

# Aberdeen Strategic Bond Fund

A Inc

Performance Data and Analytics to 31 March 2019

## Objectives and investment policy

Objective: To generate income and increase the value of the shareholder's investment over the long term (income and capital growth).

Investment policy: The Fund invests 80% or more of its total net assets in worldwide bonds that are priced in (or hedged back to) Sterling.

## Performance (%)

	1 month	3 months	6 months	1 year	Annualised		
					3 years	5 years	Launch
Fund	0.84	3.13	1.14	1.06	3.79	2.67	4.74

## Discrete annual returns (%) - year ended 31/03

	2019	2018	2017	2016	2015
Fund	1.06	2.95	7.46	-2.96	5.15

## Calendar year performance (%)

	Year to date	2018	2017	2016	2015
Fund	3.13	-3.28	6.38	5.48	0.08

Performance Data: Share Class A Inc.

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.

The comparator shown may be used for risk monitoring and portfolio construction purposes, as well as to provide a performance comparator; it is not an integral part of the Objective and Investment Policy for the fund and should not be considered as such.

\*The Aberdeen Investment Funds ICVC Strategic Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC III Strategic Bond Fund into the Aberdeen Investments ICVC range on 11/09/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC III Strategic Bond Fund.

Past performance is not a guide to future results.

## Fund manager's report

Corporate bond markets delivered some strong returns in March. These were driven both by falling credit risk premiums and collapsing government bond yields. Risk assets rallied, buoyed by a more dovish US Federal Reserve and optimism around a US/China trade settlement. Economic data continues to point to a global slowdown and earnings have been somewhat mixed.

In what became a quite healthy risk-facing environment, both lower-quality and more cyclical areas were positive contributors to the return of the Aberdeen Strategic Bond Fund. In the European telecoms sector, Altice and Telefonica rallied strongly. So, too, did the North American energy sector where the fund has exposure through issuers including Energy Transfer Partners and Canadian Natural Resources. In an environment of falling government bond yields, some duration was added back into the Fund. Exposure to both US long bonds and Australian 10-year bonds helped the Fund.

Although yields are once again at extremely low levels it appears that policy rates globally are not likely to rise for the foreseeable future. Central banks and governments continue to attempt to generate economic growth. Some of the extraordinary policy measures adopted over the past 10 years are likely to continue for the time being, providing support for bond markets. The Fund remains focused on corporate bond markets, predominantly in developed markets, although a small amount of emerging markets risk was added in 2019.

Risk factors should be read in conjunction with all warnings and comments given in the prospectus for the fund. Please visit the attached link to our Jargon Buster which contains a glossary of terms used in this document > <http://glossary.aberdeen-asset.com/jargonbuster/>

**AberdeenStandard**  
Investments



Top ten holdings	%
Axa 6.6862% FRN Perp EMTN GBP	2.1
Lloyds Bank 13% Var Perp EMTN GBP	2.0
Royal Bank Of Scotland Grp 7.648% FRN Perp USD	1.7
Tesco Property Finance 3 5.744% 13/04/40 GBP	1.7
ABN Amro Bank 6.25% 27/04/22 EMTN USD	1.6
Barclays 14% FRN Perp Rci GBP	1.6
PGH Cap 6.625% 18/12/25 GBP	1.5
UBS Stamford Ct 7.625% 17/08/22 USD	1.5
Canadian Natural Resources 3.8% 15/04/24 USD	1.5
Natl Westminster Bank 6.625% 05/10/49 Perp EMTN EUR	1.4
<b>Total</b>	<b>16.6</b>
<b>Total number of holdings</b>	<b>123</b>

Sector breakdown (%)	Fund
Financial	48.1
Industrial	32.6
Utility	7.2
Asset Backed	3.9
Domestic Government	3.3
Government Related	1.5
Derivative	-0.7
Cash	4.0
<b>Total</b>	<b>100.0</b>

Credit Rating of holdings (%)	Fund
AA	4.4
A	7.9
BBB	52.0
BB	25.5
B	6.7
CCC	0.3
Unrated	-
Cash	3.2
<b>Total</b>	<b>100.0</b>
<b>Average long term rating</b>	<b>BBB-</b>

Cash includes cash at bank, outstanding settlements, call account cash, fixed deposits, cash used as margin and profit/losses on both derivative positions and forward currency contracts. Where bonds are split rated between two or more of S&P, Moody's and Fitch, the data shown takes a more conservative approach, splitting lower. This may not be consistent with the arrangement agreed in the prospectus, which may detail taking a higher rating where there is a split. In the absence of any agency ratings an internal Fund Manager rating may be applied. The benchmark shown reflects ratings from S&P, Moody's and Fitch only. This may differ from the ratings used by the benchmark provider detailed in the prospectus.

## Key information

Benchmark	No Official Benchmark Required
Sector	IA Sterling Strategic Bond
Fund size	£ 85.1 m
Date of launch	14 June 2010 <sup>A</sup>
Investment team	Sterling IG and Aggregate Team
Fund advisory company	Aberdeen Asset Managers Limited

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

# Aberdeen Strategic Bond Fund

## Interest rate exposure (IRE) (years)

	Fund
United Kingdom	2.09
Euro	0.56
United States	0.38
Australia	0.32
India	0.06
<b>Effective duration</b>	<b>3.41</b>

## Maturity profile IRE (years)

	Fund
<1	-0.02
1-3	0.22
3-5	-0.12
5-10	0.51
10-15	1.98
15-30	0.61
>30	0.23
<b>Total</b>	<b>3.41</b>

## Currency Exposure (%)

	Fund
United Kingdom Pound	99.1
India Rupee	1.2
Euro	0.6
Australian Dollar	0.1
Swedish Krona	-0.2
United States Dollar	-0.8
<b>Total</b>	<b>100.0</b>

Market Exposure (%)	Fund
United Kingdom	49.1
United States	12.1
France	10.2
Germany	5.2
Australia	4.6
Switzerland	3.7
Netherlands	3.5
Spain	3.0
Canada	1.5
India	1.2
Other	5.9
<b>Total</b>	<b>100.0</b>

## Fund Statistics

Yields <sup>c</sup>	2.80% underlying 2.80% distribution
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Yields are net of charges and gross of tax and are not guaranteed.

## Codes (A Inc)

SEDOL	BWK27Y2
ISIN	GB00BWK27Y29
BLOOMBERG	STBDAIN LN
REUTERS	LP68332892
VALOREN	29220538
WKN	A14YAQ

## Additional information

Fund Type	OEIC
Domicile	United Kingdom
Currency	GBP
Registered for sale	Please refer to <a href="http://www.aberdeenstandard.com">www.aberdeenstandard.com</a>
Income payable	30 April, 1 January, 31 October, 31 January
Minimum investment	£500
Charges	Current initial 0.00%
Ongoing Charges Figure (OCF) <sup>b</sup>	1.06%
Price as at 31/03/19	115.88p
Deal closing time	12.00 noon (UK)
Daily valuation point	12.00 noon (UK)

Source: Simulated Ongoing charges Aberdeen Standard Investments as at 1 December 2018.

<sup>b</sup>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.

<sup>c</sup>The Distribution Yield reflects the amounts that may be expected to be distributed over the next twelve months as a percentage of the mid-market share price of the fund as at the date shown. The Underlying Yield reflects the annualised income net of expenses and known irrecoverable withholding tax of the fund (calculated in accordance with relevant accounting standards) as a percentage of the mid-market share price of the fund as at the date shown. Both yields are based on a snapshot of the portfolio on the month-end date and are not guaranteed and actual distributions received (where a share class pays distribution) may be higher or lower than the amount stated. They do not include any initial charges and Investors may be subject to tax on distributions. The Distribution Yield is higher than the Underlying Yield because a portion of the fund's expenses are charged to capital. This has the effect of increasing distributions and constraining the fund's capital performance.

Analytics provided by The Yield Book® Software

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

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

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

## Important information

### Risk factors you should consider before investing:

- The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivatives: This Fund can use derivatives in order to meet its investment objective. The use of derivatives may result in greater fluctuations in the value of the Fund, and may increase the magnitude of any losses.
- 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 Investment Funds ICVC, an authorised open-ended investment company (OEIC). The Authorised Corporate Director 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 shares in the Fund and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Prospectus, relevant Key Investor Information Document (KIID) and Supplementary Information Document (SID) for the Fund. These can be obtained free of charge from Aberdeen Standard Fund Managers Limited, PO Box 9029, Chelmsford, CM99 2WJ.

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