

Aberdeen Eastern European 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 70% or more of its total net assets in equities from European 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 European emerging market countries.

Performance (%)

	1 month	3 months	6 months	1 year	Annualised		
					3 years	5 years	Launch
Fund	9.67	15.61	29.29	17.79	11.34	6.50	6.92
Benchmark	6.57	14.64	19.38	20.65	16.00	5.91	7.18
Difference	3.11	0.97	9.92	-2.86	-4.67	0.59	-0.26

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

	2019	2018	2017	2016	2015
Fund	17.79	-3.06	20.87	13.65	-12.62

Calendar year performance (%)

	Year to date	2018	2017	2016	2015
Fund	29.29	-14.86	5.81	41.40	0.82
Benchmark	19.38	-4.81	10.66	50.88	-9.17
Difference	9.92	-10.05	-4.85	-9.48	9.99

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

Emerging European markets rose in June, as investors hoped for a positive outcome to the US-China trade dispute during the G20 summit in Japan at the end of the month. However, European Union leaders' failure to agree on who to appoint to the bloc's top positions took some of the shine off the optimistic mood.

US president Donald Trump and Chinese president Xi Jinping both agreed to resume trade talks after the former refrained from imposing more tariffs on the mainland. Consequently, Eastern European currencies advanced against the US dollar.

Rising crude prices in the month helped support the struggling Russian rouble, as ongoing tensions between the US and Iran fanned concerns over tightening oil supplies. The Turkish lira though, weakened through the month on fears that the US would impose further sanctions after the country bought a Russian missile-defence system.

In politics, Ekrem Imamoglu beat the ruling party's candidate, in an election rematch, to clinch the mayoral post in Istanbul. The result was a stinging defeat for President Recep Tayyip Erdogan's party which has been the dominant force in domestic politics.

Economic news from Poland was mostly upbeat, with a slower-than-expected inflation rate, robust wage growth, industrial production levels which beat forecasts, and healthy consumer confidence. Retail sales and manufacturing activity though, slowed as major trading partner Germany showed signs of weaker growth. Adding to the positive mood, the government proposed legislation to exempt workers under the age of 26 from paying income tax as it attempts to halt the outflow of young people to Western Europe.

In Russia, although retail trade growth and real wage figures for May came in better than forecast, industrial output slowed sharply, underperforming market expectations. As such, the Central Bank of Russia lowered its benchmark interest rate to 7.5% to address concerns over sluggish economic growth.

In corporate news, Coca-Cola HBC's shares hit a record on upbeat news that the bottling group aims to achieve 5-6% annual revenue growth over the coming six years.

Mail.Ru partnered Megafon, China's Alibaba and Russia's sovereign wealth fund to establish an e-commerce joint venture, AliExpress Russia, valued at around US\$2 billion. The Russian entities will own a majority stake of the venture, while Alibaba will provide the knowhow to grow e-commerce in the region.

MMC Norilsk Nickel agreed with Route Rosatom, Russia's sovereign wealth fund and port operator DP World to explore ways to boost cargo volumes through the Northern Sea Route and the Arctic region of Russia.

Japanese trading house Mitsui & Co and government-backed Japan Oil, Gas and Metals National Corporation agreed to buy a 10% stake in Novatek's upcoming Arctic LNG 2 (liquefied natural gas) project. The deal will see the Japanese partners invest up to US\$3 billion in the LNG production facility.

Lukoil will pay US\$800 million to African energy producer New Age for a 25% stake in an oil & gas production sharing contract, for a field off the coast of the Republic of Congo.

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	%
Novatek PJSC	Energy	9.5
LUKOIL PJSC	Energy	9.0
Sberbank of Russia PJSC	Financials	8.9
Yandex NV	Communication Services	4.4
Dino Polska SA	Consumer Staples	4.1
Coca-Cola HBC AG	Consumer Staples	3.7
Santander Bank Polska SA	Financials	3.5
Novolipetsk Steel PJSC	Materials	2.8
Sarantis SA	Consumer Staples	2.8
Jeronimo Martins SGPS SA	Consumer Staples	2.4
Total		51.1
Total number of holdings		43
Country breakdown		
		%
Russia		54.2
Poland		13.6
Turkey		10.1
Greece		5.3
Switzerland		3.7
Belarus		2.4
Czech Republic		2.2
Romania		2.1
Georgia		1.9
Slovenia		1.4
Hungary		1.3
Cash		1.8
Total		100.0
Sector breakdown		
		%
Energy		22.5
Financials		22.3
Consumer Staples		20.0
Communication Services		10.1
Healthcare		6.1
Materials		5.3
Consumer Discretionary		4.7
Other		7.2
Cash		1.8
Total		100.0
Key information		
Benchmark	MSCI EM Europe 10/40	
Sector	IA Specialist	
Fund size	£ 18.0 m	
Date of launch	1 August 2000	
Investment team	Global Emerging Markets Equity	
Fund advisory company	Aberdeen Asset Managers Limited	
Historic Yield	1.68% (I Acc)	

www.aberdeenstandard.co.uk

Aberdeen Eastern European Equity Fund

In June, we introduced Detsky Mir, Russia's leading children's goods retailer, which has a robust growth profile and attractive valuations bolstered by a healthy dividend yield. Subsequently, we topped up Poland-based video game developer CD Projekt after more concrete details over the launch of its upcoming blockbuster game Cyberpunk 2077 were revealed. Against this, we top-sliced Yandex to help fund other opportunities.

Fund risk statistics		
	3 years	5 years
Annualised Standard Deviation of Fund	14.49	15.08
Annualised Standard Deviation of Index	14.80	16.91
Beta	0.88	0.82
Sharpe Ratio	0.79	0.33
Annualised Tracking Error	6.47	6.50
Annualised Information Ratio	-0.65	0.10
R-Squared	0.82	0.85
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	B3NC3D7	
ISIN	GB00B3NC3D74	
BLOOMBERG	CREEFIA LN	
REUTERS	LP68027631	
VALOREN	10659816	
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) ⁸	0.94%	
Price as at 30/06/19	352.19p	
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.		
⁸ 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.
- 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
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