

# abrdn SICAV I - Select Emerging Markets Bond Fund



This is a marketing communication. Please refer to the Prospectus of the UCITS/Information document and the Key Investor Information Document (KIID) or Key Information Document (KID) as applicable before making any final investment decisions.

X Acc GBP

31 May 2024

## Objective

The Fund aims to achieve a combination of income and growth by investing in bonds (which are like loans that can pay a fixed or variable interest rate) issued by companies, governments or other bodies, in Emerging Market countries.

The Fund aims to outperform the JP Morgan EMBI Global Diversified Index (USD) benchmark (before charges).

## Portfolio securities

- The Fund invests at least two-thirds of its assets in bonds issued by companies, governments or other bodies in Emerging Market countries.
- Bonds will be of any credit quality and up to 100% may be invested in sub-investment grade bonds.
- Investment in bonds will follow the "Select Emerging Markets Bond Promoting ESG Investment Approach" (the "Investment Approach"), which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".
- This approach evaluates the Environmental, Social, Governance and Political ("ESGP") characteristics of sovereign issuers, which results in an ESGP score being assigned to each issuer. The ESGP score allows a subset of countries falling below a threshold to be excluded from the investment universe.
- In addition to the exclusion threshold, a qualitative forward-looking Direction of Travel assessment is conducted, allowing exclusions to be overridden where ESGP weaknesses are being adequately addressed by the issuer and this is not reflected in the data.
- For corporate bonds, the abrdn ESG House Score is used to exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.
- Green bonds, Social bonds or Sustainable bonds issued by excluded countries or companies excluded by the environmental screens are permitted, where the proceeds of such issues can be confirmed as having a positive environmental or social impact.
- Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

## Performance



## Cumulative and annualised performance

	1 month	6 months	Year to date	1 year	3 years (p.a.)	5 years (p.a.)	10 years (p.a.)
Fund (net) (%)	-0.74	6.10	1.94	12.37	1.24	0.21	n/a
Benchmark (%)	0.12	5.93	1.85	8.04	1.09	0.32	n/a

## Discrete annual returns - year to 31/5

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fund (net) (%)	12.37	-1.03	-6.69	-1.46	-1.16	10.14	-4.34	28.60	n/a	n/a
Benchmark (%)	8.04	0.18	-4.56	-3.90	2.34	13.45	-3.52	23.77	n/a	n/a

Performance Data: Share Class X Acc GBP

Benchmark history: Benchmark - JP Morgan EMBI Global Diversified (GBP)

Source: Lipper. Basis: Total Return, NAV to NAV, net of annual charges, gross Income reinvested, (GBP).

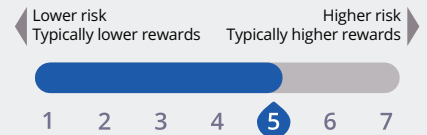
Costs may increase or decrease as a result of currency and exchange rate fluctuations. This may impact what you might get back. "Fund (Net)" refers to the actual unit price performance of the shareclass shown; "Fund(Gross)" adds back charges such as the annual management charge to present performance on the same basis as the Benchmark / Benchmark / portfolio constraining benchmark. All return data includes investment management fees, operational charges and expenses, and assumes the reinvestment of all distributions. The returns provided do not reflect the initial sales charge and, if included, the performance shown would be lower. Performance and benchmark returns are shown in the currency of the share class which may differ from the base currency of the Fund.

**Past performance does not predict future returns.**

## Key facts

Fund manager(s)	Global Emerging Market Debt Team
Fund launch date	15 August 2001
Share class launch date	19 June 2015
Management company	abrdn Investments Luxembourg S.A.
Fund size	USD 387.7m
Number of holdings	150
Benchmark	JP Morgan EMBI Global Diversified (GBP)
Yield to maturity exc derivatives <sup>1</sup>	8.73%
Entry charge (up to) <sup>2</sup>	0.00%
Annual management charge	0.75%
Ongoing charge figure <sup>3</sup>	0.90%
Minimum initial investment	USD 1,000 or currency equivalent
Fund type	SICAV
Valuation point	13:00 (LUX time)
Base currency	USD
Share class currency	GBP
Sedol	BXNTCH5
ISIN	LU1227631378
Bloomberg	ABSEMR2 LX
Citicode	FUKW
Reuters	LP68317996
Valoren	28375620
WKN	A14TXX
Domicile	Luxembourg

## Risk and reward profile



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

## Key risks

- The value of investments and the income from them can fall and investors may get back less than the amount invested.
- 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.

## Investor Service

+ 44 (0)1224 425255 (UK)

+ 352 4640 1 0820 (International)

Fax Dealing Service + 352 2452 9056

[www.abrdn.com](http://www.abrdn.com)

## Management process

- The Fund is actively managed.
- Through the application of the Investment Approach, the Fund has an expected minimum of 10% in Sustainable Investments.
- Engagement with issuers is a part of abrdn's investment process and ongoing stewardship programme. As part of this, up to 5% of asset may be invested in companies in high carbon emitting sectors, which are seen as having ambitious and credible targets to decarbonise their operations, in order to support their transition to ultimately comply with the environmental screens.
- The benchmark is used as a reference point for portfolio construction and as a basis for setting risk constraints.
- In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components and their weightings in the benchmark.
- Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

## Top Ten Holdings

Saudi (Govt Of) International 5% 2049	2.6
Dominican (Govt of) 6% 2028	2.5
Peru (Govt of) 7.3% 2033	2.3
Mozambique International 5% 2031	2.2
Qatar (Govt of) 4.817% 2049	2.0
Kenya (Govt of) 7% 2027	2.0
Qatar (Govt of) 5.103% 2048	2.0
Brazil (Govt of) 6% IL 2050	2.0
Pertamina Persero PT 6.5% 2041	1.9
Georgian Railway Jsc 4% 2028	1.7
<b>Assets in top ten holdings</b>	<b>21.2</b>

## Country (%)

Colombia	6.1
Indonesia	4.7
Saudi Arabia	4.5
Dominican Republic	4.0
Qatar	3.8
Egypt	3.7
Brazil	3.4
Argentina	3.2
Other	62.0
Cash	4.6

## Currency (%)

USD	86.0
EUR	4.0
PEN	2.2
COP	1.8
IDR	1.8
BRL	1.7
PHP	1.3
UYU	1.1

Source : abrdn 31/05/2024

Figures may not always sum to 100 due to rounding.

## Credit rating (%)

AA	4.5
A	6.3
BBB	26.0
BB	26.8
B	14.9
CCC	12.0
CC	0.7
C or below	4.1
N/R	4.7

## Composition by asset (%)

Government	78.0
Quasi Sovereign	7.1
Energy	3.8
Financials	1.7
Telecommunication Services	1.4
Real Estate	1.0
Utilities	0.8
Industrials	0.5
Other	1.1
Cash	4.6

- (d) Emerging markets are countries generally considered to be relatively less developed or industrialized, and investments in emerging markets countries are subject to a magnification of the risks that apply to foreign investments. These risks are greater for securities of companies in emerging market countries because the countries may have less stable governments, more volatile currencies and less established markets.
- (e) The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- (f) Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- (g) Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities within the fund's benchmark or universe of potential investments. The interpretation of ESG and sustainability criteria is subjective meaning that the fund may invest in companies which similar funds do not (and thus perform differently) and which do not align with the personal views of any individual investor.
- (h) 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.

## Risk stats

Alpha <sup>^</sup>	1.68
Benchmark Volatility (SD) <sup>^</sup>	10.67
Beta <sup>^</sup>	1.09
Fund Volatility (SD) <sup>^</sup>	11.96
Information Ratio <sup>^</sup>	0.46
R-Squared <sup>^</sup>	0.95
Sharpe Ratio <sup>^</sup>	-0.06
Tracking Error <sup>^</sup>	2.77
Effective duration (years)	6.49

Source : abrdn. <sup>^</sup> Three year annualised.

## Derivative usage

- Derivatives will only be used for hedging or to provide exposures that could be achieved through investment in the assets in which the Fund is primarily invested. Usage of derivatives is monitored to ensure that the Fund is not exposed to excessive or unintended risks.

---

A summary of investor rights can be found in English on our website - [www.abrdn.com/corporate/legal](http://www.abrdn.com/corporate/legal). 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 available in the local language, and Prospectus available in English, which are available on our website [www.abrdn.com](http://www.abrdn.com). The Prospectus also contains a glossary of key terms used in this document. The Fund Management company may terminate arrangements for marketing the fund under the Cross-border Distribution Directive denotification process.

**This Fund concerns the acquisition of units or shares in a fund, and not in a given underlying asset such as a building or shares of a company.**

<sup>1</sup>Yield to Maturity as at 31/05/2024 is the yield that would be realised on a bond or other debt instrument if the security was held until the maturity date.

<sup>2</sup>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.

<sup>3</sup>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 0.75% 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. There are other applicable costs. The other operating charges figure (OOC) is the total expenses paid by each share class, against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying qualifying investments. The OOC can fluctuate as underlying costs change. Where underlying costs have changed, the OOC disclosed in the Fund offering Documents will be updated to reflect current changes.

---

The fund is a Luxembourg-domiciled UCITS fund, incorporated as a Société Anonyme and organized as a Société d'Investissement à Capital Variable (a "SICAV"). The fund has been authorised for public sale in certain jurisdictions and private placement exemptions may be available in others. It is not intended for distribution or use by any person or entity that is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited.

The information contained in this marketing document is intended to be of general interest only and should not be considered as an offer, investment recommendation or solicitation to deal in the shares of any securities or financial instruments. Subscriptions for shares in the fund may only be made on the basis of the latest prospectus, relevant Key Investor Information Document (KIID) or Key Information Document (KID) as applicable, together with the latest audited annual report (and subsequent unaudited semi-annual report, if published) and in the case of UK investors, the Supplementary Information (SID) for the fund which provides additional information as well as the risks of investing. These may be obtained free of charge from the Fund Management company abrdn Investments Luxembourg S.A. 35a, Avenue J.F. Kennedy, L-1855 Luxembourg, on [www.abrdn.com](http://www.abrdn.com), or the local paying agents detailed below. Prospective investors should read the prospectus carefully before investing.

In Switzerland these documents along with the fund's articles of association can be obtained from the fund's Representative and Paying Agent, BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH 8002 Zürich, Switzerland (Tel. 058 212 63 77).

In Italy these documents can be obtained from the Paying Agent, State Street Bank S.p.A, 10 Via Ferrante Aporti, 20125 Milano.

In France, these documents can be obtained from the Centralising Correspondent Agent : BNP Paribas Securities Services, 3, rue d'Antin, 75002 Paris, France.

In Spain, these documents can be obtained from Allfunds Bank S.A., c / Estafeta nº6 (La Moraleja), Plaza de la Fuente Complex -Building 3-28109, Alcobendas -Madrid- Spain. For the purposes of distribution in Spain, has been registered with the Comisión Nacional del Mercado de Valores under the number 107. These documents are also available on [www.eifs.lu/abrdn](http://www.eifs.lu/abrdn), including: The articles of association; Information on how orders (subscription, repurchase and redemption) can be made and how repurchase and redemption proceeds are paid; Information and access to procedures and arrangements related to investors' rights and complaints handling.

In The United Kingdom, deemed authorised and regulated by the Financial Conduct Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website. Under Luxembourg law, there is no compensation scheme available to UK investors in funds managed by such firms, which includes this fund.

Any data contained herein which is attributed to a third party ("Third Party Data") is the property of (a) third party supplier(s) (the "Owner") and is licensed for use by abrdn\*. Third Party Data may not be copied or distributed. Third Party Data is provided "as is" and is not warranted to be accurate, complete or timely. To the extent permitted by applicable law, none of the Owner, abrdn\* or any other third party (including any third party involved in providing and/or compiling Third Party Data) shall have any liability for Third Party Data or for any use made of Third Party Data. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates.

\* abrdn means the relevant member of abrdn group, being abrdn plc together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.

**United Kingdom (UK):** Issued by abrdn Investments Luxembourg S.A. 35a, Avenue J.F. Kennedy, L-1855 Luxembourg, RCS No.B120637. Authorised in Luxembourg and regulated by CSSF.

**Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Gibraltar, Greece, Iceland, Ireland, Italy, Luxembourg, Malta, Netherlands, Norway, Portugal, Spain, and Sweden:** Issued by abrdn Investments Luxembourg S.A. 35a, Avenue J.F. Kennedy, L-1855 Luxembourg, RCS No.B120637. Authorised in Luxembourg and regulated by CSSF.

**Switzerland:** Issued by abrdn Investments Switzerland AG. Registered in Switzerland (CHE-114.943.983) at Schweizergasse 14, 8001 Zürich.