Apr
2019

Global Focused Strategies Fund

Aberdeen Standard Investments

30 April 2019

The fund aims to provide positive investment returns in all market conditions over the medium to long term through a discretionary multi-asset approach that integrates macro insights with fundamental security research. It invests actively within and between all major asset classes and across the capital structure of firms, exploiting medium term investment views drawn from a broad expert research platform. The fund targets a level of return over rolling three-year periods equivalent to cash plus seven and a half per-cent per year, gross of fees. Operating distinct idea generation, strategy selection and portfolio construction steps, the fund uses well established processes to target a particular level of positive return with a strong emphasis on risk awareness whatever the economic environment. The fund uses a combination of traditional securities and derivatives and can take long and short positions.

Past performance is not a guide to future returns and future returns are not guaranteed. The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment. The fund will use derivatives extensively to reduce risk or cost, or to generate additional capital or income at low risk, or to meet its investment objective. Usage of derivatives is monitored to ensure that the fund is not exposed to excessive or unintended risks. The value of assets held within the fund may rise and fall as a result of exchange rate fluctuations.

SICAV Fund

Absolute Return Fund

Monthly

Fund Manager	David Sol, Jennifer Catlow & Alistair Veitch	Shareclass	USD (hedged)
Shareclass Launch Date	25 Aug 2015	Base Currency	EUR
Current Fund Size*	$140.9m	Benchmark**	6 Month EURIBOR

***Fund size calculated using the base currency in Euros converted into US Dollar using the FX rate of 1:1.12 on 30/04/2019. The Fund was initially launched on 11 December 2013.**
****This is the Fund benchmark. Where shareclasses are available in a different currency to the Fund's base currency, an alternative benchmark will be referenced for performance comparison purposes. For example, for a USD-hedged shareclass, performance will be referenced against a USD-hedged version of the Fund benchmark or a local currency (equivalent) index.**
This document is intended for use by individuals who are familiar with investment terminology. To help you understand this fund and for a full explanation of specific risks and the overall risk profile of this fund and the shareclasses within it, please refer to the Key Investor Information Documents and Prospectus which are available on our website – www.standardlifeinvestments.com. Please note that the Portfolio Risk and Return Analysis table is only updated on a quarterly basis. (31 March, 30 June, 30 September and 31 December).
Aberdeen Standard Investments has not considered the suitability of investment against your individual needs and risk tolerance. If you are in any doubt as to whether this fund is suitable for you, you should seek advice. An adviser is likely to charge for advice. We are unable to provide invest-ment advice.

Fund Information *

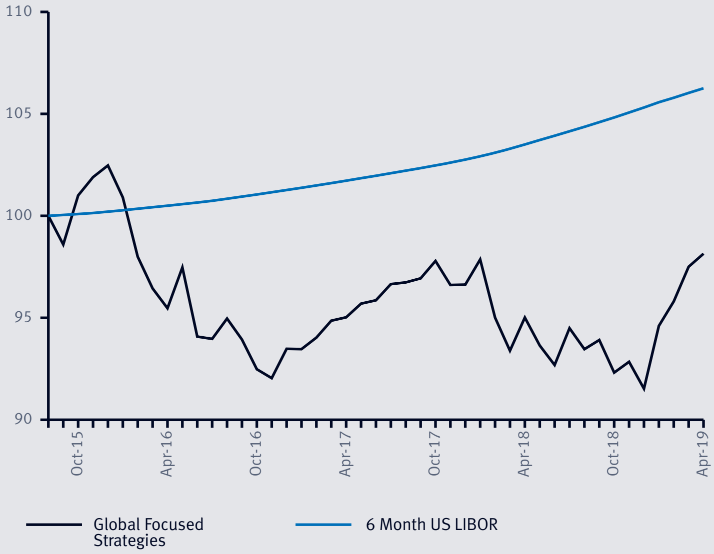
Quarterly Portfolio Risk and Return Analysis

	Strategy	Stand-alone Risk Exposure %	Weighting (risk based %)	Contribution to Returns % Q1	Contribution to Returns % 1 Yr
Equity	Chinese equity	1.1	10.7	0.5	0.1
	Short Australian banks equity	0.6	6.3	-0.1	-0.3
	US equity	0.5	5.3	1.2	0.3
	Indian private banks equity	0.5	4.8	0.5	0.5
	Emerging markets equity	0.4	4.4	0.0	0.0
	UK equity v retail	0.3	2.8	-0.2	-0.1
	Emerging markets IT v Taiwanese equity	0.2	2.2	0.1	0.0
	European dividends	Closed		0.3	0.0
	US equity large cap v technology	Closed		0.0	0.1
Credit	Emerging markets income	1.0	10.2	0.4	0.1
	Mexican government bonds	0.5	4.9	0.0	0.0
	Fallen Angels credit	0.5	4.5	0.6	0.3
	Short-dated EM corporate credit	0.3	3.1	0.4	0.2
	Brazilian government bonds	Closed		0.1	0.7
	High yield credit	Closed		0.6	0.5
Duration	Interest rate carry	0.9	9.3	0.1	0.1
	Short UK inflation	0.6	5.6	0.1	-0.2
	European forward-start interest rates	0.4	4.4	0.9	0.9
	US steepener	0.3	3.0	-0.1	0.0
	Contingent capital bonds	0.1	1.4	0.2	0.0
	Greek government bonds	Closed		0.2	0.2
	Greek v German government bonds	Closed		0.2	0.3
	Short US interest rates (swaptions)	Closed		-0.1	-0.2
	Swedish flattener v Canadian steepener	Closed		0.2	0.5
Volatility	Long GBP volatility	0.5	4.6	0.0	0.0
	Long interest rate volatility	0.0	0.4	0.0	0.2
	Equity option premium	Closed		-0.3	-0.3
FX	Long JPY v CAD	1.1	11.2	-0.1	-0.1
	Long JPY v AUD	Closed	0.1	-0.1	0.3
FX hedging	FX hedging	0.1	0.8	0.0	-0.8
Cash	Cash			0.1	0.2
	Residual	0.0	0.0	0.6	0.3
	Stock selection			0.1	0.2
	Total	**9.9**		**6.1**	
	Diversification	6.4			
	Expected Volatility	**3.5**			

Individual strategy contributions are based on gross returns. The attribution of returns to individual strategies is performed on a best endeavours basis and uses market data at the close of business at the end of each period. This data is typically unavailable at the time unit prices are struck resulting in minor differences between unit price performance and this attribution. Such differences do not accumulate so cancel out over time.

Fund Performance *

Price Indexed



Performance has been calculated over the stated period on the share price performance basis, based on the institutional shareclass and net of fees. For your relevant charges please contact your Aberdeen Standard Investments Sales Representative.

Source: Aberdeen Standard Investments (Fund) and Thomson Reuters Datastream (Benchmark)

Cumulative Performance

Source: Aberdeen Standard Investments (Fund) and Thomson Reuters Datastream (Benchmark)

	YTD (%)	1 month (%)	3 months (%)	6 months (%)	1 year (%)
Institutional Fund Performance	7.2	0.7	3.7	6.3	3.3
6 Month US LIBOR	0.9	0.2	0.6	1.4	2.7

	3year (%)	Since launch (%)
Institutional Fund Performance	2.8	0.1
6 Month US LIBOR	5.7	6.3

Year on Year Performance

Source: Aberdeen Standard Investments (Fund) and Thomson Reuters DataStream (Benchmark)

	Year to 30/04/2019 (%)	Year to 30/04/2018 (%)	Year to 30/04/2017 (%)	Year to 30/04/2016 (%)	Year to 30/04/2015 (%)
Institutional Fund Performance	3.3	0.0	-0.5	n/a	n/a
6 Month US LIBOR	2.7	1.7	1.2	n/a	n/a

Note: Performance has been calculated over the stated period on the share price performance basis, based on the given shareclass and net of fees.

Past Performance is not a guide to future performance. The price of shares and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

For full details of the fund's objective, policy, investment and borrowing powers and details of the risks investors need to be aware of, please refer to the prospectus.

The fund does not have an index-tracking objective.

Market review

Global equities gained further ground in April, continuing the positive run that began in early-January. Most regions ended the month higher. US equities benefitted from a strong corporate results season and hopes for a resolution of the US-China trade impasse. US economic data was positive while, at the same time, inflation remained benign. This should allow the Federal Reserve (Fed) to suspend further interest rate hikes this year. The UK and European Union (EU) agreed a flexible extension to Brexit until end-October. This avoids a 'no deal' scenario for the time being, which lifted sentiment. Despite uncertainty surrounding Brexit, the UK economy is proving surprisingly resilient, largely thanks to the healthy labour market and rising real wages.

Above-forecast EU economic data provided welcome relief. Growth in France showed signs of stabilising. Growth in Spain and Italy exceeded expectations, with Italy emerging from a six-month-long recession. Asian and emerging market (EM) equities were boosted by better-than-expected Chinese data, a result of the authorities' latest stimulus efforts. Optimism that the US and China would strike a trade deal added further impetus.

Emboldened by improving prospects for global growth, investors shifted away from perceived defensive assets. Consequently, most government bonds fell (yields rose). Notably, 10-year German government bond yields moved into positive territory, rising from -0.07% to 0.01%. Corporate bonds generally outperformed government issues and delivered positive returns (yields fell).

Oil prices continued to track higher. This reflected the sustained supply squeeze. Also, the US cancelled waivers permitting other countries to import Iranian oil. Brent crude gained 4.5% during April, closing the month at US$71.6 a barrel.

Activity

To complement our existing European interest rate exposure, we added a new relative-value European interest rates strategy. This seeks to profit from a narrowing difference between long-term and short-term interest rates in the region. We took advantage of volatility to add some European equity exposure. We expect this position to benefit from improving EU economic data.

Performance

Global Focused Strategies returned 0.66% during the month (net of fees), compared to the benchmark six-month US LIBOR return of 0.21%.

The positive performance of global equity markets rewarded our allocations to US, European and EM equities. However, our Indian private banks equity strategy delivered a negative return. The sector moved lower after some of the country's private banks reported unexpected first-quarter losses. Our short position in Australian bank stocks gave back its earlier gains. Above-forecast results from one of the country's largest banks boosted the financial sector. Nevertheless, we believe the rationale for this strategy remains valid over the medium to long term.

Global government bonds ended the month broadly weaker (yields rose) as investor risk appetite improved. This environment benefitted our interest rate carry position. This aims to generate returns from relative movements in interest rates across selected developed markets. Elsewhere, our long interest rate volatility strategy detracted from performance. Volatility declined as the prospect of 'lower-for-longer' interest rates allayed fears of a recession. Meanwhile, corporate bond markets delivered positive returns, supported by demand for higher-yielding assets. This rewarded our corporate bond positions.

The announcement of an extended Brexit date and surprisingly good UK economic data stabilised the British pound. As a result, our long sterling volatility strategy dragged on performance. So, too, did our short UK inflation strategy. This seeks to profit from weaker-than-expected inflation. However, market movements associated with evolving Brexit negotiations penalised the position.

Outlook

We position the portfolio based on our three-year outlook. We viewed the market falls at the end of 2018 as an overreaction to political stress, trade tensions and slowing economic growth. Taking advantage of attractive asset prices, we positioned the portfolio to reflect our expectation of a period of slow growth, rather than recession, followed by modest recovery.

We expected central banks to be sensitive to economic/market fragility and deliver fresh stimulus measures. We believed these, and progress on US/China trade talks, would calm market fears. These views have started to pay off in the first quarter of 2019, with supportive rhetoric from the Fed and the European Central Bank helping restore investor confidence. In our view, there is more to come. We see further scope for assets like equities and corporate bonds to perform well, albeit with potential bouts of volatility. The overall mix reflects the opportunity we see for recovering growth while also protecting against potentially sharp periods of volatility.

Other Fund Information

	Retail Acc	Retail Dist	Institutional Acc	Institutional Dist	Currency
Bloomberg	SLGFAUH LX	-	SLFSDHU LX	-	USD
ISIN	LU1337365909	-	LU1278887366	-	USD
WKN	n/a	-	n/a	-	USD

Domicile	Luxembourg
Custodian Name	The Bank of New York Mellon SA/NV, Luxembourg Branch, 2-4 Rue Eugene Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg
Auditor Name	KPMG Luxembourg, 39, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

	Interim	Annual
Reporting Dates	30 Jun	31 Dec

Settlement Time	T+3
Email	LUXMB-ASI-TA@bnymellon.com
Telephone	+352 24 525 716
Share Price Calculation Time	15:00 (Luxembourg time)
Dealing Cut Off Time	13:00 (Luxembourg time)

Not all shareclasses displayed may be available in your jurisdiction.

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Risk Factors
The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.

The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

The fund invests in equities and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.

Investing in derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives will result in the fund being leveraged (where economic exposure and thus the potential for loss by the fund exceeds the mount it has invested) and in these market conditions the effect of leverage will be to magnify losses. The fund makes extensive use of derivatives.

The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price.

The fund could lose money as the result of a failure or delay in operational processes.

Additional Information for Switzerland : The prospectus, the key investor information documents, the articles of incorporation, the annual and semi-annual report in German, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l’Ile, CH-1204 Geneva. The last share prices can be found on www.fundinfo.com.

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