# ASI Multi-Manager Cautious Managed Portfolio

(From 7 August 2019 the fund name was amended from Aberdeen Multi-Manager Cautious Managed Portfolio to ASI Multi-Manager Cautious Managed Portfolio)

**Class R - Acc**

Performance Data and Analytics to 31 August 2019

AberdeenStandard Investments

## Objectives and investment policy

Objective: To generate growth over the long term (5 years or more) by investing in a diversified range of actively managed funds.

**Please note:** Our factsheets will be fully updated to reflect the 7 August 2019 changes to the Investment Objective and Policy, including benchmark use, shortly. In the interim, please see the KIID which can be found at https://www.aberdeenstandard.com/en/uk/investor/fund-centre#literature for full up to date information.

## Performance (%)

| | | | | | Annualised | | |
|---|---|---|---|---|---|---|---|
| | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | Launch |
| Fund | -0.92 | 4.15 | 7.69 | 4.59 | 4.72 | 4.63 | 5.01 |
| Sector average | -1.00 | 3.28 | 5.42 | 3.02 | 4.17 | 4.72 | 4.64 |
| Sector ranking | 73/155 | 41/154 | 25/145 | 39/142 | 25/133 | 54/117 | 9/17 |
| Quartile | 2 | 2 | 1 | 2 | 1 | 2 | 2 |

## Discrete annual returns (%) - year ended 31/08

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|
| Fund | 4.59 | 1.10 | 8.59 | 9.45 | -0.21 |

## Calendar year performance (%)

| | Year to date | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|
| Fund | 11.30 | -5.81 | 6.04 | 10.72 | 1.47 |
| Sector average | 9.40 | -5.16 | 7.19 | 10.63 | 1.27 |
| Sector ranking | 25/142 | 78/141 | 101/143 | 57/140 | 70/140 |
| Quartile | 1 | 3 | 3 | 2 | 2 |

Performance Data: Share Class R acc.
Source: Lipper, Basis: Total Return, NAV to NAV, UK Net Income Reinvested.
These figures do not include the initial charge; if this is paid it will reduce performance from that shown.
**Past performance is not a guide to future results.**

## Fund manager's report

Global equity markets tumbled in August, with global recession fears, trade friction and competitive currency devaluation the themes that dominated investor sentiment.

The FTSE All Share Index fell by 3.6% in August. Global recession concerns and trade friction were compounded by the increased likelihood of a no-deal Brexit. The immediate effect of this was seen most clearly in the currency market as sterling weakened. There was a respite at month end when equities bounced on signals that the US was retreating from its latest threats of tariffs on China. A weaker currency usually means large companies with big overseas earnings outperform their more domestically focused rivals. However, the reverse was the case in August as weaker commodity prices weighed on the resource-heavy FTSE 100 Index, which fell by 4%.

Shares in large US companies fell, but the declines were less pronounced than those in many other developed markets. The S&P 500 Index of blue chip stocks dipped 1.1% (in sterling terms). This was mainly due to investors' concerns about the ongoing trade war between the US and China. Energy and financials stocks were among the worst performers. By contrast, the utilities and consumer staples sectors did well. The latter two are traditionally 'defensive' areas of the market where companies are more likely to provide consistent (if lower) returns despite economic uncertainty. August's stock market declines came despite some generally good news on company profits. Nearly three-quarters of the companies in the S&P 500 Index reported figures that were above analysts' expectations, as per I/B/E/S data from Refinitiv.

Following the global trend, shares fell slightly across European markets. The FTSE World Europe (ex UK) Index fell by 1.4 in sterling terms. Political events and some disappointing economic data were behind the decline. Oil & gas and technology companies were the biggest losers at the sector level, while utilities and healthcare stocks performed comparatively well. In terms of regional performance, Turkey and Belgium were near the bottom of the list. By contrast, Denmark and Switzerland did well. In Germany, there were worries that the country could be teetering on the brink of recession. A contraction in the German economy, the biggest in Europe and the world's fourth-largest, could have wider implications for global growth. It shrank by 0.1% in the second quarter compared to the three months before. In addition, a survey from the Ifo Institute indicated that business confidence was at its lowest level in seven years.

Japanese equity markets, as measured by the Topix Index, fell by 3.4% in yen terms (0.6% in sterling terms). On top of the US-China standoff, Japan is embroiled in its own trade dispute with South Korea. Tensions escalated following Seoul's decision to cancel an intelligence-sharing agreement with Tokyo. On a more positive note, Japan's economy grew at a better-than-forecast 1.8% in the second quarter. Analysts had pencilled in an annualised rate of 0.4%.

**Risk factors should be read along with all comments given in the prospectus.**

### Top ten holdings

| | Sector | % |
|---|---|---|
| Findlay Park American Fund | United States | 11.2 |
| Jupiter Strategic Bond | Bonds | 9.0 |
| M&G Investment Funds 4 - Global Macro Bond Fund | Bonds | 9.0 |
| Royal London Sterling Credit Fund | Bonds | 7.6 |
| PIMCO GIS Global Investment Grade Credit Fund | Bonds | 7.5 |
| LF Lindsell Train UK Equity Fund | United Kingdom | 6.2 |
| JO Hambro Capital Management UK Umbrella Fund - UK Dynamic Fund | United Kingdom | 5.6 |
| BlackRock European Dynamic Fund | Europe | 5.2 |
| J O Hambro Capital Management Umbrella Fund PLC - Continental European Fund | Europe | 5.0 |
| Absolute Insight Equity Market Neutral Fund | Absolute Return | 4.8 |
| **Total** | | **71.1** |
| **Total number of holdings** | | **19** |

| Asset allocation | % |
|---|---|
| Bonds | 39.6 |
| United Kingdom | 20.1 |
| United States | 11.2 |
| Europe | 10.2 |
| Absolute Return | 4.8 |
| Japan | 3.3 |
| Asia Pacific | 3.3 |
| Emerging Markets | 1.1 |
| Cash | 6.4 |
| **Total** | **100.0** |

### Key information

| | |
|---|---|
| Benchmark | **IA Mixed Investment 20-60%** |
| Sector | **IA Mixed Investment 20-60% Shares NR** |
| Fund size | **£ 151.9 m** |
| Share Class Performance Launch Date | **10 August 2001** |
| Investment team | **Multi Manager Strategies** |
| Fund advisory company | **Aberdeen Asset Managers Limited** |

www.aberdeenstandard.co.uk

# ASI Multi-Manager Cautious Managed Portfolio

It was a challenging month for emerging and Asian markets, with both falling by just over 4% in US dollar terms. As has been the case for much of the year, concerns about trade, US dollar strength and the global economy dictated sentiment. Outflows from emerging markets were the worst since President Trump's election win in November 2016. Meanwhile, the Argentina crisis deepened, with the main stock market dropping over 50% in August. The strength of the US dollar was another headwind. Emerging market currencies had their worst month against the greenback in at least 22 years. A strong US currency is bad news for those nations with high dollar-denominated debt.

The prices of government bonds in the 'core' markets of the US, Germany and the UK moved sharply higher in August. This was in reaction to a clutch of concerns, including: anxiety over the escalation of the US-China trade dispute; continued political turmoil in Italy; new twists and turns in the Brexit saga; and the increasing risk of a global recession. In the middle of the month, weak economic data from China and Germany pushed the yields of 10-year UK gilts and US Treasuries below those of shorter-maturity debt for the first time since the financial crisis. The resultant inverted yield curve has historically been a warning sign of impending recession.

Corporate bonds suffered in early August, reflecting investors' nervousness. However, they subsequently recovered at the prospect of fresh central bank support. As a result, corporate bonds delivered positive returns for the month (yields fell). Investment-grade corporate bonds generally fared better than their more risky high-yield counterparts. The outlook remains relatively uncertain. However, we expect to see central banks providing further support over the coming months. This is likely to include another round of quantitative easing from the European Central Bank. In the UK, a hard Brexit scenario would probably lead the Bank of England to take steps to help the economy. Such actions would support corporate bonds as conditions worsen.

Within UK commercial real estate, the rapidly evolving political situation and continued risk of a no-deal Brexit ensured limited transaction activity during the quiet summer months. The UK's challenging macroeconomic backdrop, alongside considerable caution around retail investment, continues to affect transaction activity. Many investors are holding off from deploying further capital into the market. Returns were slightly positive for All Property in July (latest data available). Sector dispersion continued to reflect structural headwinds faced by the retail sector, especially for shopping centres and retail warehouses. Meanwhile, industrial values remained well supported by anticipated rental growth in the sector.

Most commodity prices ended lower, with the S&P GSCI global commodity index falling 6%. Brent crude oil slid over 6%, reflecting concerns about the effects of weakening global growth on demand for oil. Gold and other precious metals continued to gain value as investors sought shelter in safe-haven assets. Gold was the best-performing asset class in August. It jumped 7% to close at US$ 1,520 per troy ounce, a six-year high.

The Aberdeen Multi-Manager Cautious Managed Portfolio fell by 0.9% in August, placing it second quartile within the IA Mixed Investment 20-60% sector.

We did not make any changes to the portfolio.

The Fund outperformed its sector benchmark by 0.11%.

| Codes (Class R - Acc) | |
|---|---|
| SEDOL | 3067251 |
| ISIN | GB0030672512 |
| BLOOMBERG | CSMBALA LN |
| REUTERS | LP60058646 |
| VALOREN | 1277239 |

| Additional information | |
|---|---|
| Fund type | Non-UCITS Retail Scheme |
| Domicile | United Kingdom |
| Currency | GBP |
| Registered for sale | Please refer to www.aberdeenstandard.com |
| Minimum investment | £1000 or currency equivalent |
| Charges | Current initial 0.00% |
| Ongoing Charges Figure (OCF)[B] | 1.78% |
| Price as at 31/08/19 | 231.63p |
| Deal closing time | 12.00 noon (UK) |
| Daily valuation point | 12.00 noon (UK) |
| Historic Yield[A] | 1.94% Share Class R Acc |
| Units | Inc & Acc |

Source: Simulated Ongoing charges Aberdeen Standard Investments as at 31 December 2018

[A]The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. The fund charges 100% of the annual management charge to capital. This has the effect of increasing distributions for the year and constraining the fund's capital performance to an equivalent extent.

[B]The Ongoing Charge Figure (OCF), is the overall cost shown as a percentage of the value of the assets of the Funds. It is made up of the Annual Management Charge (AMC) of 0.95% and other charges. It does not include any initial charges or the cost of buying and selling stocks for the Funds. The Ongoing Charges figure can help you compare the annual operating expenses of different Funds. Multi-Manager Portfolio daily fund prices are available at www.aberdeen-asset.co.uk

## Important information

**Risk factors you should consider before investing:**

- The value of units and the income from them can go down as well as up and you may get back less than the amount invested.
- Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond.
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- A full list of risks applicable to this Fund can be found in the Prospectus.

**Other important information:**

The Fund is a sub-fund of Aberdeen Standard Unit Trust I, an authorised Unit Trust. The manager is Aberdeen Standard Fund Managers Limited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for units in the Fund and is by way of information only. Subscriptions will only be received and units issued on the basis of the current Prospectus, relevant Key Investor Information Document (KIID) and Supplementary Information Document for the Fund. These can be obtained free of charge from Aberdeen Standard Fund Managers Limited, PO Box 9029, Chelmsford, CM99 2WJ.

**Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.**

**United Kingdom (UK):** Issued by Aberdeen Standard Fund Managers Limited, registered in England and Wales (740118) at Bow Bells House, 1 Bread Street, London, EC4M 9HH. Authorised and regulated by the Financial Conduct Authority in the UK.

**Broker desk 0800 592 487**
**Customer services 0345 300 2890**
**Dealing 0800 833 580**

All sources (unless indicated): Aberdeen Standard Investments 31 August 2019.

www.aberdeenstandard.co.uk