# ASI (SLI) Strategic Bond Fund

(From 7 August 2019 the fund name was amended from Standard Life Investments Strategic Bond Fund to ASI (SLI) Strategic Bond Fund)

Platform 1 Accumulation GBP

## 31 January 2020

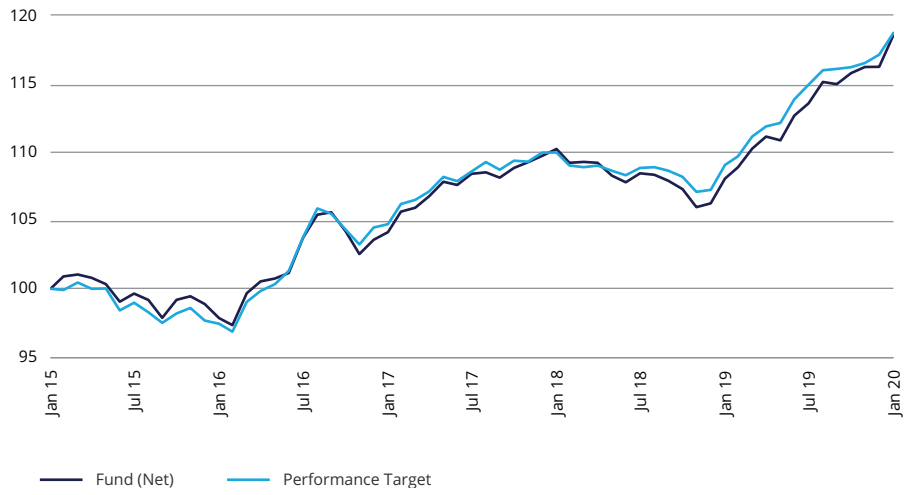
### Objective

To generate income and some growth over the long term (5 years or more) by investing in government and corporate bonds issued anywhere in the worlds.
**Performance Target:** To exceed the IA £ Strategic Bond Sector Average return over 1 year (after charges) and be top quartile over rolling three year periods. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.The ACD believes this is an appropriate target for the fund based on the investment policy of the fund.

### Portfolio securities

- The fund will invest at least 80% in bonds issued anywhere in the world by governments, sub-sovereigns and corporations.
- The fund may also invest in investment grade, emerging market, high yield, inflation-linked, convertible, asset backed and mortgage backed bonds.
- At least 80% of the funds investments will be in Sterling or will be subjected to techniques to reduce (hedge) risk related to currency movements on non-Sterling investments. The fund has some flexibility to seek returns from currencies.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

### Performance




### Cumulative and annualised performance

| | 1 month | 6 months | Year to date | 1 year | 3 years (p.a.) | 5 years (p.a.) |
|---|---|---|---|---|---|---|
| Fund (Net) (%) | 2.01 | 4.41 | 2.01 | 9.73 | 4.43 | 3.47 |
| Performance target (%) | 1.36 | 3.30 | 1.36 | 8.87 | 4.27 | 3.49 |
| Sector Ranking | 18/82 | 12/82 | 18/82 | 31/82 | 37/76 | 42/67 |
| Quartile | 1 | 1 | 1 | 2 | 2 | 3 |

### Discrete annual returns - year to 31/1

| | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|
| Fund (Net) (%) | 9.73 | -1.96 | 5.85 | 6.44 | -2.14 |
| Performance target (%) | 8.87 | -0.83 | 5.01 | 7.48 | -2.56 |
| Sector Ranking | 31/82 | 61/81 | 31/80 | 52/73 | 36/70 |
| Quartile | 2 | 3 | 2 | 3 | 3 |

Performance Data: Share Class Platform 1 Acc GBP. Source: Aberdeen Standard Investments (Fund & Benchmark) and Morningstar (Sector). Basis: Total Return, NAV to NAV, UK Net/Gross 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 returns and future returns are not guaranteed.

### Key facts

| | |
|---|---|
| Fund manager(s) | Daniel McKernan |
| Fund manager's start date | 5 February 2009 |
| Fund launch date | 5 February 2009 |
| Shareclass launch date | 18 April 2012 |
| Fund size | £131.9m |
| Number of holdings | 209 |
| Performance target/ Performance comparator | IA £ Strategic Bond Sector Average |
| Entry charge (up to)[2] | 0.00% |
| Annual management charge | 0.63% |
| Ongoing charge figure[1] | 0.79% |
| Minimum initial investment | £1,000,000 |
| Fund type | Unit Trust |
| Valuation point | 12:00 (UK time) |
| Base currency | GBP |
| Sedol | B7MWXH0 |
| ISIN | GB00B7MWXH01 |
| Bloomberg | U223RPA LN |
| Domicile | United Kingdom |

### Risk and reward profile

Lower risk Typically lower rewards — Higher risk Typically higher rewards

1 2 **3** 4 5 6 7

This indicator reflects the volatility of the fund's share price over the last five years. See Key Investor Information Document (KIID) for details.

### Key risks

(a) The value of investments and the income from them can fall and investors may get back less than the amount invested.
(b) The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
(c) The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
(d) The use of 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 may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.


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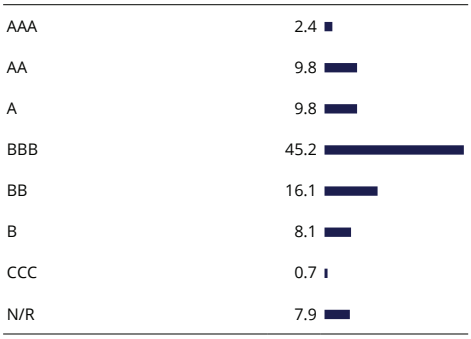
## Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing a companys prospects and creditworthiness alongside global economic and market conditions. They make flexible allocations across bonds and derivatives.
- The team also seek to reduce the risk of losses and the expected change (as measured by annual volatility) in the value of the fund, is not ordinarily expected to exceed 8%. Due to the active nature of the management process, the funds performance profile may deviate significantly from that of the average fund of the Investment Associations Sterling Strategic Bond Sector over the long term.
- Please note: The funds ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

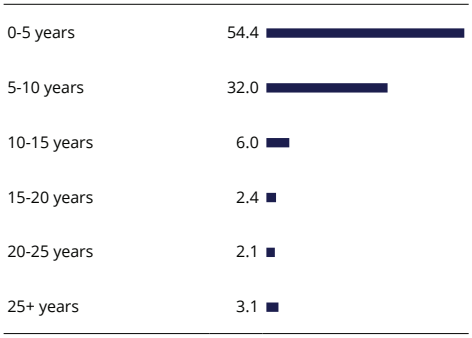
## Top ten issues (%)

| | |
|---|---|
| UK (Govt of) 6% 2028 | 4.0 |
| UK (Govt of) 2% 2025 | 4.0 |
| Pennon Group 2.875% PERP | 1.5 |
| Deutsche Bank 1.875% 2020 | 1.4 |
| US (Govt of) 1.375% IL 2044 | 1.3 |
| Global Switch Holdings 4.375% 2022 | 1.0 |
| Volkswagen International Finance 3.375% 2026 | 0.9 |
| Caixa Geral De Depositos 10.75% Perp | 0.9 |
| Aareal Bank 7.625% Perp | 0.9 |
| Aviva 5.9021% Perp | 0.9 |
| **Assets in top ten issues** | **16.8** |

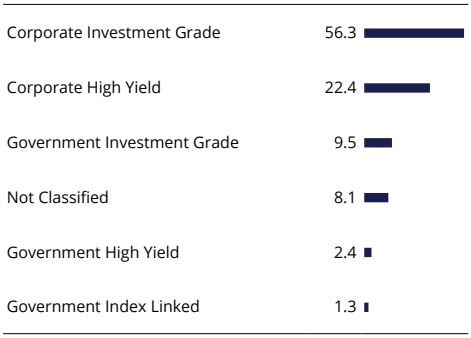
## Credit rating (%)




## Maturity (%)




## Composition by asset (%)




Source : Aberdeen Standard Investments 31/01/2020

Figures may not always sum to 100 due to rounding.

(e) 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.

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

(g) 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.

## Risk stats

| | |
|---|---|
| Fund Volatility^ | **2.70** |

Source : Aberdeen Standard Investments. ^ Three year annualised.

## Derivative usage

- The fund will routinely use derivatives to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the fund (often referred to as Efficient Portfolio Management).
- Derivatives can be used to generate growth, consistent with the funds risk profile, if market prices are expected to rise (long positions) or fall (short positions).
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

**To help you understand this fund and for a full explanation of 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.aberdeenstandard.com The Prospectus also contains a glossary of key terms used in this document.**

[1]The Ongoing Charge Figure (OCF), is the overall cost shown as a percentage of the value of the assets of the fund. It is made up of the Annual Management Charge (AMC) of 0.63% and other charges. It does not include any initial charges or the cost of buying and selling stocks for the fund. The Ongoing Charges figure can help you compare the annual operating expenses of different funds.

[2]These are the maximum charges that we might take out of your money before it is invested. In some cases, the charges may be less and you should speak to your financial advisor about this.

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