Aberdeen Japan Equity Fund

I Acc

Performance Data and Analytics to 30 June 2019

Objectives and investment policy

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

Investment policy: The Fund invests 80% or more of its total net assets in Japanese equities.

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 Japan.

Performance (%)

						Annualised	
	1 month	3 months	6 months	1 year	3 years	5 years	Launch
Fund	2.78	5.22	9.40	-7.06	4.42	9.59	1.79
Benchmark	2.76	3.46	8.04	-0.24	10.76	11.98	2.47
Difference	0.02	1.76	1.35	-6.82	-6.34	-2.40	-0.68
Sector average	3.22	3.76	8.58	-3.41	10.22	10.95	1.49
Sector ranking	39/49	13/49	15/49	43/49	47/47	31/43	8/18
Quartile	4	2	2	4	4	3	2

Discrete annual returns (%) - year ended 30/06

	2019	2018	2017	2016	2015
Fund	-7.06	5.75	15.86	17.63	18.04

Calendar year performance (%)

	Year to date	2018	2017	2016	2015
Fund	9.40	-15.60	12.67	23.64	16.28
Benchmark	8.04	-7.16	15.60	23.41	18.16
Difference	1.35	-8.43	-2.93	0.23	-1.88
Sector average	8.58	-11.46	17.86	23.58	15.84
Sector ranking	15/49	43/50	41/49	21/50	17/46
Quartile	2	4	4	2	2

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. Prior to 1st June 2018 the benchmark was Topix 1st Section.

Past performance is not a guide to future results.

Fund manager's report

Japanese equities rebounded in June amid expectations of further central bank easing and receding trade tensions ahead of the G-20 summit in Osaka. US Federal Reserve chief Jay Powell suggested that the central bank may loosen policy if the US economy is threatened by trade tariffs, while the European Central Bank signalled the possibility of policy cuts and restarting quantitative easing. Sentiment also improved, especially towards the auto sector, after the US suspended tariffs on Mexican imports. Crude oil prices rose following an Iranian attack on a US drone. Expectations of rate cuts saw the yen appreciate against the US dollar, which weighed on the market.

At home, first-quarter GDP was revised upward and was within expectations. Exports fell by less than expected, led by shipments to China and Europe. In contrast, imports slipped by a smaller amount, resulting in a larger trade deficit. Consumer prices continued rising in May, largely due to higher energy costs, although inflation remained well below the Bank of Japan's target. The central bank maintained its ultra-loose monetary policy and would provide additional stimulus if needed. However, the side effects, such as the continued weakeness of the banking sector's operating environment must also be considered. The June Tankan survey showed that business sentiment worsened for large manufacturers but improved among non-manufacturers on solid consumption and an extended Golden Week holiday period. It also showed healthy appetite for capital spending and software investment partly driven by the need to address the ongoing labour shortage. spending and software investment, partly driven by the need to address the ongoing labour shortage

June also marked the peak of annual shareholders' meetings in Japan. Companies continued to inch forward on governance. Some made positive changes ahead of these meetings, such as the abolishment of their poison pill strategy or raising their pay-out ratios. Notably, some 54 shareholder proposals were introduced, a new record. However, there were also several high-profile failures to pass resolutions that would have been positive for governance – most likely the result of cross-shareholdings.

In June, we exited Honda Motor in favour of better opportunities elsewhere. The auto maker faces an increasingly difficult operating environment, given its lack of scale and business alliances relative to its global peers. This is especially acute in view of rising investment needs for next-generation vehicles.

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/





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	Sector	%	
Keyence Corp	Information Technology	4.4	
Chugai Pharmaceutica Co Ltd	l Healthcare	4.1	
Shin-Etsu Chemical Co	Ltd Materials	4.1	
Shiseido Co Ltd	Consumer Staples	3.9	
KDDI Corp	Communication Services	3.8	
Yamaha Corp	Consumer Discretionary	3.6	
Tokio Marine Holdings	Inc Financials	3.4	
Sysmex Corp	Healthcare	3.3	
East Japan Railway Co	Industrials	3.2	
Pigeon Corp	Consumer Staples	3.2	
Total		37.0	
Total number of holdings			
Sector breakdown		% 17.9	
Industrials			
Consumer Discretionary		16.0 15.1	
Consumer Staples			
Healthcare Materials			
Information Technology		11.9 11.2	
Financials		7.5	
Other			
Cash		1.1	
Total	1	00.0	
Key information			
Benchmark	MSCI Japan		
Sector	IA Japan		
Fund size	£ 71.0 m		
Date of launch	28 January 2000 ^A		
nvestment team Asia Pacific Equity			
Fund advisory company Aberdeen Asset Managers Limited			
Historic Yield	0.70% (I Acc)		

Fund risk statistics

	3 years	5 years
Annualised Standard Deviation of Fund	13.33	13.28
Annualised Standard Deviation of Index	11.22	11.16
Beta	1.11	1.11
Sharpe Ratio	0.48	0.77
Annualised Tracking Error	4.81	4.88
Annualised Information Ratio	-0.93	-0.21
R-Squared	0.88	0.87

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 ($|\Delta c_{r}\rangle$)

Codes (I Acc)	
SEDOL	0452173
ISIN	GB0004521737
BLOOMBERG	MURJPCA LN
REUTERS	LP60010609
VALOREN	1069679
WKN	A0MULA

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) ^B	0.87%
Price as at 30/06/19	241.72р
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.

 ${}^{\scriptscriptstyle B}\ensuremath{\mathsf{The}}$ 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 0.75% 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. .
- Concentrated portfolio: The Fund may hold a limited number of investments. If one of these investments declines in value this can have a greater impact on the fund's value than if it held a larger number of investments.
- 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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