Investment Report
Standard Life Wealth Balanced Bridge Fund

Quarter 2 2019

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Fund information

All information is correct as at 30 June 2019 unless otherwise stated.
Past performance is not a reliable guide to future performance.

Investment objective

The objective of the fund is to provide a combination of income and capital growth through a portfolio of UK and international securities. The fund may also invest in warrants, deposits, approved money market instruments, collective investment schemes, derivative instruments and forward transactions. The fund will follow a mixed portfolio approach comprising company shares and similar investments and bonds and similar debt investments. It will invest in bonds, issued by governments and companies, with high and low credit ratings (i.e. investment grade and sub-investment grade bonds as rated by Standard and Poor's or similar agencies). Additionally the fund may invest in other mutual funds. The value of investments within the fund can fall as well as rise and is not guaranteed - you may get back less than you pay in. The fund may use derivatives for the purposes of efficient portfolio management, reduction of risk or to meet its investment objective if this is permitted and appropriate. The sterling value of overseas assets held in the fund may rise and fall as a result of exchange rate fluctuations.

Comparative indices

The Comparative Index, ARC Sterling Steady Growth est., IA Mixed 40-85% Shs, FTSE All-Share (£), FTSE World ex UK and FTSE Govt All Stocks. The Comparative Index consists 30% FTSE All-Share (£), 30% FTSE World ex UK, 15% FTSE Govt All Stocks, 15% ML £ Non-Gilts and 10% LIBOR 1 Month.

Expected Characteristics

Return: Significantly above cash over the long term; variable in the short term.
Volatility: Medium. Investors can expect to experience significant fluctuations in the value of their holding, driven to a large extent by rises and falls in equity markets.
Income: Medium, and the dividend is likely to grow over the long term. Please note that the frequency of the dividend has increased from semi-annually to quarterly. Please see pay dates below.

Risk band

Suitable for investors with a medium risk profile.

Performance track record

	Retail (Inc)	Institutional (Acc)*
Retail launch date	23 Dec 1998	28 Apr 2014
Return since launch	230.36%	46.85%
Equivalent per annum	5.97%	7.72%
Relative to comparative index**	0.22%	-0.10%

* Institutional refers to Z shareclass.
**based on outperformance or underperformance relative to comparative index

Fund facts

	Retail (Inc)	Institutional (Acc)*
Fund size (millions)	GBP 761.5m	GBP 761.5m
Annual management charge	1.00%	0.00%
Ongoing charge	1.04%	0.04%
Base currency	GBP	GBP
Distribution yield	2.81%	2.59%
Ex distribution dates	End Jan, Apr, Jul & Oct	End Jan, Apr, Jul & Oct
Distribution pay dates	2 business days before end Mar, Jun, Sep & Dec	2 business days before end Mar, Jun, Sep & Dec
Last distribution paid	1.9016p per unit	0.7994p per unit
ISIN	GB0004833660	GB00BLBND503
Sedol	0483366	BLBND50

* Institutional refers to Z shareclass.

Focus on the latest quarter

Portfolio holdings can change at any time and without notice. Therefore, you should not take any of the information in this document as a recommendation to invest. Notable transactions are selected at the discretion of the fund manager and may not feature the largest transactions by value.

Performance over the 3 months for fund, comparative index and other comparators

	%
Standard Life Wealth Balanced Bridge Fund (Retail Inc)	**4.11**
Standard Life Wealth Balanced Bridge Fund (Institutional Acc)*	**4.34**
Comparative index	3.56
Other comparators	
ARC Sterling Steady Growth est.	3.28
IA OE Mixed Investment 40-85% Shares	4.26
FTSE All Share	3.26
FTSE World (ex UK)	6.72
FTA Govt All Stocks	1.31

Source: Morningstar, WM and Thomson Reuters Datastream as at 30 June 2019. Calculation basis: Sterling, total return bid-to-bid, based on an Annual Management Charge (AMC) of 1.00% [1] , without initial charges, net income reinvested (gross for indices), net of management fees.
[1] 0.80% from fund launch date to 16 Apr 2015
* Institutional refers to Z Acc shareclass.

Largest contributors to relative performance

Positive	v index
ABCAM	0.18
Estee Lauder	0.18
Zurich Insurance	0.17
British American Tobacco	0.15
RELX	0.14

Negative	v index
Schlumberger	-0.08
Alphabet Inc.	-0.12
Covestro	-0.12
Eli Lilly and Company	-0.22
Fevertree Drinks	-0.37

Largest contributors to relative performance looks at the effect of the investment choices made by the fund manager. It highlights which investment choices have added or detracted value from the portfolio, relative to the investments in the benchmark.

Notable transactions

Acquisitions
N Berman Emerging Markets
Visa
Verizon
Ørsted
Fidelity Natl Info Serv 2.602% 05/21/2025

Disposals
Vodafone
Industria de Diseno Textil
Covestro
First Republic Bank/ca (reduce)
RELX (reduce)

Focus on the latest quarter (cont.)

This commentary represents the views of the fund manager and should not be taken as advice.

Markets

Trade relations and a return to more accommodative monetary policy dominated investor sentiment throughout the second quarter. The rally in financial markets that characterised the first three months of the year continued through April, albeit at a more subdued pace. Markets were carried by the central banks' supportive rhetoric but also the broad consensus that the US and China would resolve their trade spat at the G20 conference at the end of June. However, this view was significantly shaken mid-May, when President Trump unexpectedly tweeted his intention to increase tariffs on Chinese goods. Equity markets duly sold off on the back of his comments. And this time, the trade tensions were even more personal, with a ban on US companies buying Huawei products – a significant hit to the communications supply chain. The US also extended the range of its tariffs-target to Mexican goods. While it soon stood down on the threat to Mexico, its spat with China continued until early June. It was clear that neither side was feeling the political heat to agree a deal any time soon. With long-term disruption to the global supply chain starting to weigh heavily on global growth, many market observers downgraded their economic outlooks.

In June, however, the central banks came to the rescue. Weaker economic data, risks to the trade outlook and stubbornly low inflation provided all that the Federal Reserve (Fed) and the European Central Bank (ECB) needed to signal that the cavalry is coming, in the form of further monetary stimulus. The easy monetary policy that followed the financial crisis was often compared to drinking from the punchbowl. At some point, the punch would run out and we would all feel the effects of a rotten hangover. It would be fair to say the hangover has been relatively light, helped by clear communication of impending rate rises. So nothing that a good breakfast and a strong coffee couldn't deal with. Over the past three years, central banks have followed a relatively aggressive policy-path with varying degrees of action. The US has led the way; increasing interest rates nine times from the 0.25% level reached in 2009. Considering the change in most central banks' rhetoric this quarter, we could say that we are 'back on the sauce'. Certainly, this view has supported investor sentiment towards risk assets. The hiatus in US monetary tightening indicated at the end of 2018 has now turned to full-blown dovish, accommodative policy. Indeed, the probability of a rate cut at the Fed's July meeting moved from 23% to 100% over the quarter.

By the end of June, the US and China were broadcasting their intentions to continue negotiating a trade agreement. This could be nothing more than empty words, until we see real progress on a deal. Nonetheless, this added fuel to the risk-on environment and many equity markets rose to all-time highs.

But while equities were reaching new heights, bond yields were plumbing two-year lows. This is usually an indication of deteriorating growth. In fact, the US yield curve inverted again in May (short-dated yields moved higher than long-term yields). This is commonly seen to portend recession. Yet at the same time, risk-assets like equities continued their ascent. Some commentators have concluded that both markets are telling two sides of the same story. Equities are reflecting global growth and a relatively strong US economy. Bond markets, meanwhile, are purely focused on the intentions of central banks – are they planning to make monetary policy more or less accommodative? They are also fixated on inflation, which has uncoupled from growth expectations. This neatly explains the current scenario. However, it would be fair to say that we are far from confident that this situation is sustainable.

Closer to home, the Conservative Party leadership race and the implications for the various Brexit scenarios dominated UK news. With the probability of a no-deal exit from the EU increasing, sterling depreciated against all G10 currencies over the quarter. A 'no-deal' Brexit is widely expected to negatively impact the UK economy. As a result, the likelihood of this scenario has triggered a deterioration in the outlook for UK growth.

Against this backdrop, most equity markets rallied in April and June offsetting the weakness in May. Europe led the field, while Asia and the UK lagged. Given sterling's weakness, UK investors in overseas assets benefited from the translation of their investment returns back to pounds. As we highlighted, normal correlations between asset classes broke down, and bonds and equities both rose in value this quarter. UK gilt yields continued to fall (prices rose) but we retained positioning in the face of heightened political risk. Corporate bonds (credit) also rallied.

Focus on the latest quarter (cont.)

This commentary represents the views of the fund manager and should not be taken as advice.

Performance

The Balanced Bridge Fund ended the quarter +4.1% higher. This was 0.6% ahead of the benchmark return of +3.5% and 0.8% ahead of the ARC Steady Growth peer group estimate of +3.3%.

Positive stock selection in utilities, financials and consumer services was the main driver of relative performance.

Within utilities, performance was driven by Enel (+11.8%) and Ørsted (+18.4%), which was added partway through the period. Both Enel and Ørsted offer structural growth beyond the regulated utility sector through their exposure to renewable energy generation. Both have been rewarded for the additional risks they need to take in order to drive their higher growth rates. The technical support offered to structural growth opportunities within the decarbonisation transition has also helped their outperformance.

Positive stock selection of non-bank financial holdings added to the Fund's relative return. Once again, the main driver was Zurich Insurance Group (+14.3%), which reported strong earnings highlighting a return to growth in property & casualty premiums and continued healthy price momentum. Its management expects these factors to support continued improvement in the underlying loss ratio. It also confirmed a strong capital position and that the company is on track to meet or exceed its 2017-19 targets. Hiscox (+10%) also outperformed. Elsewhere, the outperformance of Prudential (+11.6%) in the life insurance sector and Mastercard (+15.2%) in financial Services added to the relative return. American Tower's (+7.1%) strong share price, meanwhile, continued to reflect the structural growth opportunity as 5G is rolled out. Its high valuation led us to take profits towards the end of the quarter.

Within consumer services, positive stock selection (average 11.5% Fund return versus 4.8% benchmark) drove outperformance. RELX (+18.3%), the information services company, was the main driver of performance. Its strong share price reflected reduced uncertainty following the agreement of journal deals in Norway and France to publish academic research. In addition, sentiment improved as it was clear that the momentum behind 'Plan S', an initiative for open-access academic publishing, had slowed. In addition, the underweight allocation to gilts and corporate bonds (credit) added to relative performance, as both asset classes underperformed global equities. Government bond exposure is concentrated in the 30-year area of the yield curve, which generated a higher return than the average maturity gilt. Similarly, the Fund also benefited from positive stock selection within investment-grade credit.

The main detractor from Fund performance was in consumer goods. Following a strong rebound in the first quarter, Fever-Tree sold off after its earnings report indicated that US operations would take longer to come through than anticipated by the market and that the high growth rate of its UK market was not sustainable.

Activity

A deteriorating outlook led us to further reduce cyclicality in the portfolio and to diversify equity risk more.

Over the past six-to-nine months, we have reduced exposure to banks. This quarter, we reinvested some of the proceeds back into less cyclical financial services. Given our ongoing review of the global payments industry, we added Visa to the Fund. We believe Visa's profitability will be driven by its European business, where we think there is room for both pricing and margin improvements. Longer-term, the company will be benefit from increased payment volumes, as digital and card payments continue to win share from cash and cheques. Visa's investment case is defined by quality, sustainable growth characteristics in the form of high visibility of growth over the next 5-10 years. It also has a dominant market position in an industry that has high barriers to entry, a robust balance sheet and consistently strong levels of profitability. We acknowledge that the payments industry is subject to disruption by the large tech companies. However, we continue to monitor progress in this space. For now, Visa and Mastercard dominate the global payments system. Their networks provide the infrastructure and trust to connect consumers and banks on a global basis.

Similarly, we have continued to shift the utilities exposure of the Fund towards beneficiaries of long-term structural growth. Namely, companies that we expect to outperform regulated utilities over the long term and that are less susceptible to political risk. Ørsted is the largest offshore wind developer globally, with 30% of the total capacity in operation or under construction. Wind power generation is set to grow rapidly, as demand for sustainable energy sources becomes increasingly pronounced. The market is pricing in much of the near-term capacity growth, however, we believe the long-term opportunity for growth-extending, value-accretive pipeline additions is overlooked. The UK is the most important geography in terms of existing assets, and these wind parks benefited from attractive subsidies offered as the industry was maturing. Unexpected changes to tariff levels are a risk. However, it seems unlikely the returns on assets already in place would be affected. We expect to see more zero-subsidy tenders as costs continue to fall across the industry.

Focus on the latest quarter (cont.)

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Another area of focus this quarter was the opportunities developing through the roll-out of 5G. Longer term, these are set to expand beyond the traditional telecoms sector towards industrials and increase the application of the Internet of Things (IoT). For now, the opportunity is in the initial roll-out of 5G in the US. Verizon is set to benefit from this network upgrade cycle and we have added it to the Fund. The company is competitive, with strong national positioning that should temper capital expenditure, which is always a risk for telecoms. Verizon demonstrates quality metrics with expanding margins, solid cashflow and a defensive balance sheet. Its unchallenging valuation suggests there is re-rating potential, while the 4%+ dividend yield is also supportive of the total shareholder return.

To fund the purchase of Verizon, we sold the holding in Vodafone. The sustainability of its dividend was under question and it seemed likely that management would cut the payment in order to reduce debt. In addition, we believe its marginal cost of debt is currently too high for such a low-growth industry. While this was widely recognised by the market, the possible extent of the cut (30% to 50%) was not fully reflected in the share price. Taking a long-term view, Vodafone is a company operating in highly competitive markets, with significant cash requirements and too high a debt burden. Although the valuation was cheap, there are no catalysts for change and the sustainability of its growth is questionable. It transpired that Vodafone's management cut the dividend more than the market expected.

To further diversify equity market risk, we added a position in emerging market debt, which offers attractive risk/return characteristics over the long term. To achieve this, we purchased units in the Neuberger Berman Emerging Markets Local Currency Fund.

Outlook

We have downgraded our global growth forecasts amid subdued activity data and rising political and policy uncertainty. As a result, our projections no longer incorporate a re-acceleration in global growth. Instead, we expect global GDP growth to be flat, and below the post-financial crisis average, out to 2021. Moreover, even that outlook is dependent on several major central banks easing monetary policy this year and the US-China trade war not escalating further.

On the positive side, global financial conditions have remained relatively loose. Chinese conditions, in particular, have eased as a result of policy stimulus. The European industrial cycle appears to be bottoming. Meanwhile, advanced economy labour markets have remained resilient, supporting solid consumer demand.

On the negative side, trade tensions have re-escalated. Political developments in the UK, Italy, Argentina, Turkey and Iran have also taken a less positive direction. There has been little evidence of spill-over from Chinese stimulus to the rest of the world so far. Indeed, global manufacturing sentiment hit a 6.5-year low in May and our forecasts suggest that global growth is still slowing. The fluid trade-policy environment is a particularly important – and difficult to forecast – driver of the outlook.

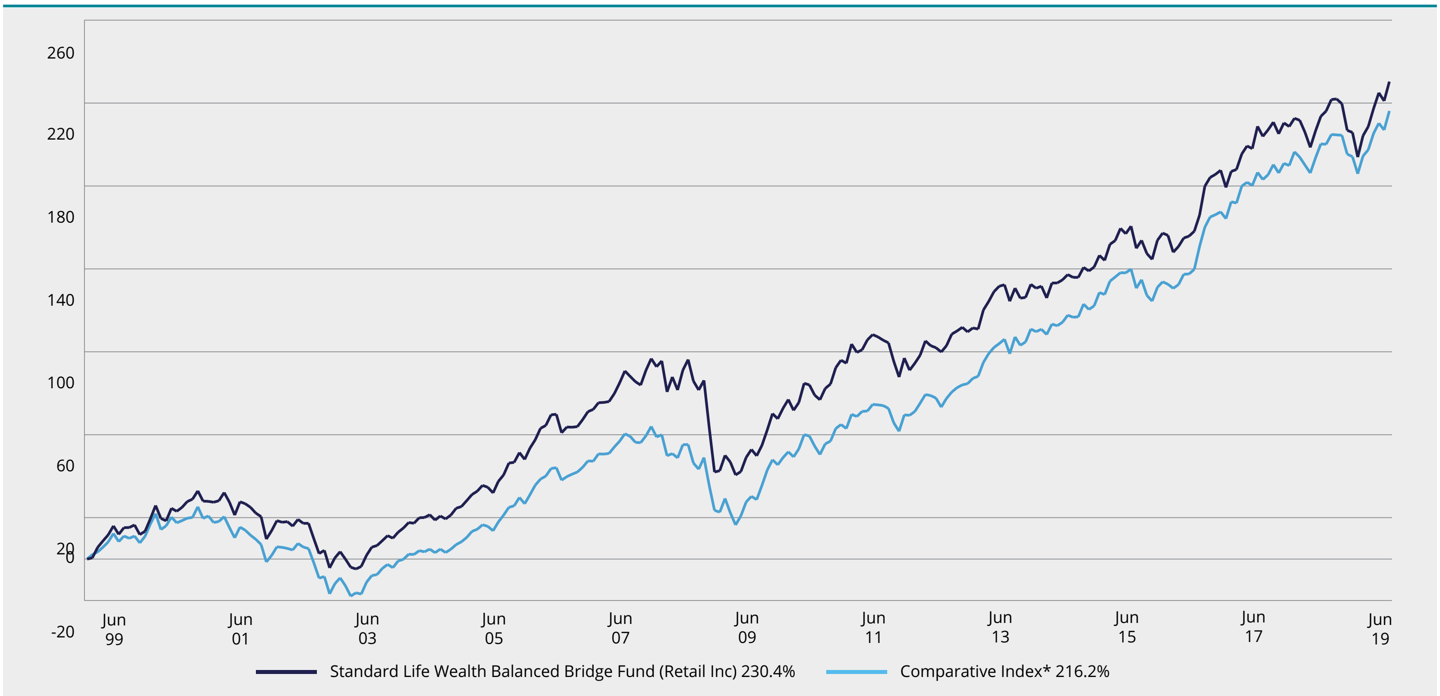
Fundamentally, the more accommodative monetary policy indicated by central banks is supportive of risk assets like equities. However, should the Fed decide not to follow through with the two rate cuts the market is anticipating this year, this would hurt investor sentiment towards risk assets. In addition, we question whether more stimulatory monetary conditions will be enough to offset any deterioration in global growth triggered by ongoing disruption to global trade. More than 10 years into the current financial cycle, we continue to monitor the signals that it is coming to an end. This signal would typically be an external shock or a policy mistake.

Therefore, rather than focus on short-term market noise, we continue to concentrate on long-term structural growth. Specific areas of focus are the beneficiaries of 5G roll-out, digitalisation of payments, decarbonisation of energy, electrification of transport and healthcare applications that are driving longevity. We seek to identify companies that will benefit from shifting trends, while avoiding those where change will be detrimental. Experience has taught us that companies that have strong balance sheets, generate cashflow in excess of their operational requirements, and invest in their business as well as distribute to shareholders, tend to generate stronger and more sustainable returns. As a result, they merit a long-term position in portfolios, regardless of shorter-term sentiment.

Performance

Risk warning
Past performance is not a reliable guide to future performance.
The value of investments within the fund can fall as well as rise and is not guaranteed - you may get back less than you pay in.

Performance since launch (%) 23 December 1998



Cumulative performance (%) to last quarter end

	1 year	3 years	5 years	10 years	YTD
Standard Life Wealth Balanced Bridge Fund (Retail Inc)	4.5	24.2	40.0	120.5	12.4
Standard Life Wealth Balanced Bridge Fund (Institutional Acc)**	5.3	27.3	N/A	N/A	12.9
Comparative Index*	5.4	26.1	45.9	145.7	10.6

Discrete past performance (%) to last quarter end

From	30/06/2014	30/06/2015	30/06/2016	30/06/2017	30/06/2018
To	30/06/2015	30/06/2016	30/06/2017	30/06/2018	30/06/2019
Standard Life Wealth Balanced Bridge Fund (Retail Inc)	5.9	6.4	14.3	4.0	4.5
Standard Life Wealth Balanced Bridge Fund (Institutional Acc)**	6.8	7.4	15.2	4.9	5.3

Source: Morningstar, WM and Thomson Reuters Datastream as at 30 June 2019. Calculation basis: Sterling, total return bid-to-bid, based on an Annual Management Charge (AMC) of 1.00% [1], without initial charges, net income reinvested (gross for indices), net of management fees.

[1] 0.80% from fund launch date to 16 Apr 2015

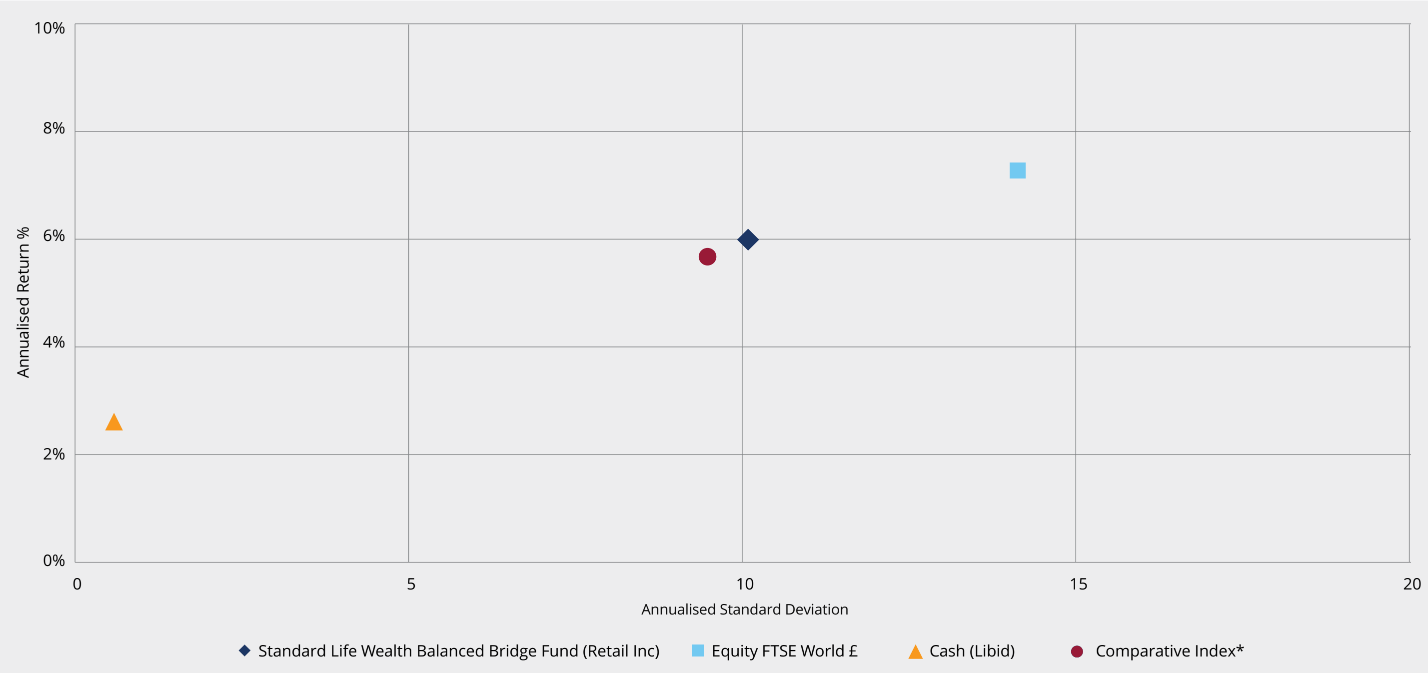
* The Comparative Index for the Standard Life Wealth Balanced Bridge Fund is 30% FTSE All-Share (£), 30% FTSE World ex UK, 15% ML £ Non Gilt, 15% FTA Govt All Stocks, 10% LIBOR 1 Month. The Comparative Index from inception until 31 March 2009 was WM PCI Balanced Index then 40% FTSE All-Share (£), 20% FTSE World ex UK, 15% ML £ Non Gilt, 15% FTA Govt All Stocks, 10% LIBOR 1 Month until 31 December 2013.

** Institutional refers to Z Acc shareclass.

Performance - risk and reward

For explanations of any of the investment terms used in this report, please see glossary.
The value of investments within the fund can fall as well as rise and is not guaranteed - you may get back less than you pay in.

Return and risk since launch



Annualisation is calculated on a monthly basis from the fund launch date, 23 December1998.
The value of investments within the fund can fall as well as rise and is not guaranteed - you may get back less than you paid in.

Risk and return since launch

	Annualised return (%)	Volatility (%)	Sharpe ratio
Standard Life Wealth Balanced Bridge Fund (Retail Inc)	6.0	10.2	0.3
Comparative Index*	5.7	9.6	0.3

Source: Morningstar, WM and Thomson Reuters Datastream as at 30 June 2019. Calculation basis: Sterling, total return bid-to-bid, based on an Annual Management Charge (AMC) of 1.00% [1], without initial charges, net income reinvested (gross for indices), net of management fees.
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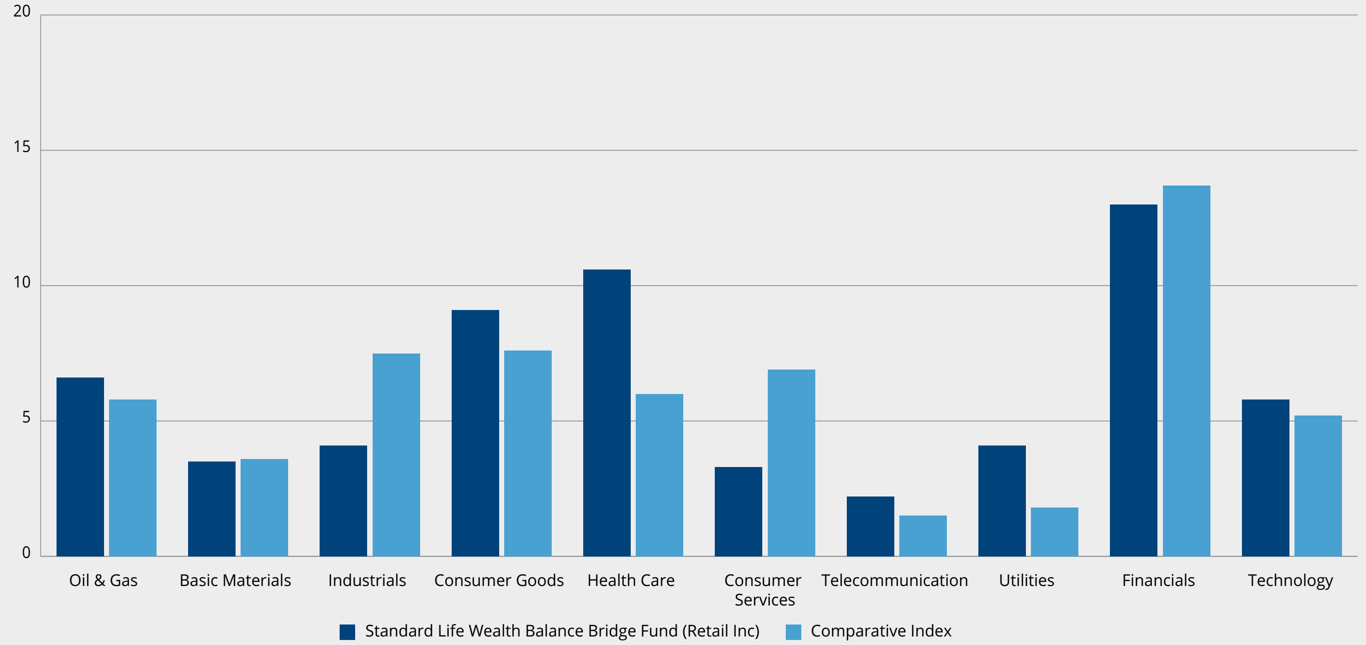
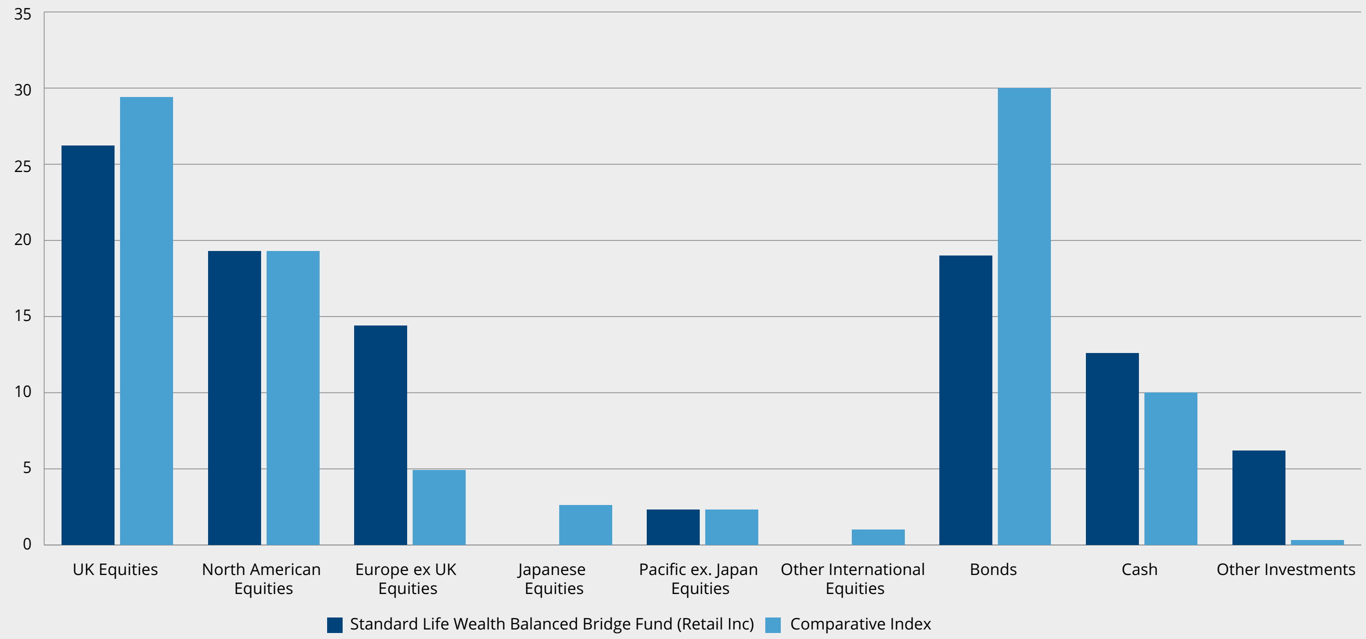
Fund breakdown

The information below is subject to change and should not be construed as a recommendation to invest in a specific industry or region. The value of investments within the fund can fall as well as rise and is not guaranteed - you may get back less than you pay in.

Equity split by industry



Regional and asset class weighting



Factset as at 30 June 2019

Our investment process

We manage portfolios on an active basis, taking a global investment approach. We aim to identify long-term drivers of change. These long-term trends are the key forces of change, which we believe drive economies and markets.

Research

Our team of analysts conduct fundamental research across markets for each of the world's major economies, industries and sectors. We look beyond the traditional boundaries established by simply considering asset allocation, assessing important characteristics such as capital protection, cash flow and long-term growth. We use the full resources of Aberdeen Standard Investments to generate research that's solely used for the benefit of our clients.

Fund management/portfolio construction

Our investment managers interpret the output of all strategic and analytical work, identifying and assessing those stocks that may be appropriate for our client portfolios. We aim to invest in an appropriate combination of long-term, return-seeking assets and tactical, risk-offsetting positions. The structure of every portfolio depends on each client's goals, attitude to risk and time horizon, in the context of our investment outlook.

Long-term trend	Drivers of change	Investments
Shifting consumption	Shifting consumption patterns will continue to be a major influence on global growth. It is estimated that over the next 15 years, another 1.8 billion people will enter the global consuming class and that worldwide consumption will nearly double to $64 trillion (McKinsey Global Institute. Manufacturing the future: The next era of global growth and innovation. November 2012).	Abcam Amazon DS Smith Fevertree Estee Lauder
Population dynamics	Advances in medical science and changes in diet and in our environment are transforming the dynamics of the global population. People are living for longer, more than half the world's population already lives in urban areas with this number predicted to rise to 75% by 2050 (UN December 2013), and a falling work force is placing strains on the provision of public services.	Abcam BB Biotech Eli Lilly Novartis Prudential Roche Zurich
Debt effects	Since the onset of the credit crisis, governments, corporations and individuals have been taking measures to reduce their levels of debt. The efficiency and effectiveness of this reduction in debt is not yet completely known.	Fair Oaks Income BBGI
Policy influence	National and regional policies have always played a role in global economics as policymakers seek to achieve a number of political, economic and social objectives. These include promoting growth, increasing employment, controlling inflation, managing the money supply and interest rates, increasing profits and addressing perceived market failures. Intervention brings about change, and therefore can act as the catalyst for investment opportunities.	Gilts CRH Johnson Matthey Ørsted
Smart generation	Remember life without the internet and digital technology? There will soon be a generation of adults who don't. Indeed the single biggest source of digital disruption over the past decade has been the users of technology themselves - reshaping the way we live, work and do business. Networks, systems, processes are now more sophisticated than ever before. This is giving organisations opportunities to become more efficient and focused - to create entirely new operating models.	Alphabet ASML DS Smith Mastercard Visa
Resource efficiency	By 2030, energy demand is projected to increase by 40% and water demand is expected to outstrip supply by 40%. A mere 5% of the world's population uses 23% of the entire energy supply, while 40% of the world's population lack access to adequate sanitation services. Another 1.2 billion having no facilities at all (UN System Task Team on the Post-2015 UN Development Agenda). Ageing populations in the West (as elaborated upon in our Populations dynamics theme) and continuing economic advancement in the developing world will result in a shortage of human capital globally. Businesses will be vying for talent against the entrepreneurial opportunities that will be available to a cohort of young, well-educated workers.	Accenture DS Smith Enel Ørsted

Fund holdings

Standard Life Wealth Balanced Bridge Fund	Holdings (%)*
Equities	**62.2**
Oil & Gas	**6.6**
BP p.l.c.	1.7
Royal Dutch Shell Plc Class B	2.6
Total SA	1.4
Schlumberger NV	0.8
Basic Materials	**3.5**
Johnson Matthey Plc	1.1
Antofagasta plc	0.7
Rio Tinto plc	1.7
Industrials	**4.1**
CRH Plc	1.1
DS Smith Plc	1.3
Accenture Plc Class A	1.7
Consumer Goods	**9.1**
Anheuser-Busch InBev SA/NV	1.1
Fevertree Drinks PLC	1.0
Treasury Wine Estates Limited	1.0
Nestle S.A.	1.7
Persimmon Plc	0.9
Reckitt Benckiser Group plc	0.7
Activision Blizzard, Inc.	0.7
Estee Lauder Companies Inc. Class A	2.0
Health Care	**10.6**
Medtronic Plc	1.2
ABCAM PLC	0.9
AstraZeneca PLC	1.3
BB Biotech AG Namen-Akt	0.8
Dechra Pharmaceuticals PLC	1.3
Eli Lilly and Company	1.2
GlaxoSmithKline plc	1.2
Novartis AG	1.3
Roche Holding AG	1.3
Consumer Services	**3.3**
Amazon.com, Inc.	2.0
RELX PLC	1.3

Standard Life Wealth Balanced Bridge Fund	Holdings (%)*
Telecommunications	**2.2**
Royal KPN NV	1.2
Verizon Communications Inc.	1.0
Utilities	**4.1**
Enel SpA	1.5
National Grid plc	0.8
Ørsted	1.1
Severn Trent Plc	0.8
Financials	**13.0**
First Republic Bank	1.2
HSBC Holdings Plc	1.7
Beazley Plc	0.5
Zurich Insurance Group Ltd	1.8
Prudential plc	1.9
American Tower Corporation	1.6
Primary Health Properties PLC	1.0
Mastercard Incorporated Class A	1.2
Visa Inc. Class A	1.3
Aberforth Smaller Companies Trust PLC	0.8
Technology	**5.8**
Alphabet Inc. Class A	1.4
Microsoft Corporation	1.8
ASML Holding NV	1.1
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	1.3

Fund holdings (cont.)

Standard Life Wealth Balanced Bridge Fund	Holdings (%)*
Bonds	**19.0**
Corporate Bonds	**11.9**
Overseas	**4.6**
Abn Amro Bank N.v. 2.875% 18-jan-2028	0.4
Activision Blizzard, Inc. 3.4% 15-sep-2026	0.3
At&t Inc. 4.25% 01-jun-2043	0.1
At&t Inc. 4.375% 14-sep-2029	0.3
Bank Of America Corporation 7.0% 31-jul-2028	0.2
Charter Communications Operating Llc 4.464% 23-jul-2022	0.3
Credit Agricole 7.5% Perp	0.2
Credit Suisse Group Funding (guernsey) Ltd. 2.75% 08-aug-2025	0.2
Eircom Finance Dac 3.5% 15-may-2026	0.2
Electricite De France Sa 6.0% Perp	0.3
Fidelity National Information Services, Inc. 2.602% 21-may-2025	0.5
Government Of Saudi Arabia 4.0% 17-apr-2025	0.5
Leaseplan Corporation N.v. 7.375% Perp	0.2
Lincoln Financing Sarl 3.625% 01-apr-2024	0.2
Orsted A/s 5.75% 09-apr-2040	0.2
Symantec Corporation 5.0% 15-apr-2025	0.2
Ubs Ag London Branch 1.25% 10-dec-2020	0.1
Unitymedia Hessen Gmbh & Co. Kg 4.0% 15-jan-2025	0.2
UK	**7.3**
Arqiva Financing Plc 4.882% 31-dec-2032	0.3
Aviva Plc 6.125% 14-nov-2036	0.2
Barclays Plc 3.25% 17-jan-2033	0.5
Bg Transco Holdings 4.1875% 14-dec-2022	0.7
Close Brothers Group Plc 2.75% 26-apr-2023	0.1
Coventry Building Society 1.875% 24-oct-2023	0.1
Firstgroup Plc 6.875% 18-sep-2024	0.5
Gkn Plc 6.75% 28-oct-2019	0.2
Glaxosmithkline Capital Plc 5.25% 19-dec-2033	0.3
Hsbc Holdings Plc 5.75% 20-dec-2027	0.3
John Lewis Plc 6.125% 21-jan-2025	0.4
Legal & General Group Plc 5.375% 27-oct-2045	0.2
Lloyds Banking Group Plc 2.25% 16-oct-2024	0.2
Nationwide Building Society 3.25% 20-jan-2028	0.3
Pennon Group Plc 2.875% Perp	0.2
Prudential Plc 5.56% 20-jul-2055	0.4
Rl Finance Bonds No. 3 Plc 6.125% 13-nov-2028	0.2
Sse Plc 3.875% Perp	0.6
Tesco Plc 3.322% 05-nov-2025	0.2
Tesco Property Finance 3 Plc 5.744% 13-apr-2040	0.8
Virgin Media Secured Finance Plc 6.0% 15-jan-2025	0.3
Vodafone Group Plc 6.25% 03-oct-2078	0.2
Yorkshire Building Society 3.375% 13-sep-2028	0.1
Government Bonds	**5.1**
Government Of United Kingdom 1.5% 22-jul-2047	3.0
Government Of United Kingdom 3.25% 22-jan-2044	2.0
Unitised/Structured Investments (Bonds)	**2.0**
N Berman Emerging Markets Local Currency GBP UnHdg Inc	2.0
Alternatives	**5.6**
3i Infrastructure PLC	1.4
Apax Global Alpha Ltd.	0.6
BBGI SICAV SA	0.9
Bluefield Solar Income Fund Ltd.	0.5
Fair Oaks Income Limited 2017USD	0.3
Greencoat UK Wind Plc	0.6
International Public Partnerships Ltd	0.8
Renewables Infrastructure Group Limited GBP Red.Shs	0.5
Property	**0.7**
UNITE Group plc	0.7
Cash	**12.6**

*The data is rounded to 2dp and small variances to totals may occur

Glossary

ARC Private client indices ARC private client indices are based on actual client portfolio returns provided by various investment management companies. These portfolio returns are allocated to one of four categories based on the volatility of their returns relative to world equities, and an average return is calculated for each category. Grouping portfolios by their volatility differs from the traditional approach, which compares portfolios which have similar asset allocations. Instead, investment managers may use whatever asset allocation they consider appropriate to achieve the desired levels of return and volatility.

Bonds These are essentially loans to a government or company. These loans are often for a set period and the bond owner usually receives regular interest payments. Bonds issued by the UK government are called gilts and those issued by a company are corporate bonds. Some bonds are riskier than others, for example bonds issued for a longer time period or by companies which are viewed as risky.

Derivatives Funds can sometimes use derivatives to improve portfolio management and to help meet investment objectives. A derivative is a financial instrument – its value is derived from the underlying value or movement in other assets, financial commodities or instruments like equities, bonds, interest rates, etc. Depending on how it is used, a derivative can involve little financial outlay but result in large gains or losses.

Equities These are part ownership in a company, and are also referred to as stocks and shares. The return on equities comes from growth in the value of the shares in a company, plus any income from dividends. Equities are one of the more volatile asset classes – although they can offer good growth potential.

IA sector averages The Investment Management Association (IMA) classifies funds with similar objectives into broad groups, or sectors, which have some similar characteristics. The average performance of all the funds in a sector is calculated over various time periods for investors to use as a performance comparator.

LIBOR/LIBID LIBOR is the London Interbank Offered Rate and is the rate at which banks lend to each other. LIBID is the London Interbank Bid Rate and is the rate at which banks borrow from one another. Generally, LIBOR is a little above the Bank of England base rate, and will also be higher than LIBID. Both can be used as a benchmark for money market instruments, which include cash.

Money market instruments (including cash) These include deposits with banks and building societies, as well as governments and large corporations. They also include other investments that can have more risk and return than standard bank deposits. Investments in money market instruments are riskier than standard cash deposit accounts – in some circumstances their values will fall. The returns may also be lower than inflation.

Ongoing charge This is a measure of the total cost for investing in a fund. It's made up of the Annual Management Charge (AMC) and other additional costs. The AMC is levied by the Manager and is used to pay the investment manager, financial advisor, fund accountant, fund administrator and distributor. Additional costs include the costs for other services paid for by the fund, such as the fees paid to the trustee (or depository), custodian, auditor and regulator.

Property Property investing includes direct investment in buildings and land, as well as indirect investments such as shares in property companies. The value of direct property is generally based on a valuer's opinion as is not fact. Like equities, property securities can have sharp changes in value at any time. The values of different types of property do not necessarily move in line with each other. For example commercial property could be losing value even if house prices are going up.

Risk All investments carry risk. Some are riskier than others. Higher-risk investments offer the potential for higher returns. There is no guarantee that you will get back all the money you initially invested. Money market instruments (including cash) are generally considered to be the least risky investments.

Risk band The risk band given on this document is an internal rating used by Aberdeen Standard Capital to categorise the relative position of funds and portfolios within their overall investment offering. There are six ratings: very low, low, medium low, medium, medium high and high.
The Aberdeen Standard Capital risk band differs from the SRRI risk rating that you might see on a Key Investor Information Document, which uses a standardised industry wide process to rate funds from 1-7.

Sharpe ratio The Sharpe ratio gives an idea of how well a fund has performed relative to the amount of risk it has taken. It's calculated by dividing the excess return (in this case, the return above cash) by the standard deviation of the return. A higher sharpe ratio suggests that a fund is taking on less risk to achieve its return.

Glossary (cont.)

Standard deviation A statistical measure of how much the return for an investment is likely to vary. The higher the number, the more variable the return. Given two investments with the same average return, but different standard deviations, we would expect the fund with the larger standard deviation to have a wider range of likely returns.

Volatility Volatility measures the risk of loss. It shows how widely the range of returns in a portfolio might deviate from the average return over a particular period.

Yield The interest or dividend (income) received from an investment.

Find out more

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