

31 August 2020

The Aberdeen Standard Global Corporate Bond Fund*** aims to provide long term growth by investing predominantly in global investment grade bonds. The fund is actively managed by our investment teams who may invest in a wide range of bonds (e.g. corporate bonds including high yield bonds, government backed securities, overseas bonds, index-linked bonds, floating rate notes (FRNs) and asset backed securities (ABSs) and/or money market instruments) issued anywhere in the world in order to take advantage of opportunities they have identified.

Key Features

- Focus on change investment approach embedded in fundamentally driven credit selection tailored to the overall environment
- Global reach and collaborative environment encourages constructive dialogue among teams
- History of credit expertise and high conviction portfolios, in conjunction with downside focused risk-based approach, has delivered compelling information ratios

Australian Unit Trust

Monthly

Fund Launch Date	24 February 2015	Yield to Maturity Fund/Benchmark	2.39%/2.17%
Benchmark (Index)	Barclays Global Aggregate Corporate Index (hedged to AUD)	No. of Holdings	219
Aberdeen Standard Investments AUM (Jun 30, 2020)	AUD 918.5bn	Modified Duration Fund/Index	7.26/7.18
Current NAV	\$244.4m	Redemption Price**	\$1.070655
Base Currency	AUD	Buy/Sell Spread*	Buy +0.27%/Sell -0.27%
		ASRN	125 896 184
		APIR	ETL0132AU

*This is the current buy/sell spread and it is reviewed monthly. We may vary or waive the buy/sell spreads without notice when it is appropriate to protect the interests of existing investors and if permitted by law. If you wish to confirm the buy/sell spread, please contact the investment manager on 1800-636-888 prior to making an investment or redemption.

** Unit price as at last valuation point of the report period.

*** Formerly the Standard Life Investments Global Corporate Bond Trust (The Trust).

Important information

There has been no material change to the risk level or strategy of the fund for the reporting period. There has been no material change to the expected risk profile or investment objective of the fund for the reporting period.

Fund Information

Composition by Country

Country	Fund %	Index %	Country	Fund %	Index %
United States	50.0	54.1	Luxembourg	0.5	0.4
United Kingdom	12.9	9.2	Ireland	0.5	0.5
Germany	5.7	4.6	Isle of Man	0.5	0.0
France	5.4	6.6	India	0.4	0.1
Not Classified	4.8	2.1	Iceland	0.4	0.0
Netherlands	2.9	2.9	Japan	0.4	2.7
China	2.3	0.9	British Virgin Islands	0.4	0.1
Mexico	1.7	0.5	Sweden	0.3	0.7
Canada	1.6	4.5	Cayman Islands	0.3	0.2
Switzerland	1.5	1.9	Australia	0.3	1.9
Denmark	1.5	0.3	Portugal	0.3	0.1
Italy	1.2	1.4	Norway	0.2	0.2
Hong Kong	1.2	0.6	Bermuda	0.2	0.2
Brazil	0.8	0.2	Channel Islands	0.1	0.1
Spain	0.8	2.1	Finland	0.1	0.3
Belgium	0.8	0.6			

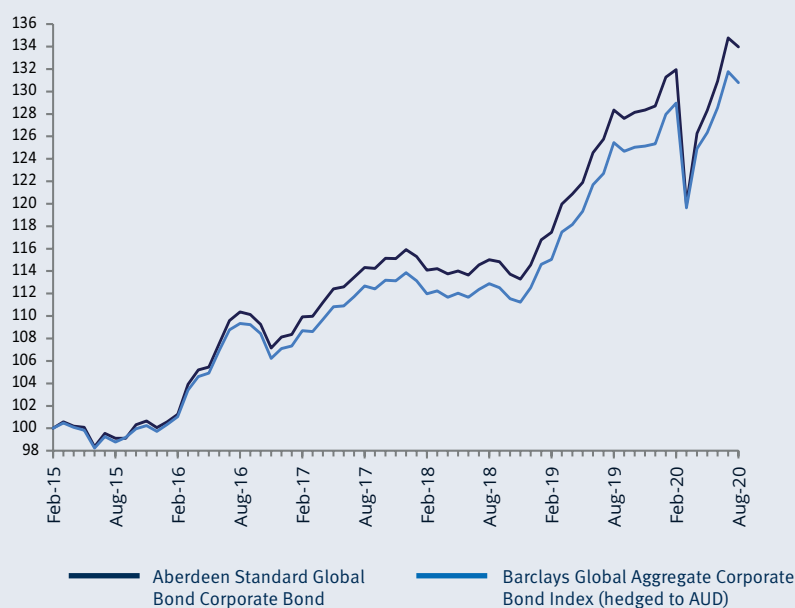
Composition by Credit Rating

Rating	Fund %	Index %
AAA	1.0	1.1
AA	2.4	8.0
A	25.8	39.8
BBB	57.6	50.1
BB	7.8	0.2
N/R	5.4	0.8

Top Ten Issuers

Issuers	Fund %	Index %
Bank of America	2.8	1.5
Citigroup	2.6	1.2
JPMorgan Chase	2.1	1.4
Verizon Communications	1.7	0.9
General Motors	1.4	0.4
AT&T	1.3	1.3
Morgan Stanley	1.2	0.9
Groupe BPCE	1.1	0.4
Comcast	1.0	0.9
Vonovia Finance	1.0	0.2

Fund Performance



Performance

Source: Aberdeen Standard Investments (Fund) and Thomson Datastream (Benchmark)

	1 Month (%)	6 Month (%)	1 Year (%)	3 Year p.a. (%)	5 Year p.a. (%)	Since Inception p.a. (%)
Aberdeen Standard Global Corporate Bond Fund (Gross)	-0.59	1.52	4.38	5.43	6.21	5.52
Aberdeen Standard Global Corporate Bond Fund (Net)	-0.63	1.27	3.86	4.87	5.62	4.93
Barclays Global Aggregate Corporate (Hedged to AUD)	-0.74	1.42	4.26	5.10	5.78	4.99

*Since inception- Date 24/02/2015

Note: Past performance is not a reliable indicator of future performance. Net of fees performance is for Class A units and is calculated based on end of month redemption prices after the deduction of fees and expenses and the reinvestment of all distributions. Gross of fees performance for the Class A units is the net return with fees and expenses added back.

Investment Review and Outlook

Market Review

With spreads tightening by a further 7 basis points, August was the fifth consecutive month of recovery for the Global Investment Grade bonds following the high volatility of late March, when coronavirus fears peaked. However as treasury yields picked by a relatively greater amount (with the 10-year yield rising from 0.56% to 0.71%), the total index return (hedged to Australian dollars) for the month was negative at -0.74%.

While the number of daily coronavirus cases in the US has started to decline, some regions, including parts of Europe are seeing second waves. However improved virus control capabilities, including better testing and tracing, have allowed implementation of more targeted countermeasures rather than complete lockdowns. Furthermore improving economic data, largely better-

than-expected second quarter corporate earnings and expectations for a viable coronavirus vaccine in coming months, have all supported investor sentiment.

Activity

In the primary market, we bought the attractively priced 2030 euro bonds of Danske Bank. Following a strong second quarter rebound, it has raised annual profit guidance, helped by an improving operating environment in Denmark and continuing low levels of payment moratoria. In the US dollar market, new issuance activity was unusually strong for August with around USD140bn of deals priced. We bought the attractively priced 2027 US dollar bonds of Athene, which is a lowly leveraged US life insurance company whose management has indicated a strong commitment to moving up the ratings scale. We also bought the 2027 and 2040 bonds of Royalty Pharma. We like this former

High Yield credit owing to its strong commitment to stay Investment Grade rated, stable and strong free cash flows, and its very high margins of its asset-light business model which essentially revolves around purchasing pharmaceutical/ biotech product royalty streams.

In the secondary market, we selectively added exposure to some BB rated credits that we like from a credit/pricing perspective. Examples of this included Netflix, the plastic packaging company Berry Global and the Dutch chemicals company OCI. On the sell side, we looked to selectively reduce exposure to higher quality US dollar issuers where valuations have approached fair value. Examples of this included Coca Cola, Texas Instrument and the municipal bonds of San Francisco. We also took profits on the euro bonds of the automaker Fiat Chrysler and the Spanish toll road operator Abertis Infraestructuras.

Performance

The Fund outperformed the benchmark over the period. In terms of ratings, there were positive contributions from being overweight in BBB rated credits and High Yield credits.

Amid generally improving sentiment, the top relative return contribution came from the corporate hybrids of the German automaker Volkswagen. Emerging market issuers also performed well, including the Fund's overweights in the Mexican miner Grupo Mexico (which is the world's fourth largest copper miner) and the Brazilian paper company Suzano. On the negative side, our zero weight

in Boeing (whose bonds recently underperform following the grounding of 737 MAX) recovered with the general risk-on sentiment and optimism surrounding successful test flights.

Outlook

We remain broadly constructive on credit spreads as we get closer to the point of having a viable coronavirus vaccine, which should pave the way for further normalisation in the developed world heading into 2021. Technical factors remain supportive – we continue to see inflows into our asset class and anticipate that issuance volumes should drop from the record levels in the first half of 2020

as companies have built up sizeable cash positions as safety buffers, with cashflows also expected to recover in line with business activity. Having said this, valuations have broadly discounted the fundamental improvement from the trough of the second quarter and some very defensive and highly rated areas of the market are back or close to February levels. Moreover, a number of important political risks need to be watched out for in the next few months, including the US presidential election and Brexit developments. We continue to trim high quality positions that look expensive and still see value in selective High Yield names as well as subordinated financials.

Issued by Aberdeen Standard Investments Australia Limited ABN 59 002 123 364 AFSL No. 240263. This document has been prepared with care, is based on sources believed to be reliable and opinions expressed are honestly held as at the applicable date. However it is of a general nature only and we accept no liability for any errors or omissions. This is not an offer of securities. A Product Disclosure Statement (PDS) and application form is available for each Fund by calling Aberdeen Standard Investments Client Services on 1800 636 888, at www.aberdeenstandard.com.au, or from your financial adviser. This document has been prepared without taking into account the particular objectives, financial situation or needs of any investor. Investments are subject to investment risk, including possible delays in payment and loss of income and principal invested. It is important that before deciding whether to acquire, hold or redeem an investment in a Fund that investors consider the Fund's PDS, the Fund's appropriateness to their own circumstances, objectives and financial situation and consult financial and tax advisers. Past performance is not a reliable indicator of future results. All dollars are Australian dollars unless otherwise specified. Indices are copyrighted by and proprietary to the issuer.

To find out more about our fund range, visit our website, contact us at client.service.aust@aberdeenstandard.com or alternatively speak to your usual Aberdeen Standard Investments representative.
Telephone : 1800 636 888 or +612 9950 2853 (if calling from outside Australia)
Website : aberdeenstandard.com.au