

February 2010

All data as at 31 January 2010 unless otherwise stated

Fund aim

The Fund aims to provide income with stability of capital.

Key information

Fund manager	Ben Lord
Launch date	29 January 1993
Fund size (millions)	£219.50
Comparative sector	IMA Money Market sector
No. of issuers	70
Ex-dividend dates (first business day of the month)	Mar, June, Sept & Dec
Payment dates (last calendar day of the month)	Apr, July, Oct & Jan
Product availability	ISA, OEIC
Share type	Inc
Share price	Inc £0.25
Distribution yield*	0.90 %
ISIN number	Inc GB0031110397
SEDOL code	Inc 3111039
Nominated OEIC Share Class	Sterling Class A

* The distribution yield reflects the amounts that may be expected to be distributed over the next 12 months as a percentage of the mid-market price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any preliminary charge and investors may be subject to tax on distributions. The distribution yield and the underlying yield will always be the same figure.

The underlying yield reflects the annualised income net of expenses of the fund (calculated in accordance with relevant accounting standards) as a percentage of the mid-market price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any preliminary charge and investors may be subject to tax on distributions.

Charges

Sterling Share Class A	
Initial charge	0.00 %
Annual management charge	0.50 %
Withdrawal fee	No

Fund manager biography

Ben Lord joined M&G in September 2007 as a junior portfolio manager within the retail fixed interest team. He was appointed fund manager of the M&G High Interest Fund in February 2009. Ben previously worked at Gordian Knott as a credit analyst covering financial institutions. He obtained an MA in philosophy from the University of Edinburgh and is a CFA charterholder.

Investment approach

The M&G High Interest Fund is focused on money market and short dated instruments, with the majority of the portfolio invested in floating rate notes (FRNs) and in short dated corporate bonds.

The fund primarily holds high quality, A rated and above, senior debt investments, issued by large corporations or by international financial institutions.

The fund is managed with the aim of maintaining stability of capital and providing a steady flow of income which should exceed that available from a typical building society deposit account. Capital is, however, secure in a building society account (up to £50,000), whereas it does carry some risk in this fund.

Top 10 issuers (excluding cash deposits)

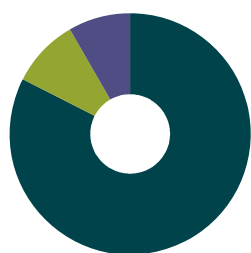
1	Commonwealth Bank of Australia	4.0%
2	New York Life	3.7%
3	Deutsche Bank	3.6%
4	JP Morgan	3.6%
5	Bank of America	3.5%
6	BNP Paribas	3.4%
7	Intesa San Paolo	3.3%
8	RaboBank	3.3%
9	Credit Suisse	3.0%
10	Southern Gas	2.9%

Fund ratings

Overall Morningstar Rating
Ratings should not be taken as a recommendation.



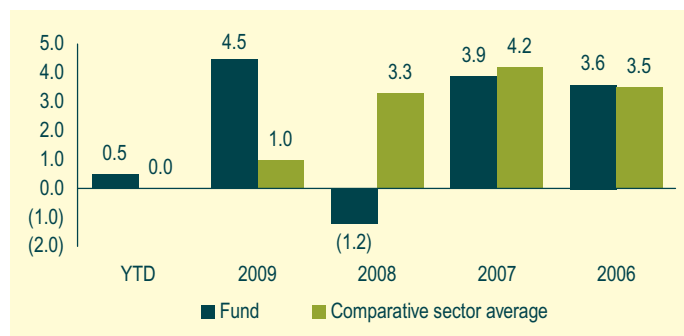
Asset breakdown



Floating rate notes	82.6 %
Cash and deposits	9.1 %
Short dated fixed rate bonds	8.3 %

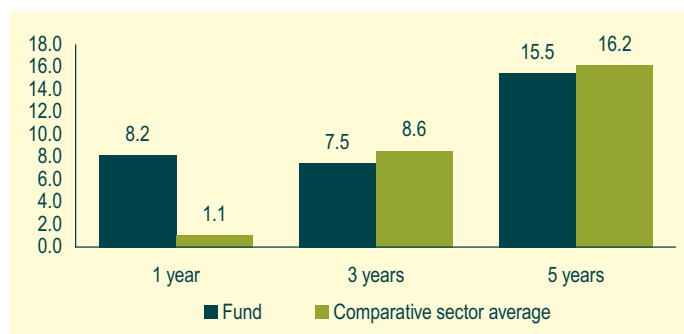
Annual performance

Total return (%)



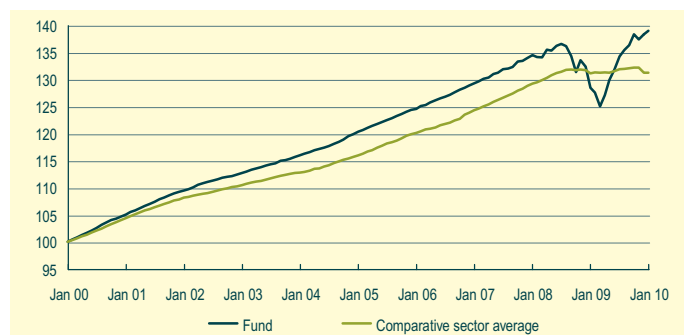
Cumulative performance

Total return (%)



Performance over 10 years

Total return (indexed to 100)



How to contact us

Financial Adviser Helpline

0800 328 3191

Before assisting you with your enquiry, we will ask you to; identify yourself, provide your firm's FSA number and confirm certain information relating to our mutual customer.

Website

www.mandg.co.uk/ifa