

Aberdeen Latin American Equity Fund

I Acc

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 (capital growth and income).

Investment policy: The Fund invests 80% or more of its total net assets in Latin American equities, including those from emerging market countries.

The Fund's equity investments can include all types of equities and equity related securities that are issued by companies that are incorporated, or generate a significant part of their earnings, in Latin American countries.

Performance (%)

	1 month	3 months	6 months	1 year	Annualised		
					3 years	5 years	Launch
Fund	-3.40	4.05	8.60	0.72	15.56	5.61	2.04
Benchmark	-0.47	5.48	8.38	0.61	14.86	4.77	1.53
Difference	-2.93	-1.43	0.21	0.11	0.70	0.85	0.51

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

	2019	2018	2017	2016	2015
Fund	0.72	2.04	50.16	-3.12	-12.10

Calendar year performance (%)

	Year to date	2018	2017	2016	2015
Fund	4.05	-4.69	18.13	64.12	-25.83
Benchmark	5.48	-0.67	13.03	56.31	-27.04
Difference	-1.43	-4.03	5.09	7.81	1.21

Performance Data: Share Class I Acc

Source: Lipper. Basis: Total return, NAV to NAV, net of annual charges, UK Net Income Reinvested.

These figures are gross of an initial charge: to the extent that 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.

Past performance is not a guide to future results.

Fund manager's report

Latin American equities fell in March, weighed down by domestic politics. On the global front, weak economic data from China and the US hampered global markets, and stagnation in the trade negotiations between the two sides continued to keep investors on guard. The Fed stayed dovish allowing most central banks to maintain their neutral policy stances. Bucking the trend was Argentina, where despite tighter policy measures, the peso fell to its lowest in six months, due to a spike in inflation.

Domestic politics roiled the Brazilian Market. Confrontational rhetoric between President Bolsonaro and the President of the Lower House Rodrigo Maia, as well as a general lack of coordination from the government in forming a coalition in congress and pushing for support for the pension reforms, weighed on sentiment. The arrest of ex-president Michael Temer and his former energy minister on corruption charges added short-term noise over potential implications towards the government's political support. These events raised concerns over the likelihood of a comprehensive pension reform getting passed, causing the stock market and currency to fall.

In Mexico, markets rose modestly despite ongoing concerns on the political front and economic growth deceleration, as President Lopez Obrador adopted a more moderate tone regarding controversial policies. Notably, the government was able to reach a consensus with the banking industry regarding the new banking-fees legislation. Tensions arose with the US, which threatened to close the border with Mexico over illegal migration issues. However, negotiations are progressing in order to reach cooperation on migration issues and ratify the USMCA trade agreement.

In sectoral news, banking stocks were the worst performing despite good consumer-loan growth. The currency disadvantage, especially Brazil's relatively weaker real, dampened earnings. The consumer sector was also weak. BRF faced several challenges with its export markets but the recent outbreak of swine fever in China and the resulting shortage of poultry and pork could prove beneficial. At the same time, domestic poultry prices have been recovering whilst grains prices remain stable.

In the energy sector, Petrobras's share price continued to rise on the back of positive sentiment over its fourth-quarter earnings, despite overall weakness in the sector. This was mainly driven by its upstream business. By contrast, refining was weak as utilisation was low and costs rose in line with higher oil prices. Investors were torn between the positive momentum from structural change and the attendant political risks.

Vale's shares rebounded despite ongoing investigations into its safety procedures and risk assessment following the dam collapse earlier this year. Credit-rating agency Moody's dropped the miner's investment grade status citing heightened uncertainties in the aftermath of the incident.

In portfolio activity, we exited Valid following a share-price rebound and reinvested the proceeds in other higher conviction names. We top-sliced Linx on valuation grounds after it had a good run, and took profits from TOTVS, which has been performing well. Instead, we added to Petrobras taking advantage of the recent market weakness.

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/>



Top ten holdings

	Sector	%
Banco Bradesco SA	Financials	9.2
Petroleo Brasileiro SA	Energy	7.1
Itau Unibanco Holding SA	Financials	6.3
Fomento Economico Mexicano SAB de CV	Consumer Staples	4.4
Bradespar SA	Materials	4.1
Grupo Financiero Banorte SAB de CV	Financials	4.0
Lojas Renner SA	Consumer Discretionary	4.0
Wal-Mart de Mexico SAB de CV	Consumer Staples	3.3
Ambev SA	Consumer Staples	3.2
Vale SA	Materials	3.0
Total		48.6
Total number of holdings		44

Country breakdown	%
Brazil	62.6
Mexico	23.8
Chile	6.4
Argentina	3.5
Peru	2.0
Cash	1.7
Total	100.0

Sector breakdown	%
Financials	28.8
Consumer Staples	19.1
Industrials	10.8
Energy	10.1
Consumer Discretionary	8.4
Materials	8.2
Real Estate	4.8
Other	8.1
Cash	1.7
Total	100.0

Key information

Benchmark	MSCI EM Latin America 10/40 Net Return
Sector	IA Specialist
Fund size	£ 116.2 m
Date of launch	1 October 2012
Investment team	Global Emerging Markets Equity Team
Fund advisory company	Aberdeen Asset Managers Limited
Historic Yield	1.50% (I Acc)

Aberdeen Latin American Equity Fund

Fund risk statistics		
	3 years	5 years
Annualised Standard Deviation of Fund	26.09	23.70
Annualised Standard Deviation of Index	25.79	23.84
Beta	1.00	0.98
Sharpe Ratio	0.91	0.36
Annualised Tracking Error	4.17	3.63
Annualised Information Ratio	0.66	0.58
R-Squared	0.97	0.98
Source: Aberdeen Standard Investments, Total Return, Gross of Fees, BPSS, Datastream.		
Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.		
Codes (I Acc)		
SEDOL	B4R0SD9	
ISIN	GB00B4R0SD95	
BLOOMBERG	ABELAIA LN	
REUTERS	LP68179429	
VALOREN	19611277	
Additional information		
Fund type	OEIC	
Domicile	United Kingdom	
Currency	GBP	
Registered for sale	Please refer to www.aberdeenstandard.com	
Minimum investment	£500,000	
Charges	Current initial 0.00%	
Ongoing Charges Figure (OCF) ^A	1.19%	
Price as at 31/03/19	114.06p	
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.

^aThe 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 1.00% 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.

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.
- Emerging markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- 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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All sources (unless indicated): Aberdeen Standard Investments
31 March 2019.

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