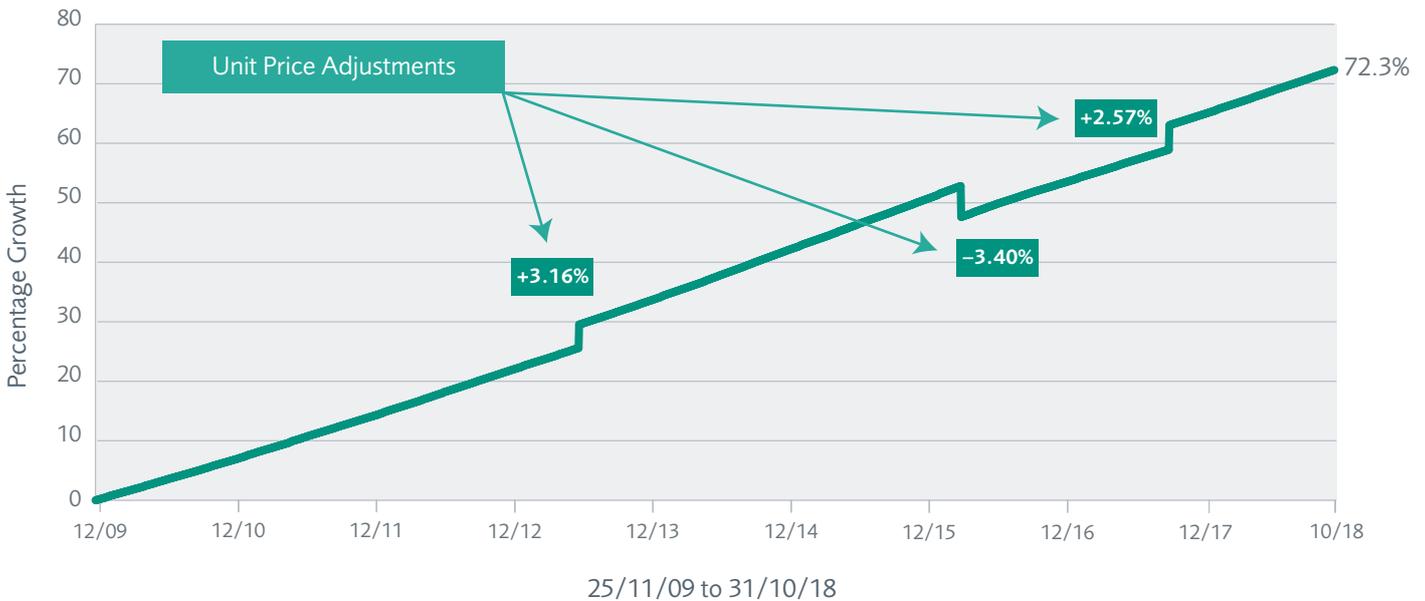
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Past performance

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

31/10/13 to 31/10/14	31/10/14 to 31/10/15	31/10/15 to 31/10/16	31/10/16 to 31/10/17	31/10/17 to 31/10/18
6.4%	6.0%	1.9%	7.5%	4.8%

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.

The PruFund Protected Cautious (Sterling) Fund 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. There is a charge for the guarantee; please see "The PruFund Range of Funds: Guarantee options" for more information.

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. Registration No. 209956. Telephone number + 353 1 476 5000. If the Company should become unable to meet its liabilities, the Financial Services Compensation Scheme will protect eligible policyholders habitually resident in the UK when their contract starts, with effect from 1 December 2001. This protection does not extend to externally-linked investments. Prudential International Assurance plc is authorised by the Central Bank of Ireland and is subject to limited regulation by the Financial Conduct Authority for UK business. Details on the extent of our regulation by the Financial Conduct Authority are available from us on request.