

31 December 2017

The fund aims to provide a long term total return through capital appreciation and income. It invests in a diversified portfolio of assets including equities, bonds, cash deposits and money-market instruments directly, via collective investment schemes and via derivatives. The fund is actively managed by our investment team and holds a portfolio of assets from both Europe and overseas, selected without reference to index weight or size, combined with strategies based on advanced derivative techniques designed to enhance portfolio diversification and thus lower volatility. The fund can take long and short positions in markets, securities and groups of securities through derivative contracts.

Past performance is not a guide to future returns and future returns are not guaranteed. The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment. The fund will use derivatives extensively to reduce risk or cost, or to generate additional capital or income at low risk, or to meet its investment objective. Usage of derivatives is monitored to ensure that the fund is not exposed to excessive or unintended risks. The value of assets held within the fund may rise and fall as a result of exchange rate fluctuations.

SICAV Fund

Absolute Return Fund

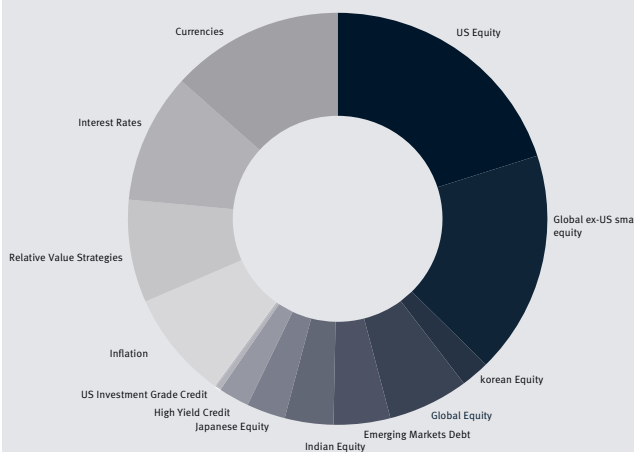
Monthly

Fund Manager	Multi Asset Investing Team
Fund Manager Start	20 Jul 2016
Launch Date	20 Jul 2016
Current Fund Size	€16.5m
Base Currency	EUR

This document is intended for use by individuals who are familiar with investment terminology. To help you understand this fund and for a full explanation of specific 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.standardlifeinvestments.com](http://www.standardlifeinvestments.com). Please note that all risk numbers stated in the Fund Information section are calculated at the individual strategy level.

Standard Life Investments has not considered the suitability of investment against your individual needs and risk tolerance. If you are in any doubt as to whether this fund is suitable for you, you should seek advice. An adviser is likely to charge for advice. We are unable to provide investment advice.

## Fund Information \*



Market Return Assets	Share of total standalone risk (%)
US Equity	20.1
Global ex-US Small Cap Equity	17.4
Korean Equity	2.2
Global Equity	6.2
Emerging Markets Debt	4.4
Indian Equity	3.7
Japanese Equity	3.0
High Yield Credit	2.4
US Investment Grade Credit	0.5
<b>Total</b>	<b>59.9</b>

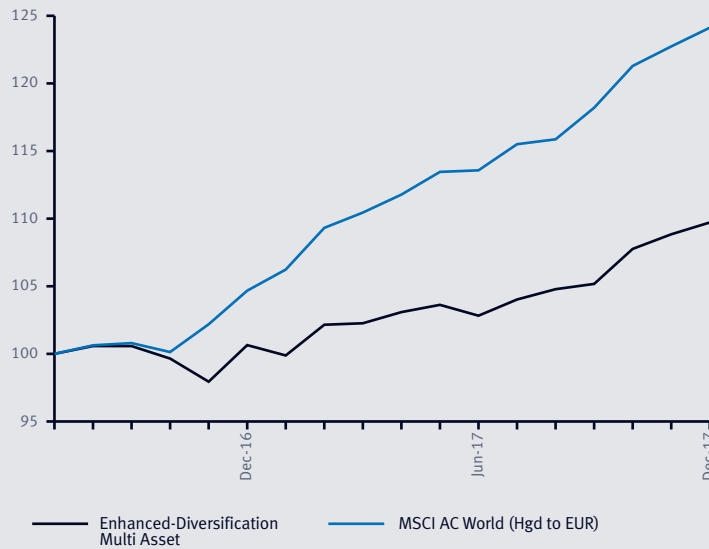
Portfolio Risk Summary	(%)
Expected EDGF Risk	7.4
Global Equity Risk	11.8

Enhanced Diversification	Share of total standalone risk (%)
Inflation	8.5
Relative Value Equity Strategies	8.1
Interest Rates	10.2
Currencies	13.3
<b>Total</b>	<b>40.1</b>

The fund information data in the tables and pie chart above are updated on a quarterly basis only (31 March, 30 June, 30 September and 31 December) unless specified otherwise.

## Fund Performance \*

### Price Indexed



The performance of the fund has been calculated over the stated period using bid to bid basis for a UK basic rate tax payer. The performance shown is based on an Annual Management Charge (AMC) of 0.70%. You may be investing in another shareclass with a higher AMC. The charges for different share classes are shown on the next page. For details of your actual charges please contact your financial adviser or refer to the product documentation.

Source: Standard Life Investments (Fund) and Thomson Reuters DataStream (Benchmark)

### Cumulative Performance

Source: Standard Life Investments (Fund) and Thomson Reuters DataStream (Benchmark)

	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	SI (%)
Institutional Fund Performance	0.9	4.5	7.1	9.8	11.0
MSCI AC World (Hgd to EUR)	1.1	5.0	9.3	18.6	24.2

Note: Cumulative Performance to period 31/12/2017.

Note: Past Performance is not a guide to future performance. The price of shares and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

For full details of the fund's objective, policy, investment and borrowing powers and details of the risks investors need to be aware of, please refer to the prospectus.

For a full description of those eligible to invest in each share class please refer to the relevant prospectus.

### Market review

Global equities finished the year in upbeat mood, with US and UK indices touching new peaks during the month. Sweeping tax reforms in the US remained an important market influence. The proposals finally won Senate approval in mid-December, and are now widely expected to pass into law, providing a substantial boost to companies with US earnings. Encouraging economic figures from China and an easing of tensions on the Korean Peninsula provided further impetus to markets. Emerging market equities in Asia and the Americas continued to perform well, supported by weakness in the US dollar, positive economic news from China and a rebound in some commodity prices, such as copper. Likewise, Japanese equities added to their earlier strong gains as corporate earnings continued to benefit from improving global trade.

The UK was deemed to have made sufficient progress on Brexit talks to move on to crucial trade negotiations with the European Union (EU). However, positive sentiment was marred by higher-than-expected inflation which exacerbated the squeeze on household incomes and consumer spending. The US economy continued to gather pace, prompting the US Federal Reserve (Fed) to raise interest rates for the third time this year, a move widely expected. Elsewhere, the Eurozone economy saw further growth, supported by strong global trade, inward investment and continued low interest rates.

Global bond markets generally had a weak month (yields rose). Most sovereign bonds stumbled as central banks alluded to the need for interest rate increases as the global economy gathered pace. UK government bonds (gilts) bucked the trend and moved

higher (yields fell) after the Bank of England left rates unchanged and reiterated its cautious outlook for the UK economy, dampening expectations of another interest rate hike.

Oil prices broke through US\$67 a barrel to hit a two-and-a-half-year high, boosted by strong Chinese economic data and ongoing supply constraints.

### Activity

We closed our strategies designed to benefit from lower interest rates in the UK and Australia after both had run their course and delivered positive returns in line with our expectations.

### Performance

The Enhanced-Diversification Multi-Asset Fund returned 0.86% (gross of fees), compared to the MSCI AC World Index return of 1.13% (gross of fees, hedged to euros).

### Market risk positions

With the continued momentum behind global equities, our various global equity market exposures were rewarded. The exception was our position in South Korean equities, which ended the year on a negative note after delivering positive performance since its implementation earlier in the year.

### Enhanced diversifiers

With hawkish comments by central banks and rising prospects for strong economic growth and higher inflation in the US, sovereign bond markets were generally weak. In Canada, short-term interest rates ended the month higher amid speculation that above-forecast inflation might herald a further interest rate increase. This was negative for our position seeking to

profit from relative movements in interest rates between two countries.

Meanwhile, the Canadian dollar gained ground against its peers on the back of stronger oil prices, penalising our preference for the Japanese yen over the Canadian dollar. Similarly, our currency pair preferring the Japanese yen over the Korean won dragged on performance. Shrugging off worries about political tensions in the Korean Peninsula, the won strengthened during the month, boosted by export-led economic growth and demand for Korean equities from yield-seeking investors. Also negative was our exposure to emerging market companies predominantly involved in the provision of information technology related services, software and hardware.

### Outlook

Our central expectation is for continued modest broad-based global growth, albeit with regional variations. Fiscal policy and the changing monetary policies of central banks will be important drivers of asset returns, especially as the pace of change in policies remains uncertain. The US is moving to a tighter monetary environment, albeit on a gradual incline. Improving data in Europe may reduce the European Central Bank's appetite for monetary easing. However, it will likely remain cautious in the near term given the elevated levels of uncertainty around the process of the UK's withdrawal from the EU. Japan, meanwhile, is likely to remain on a loose monetary path. Geopolitical tensions remain elevated and, on many metrics, asset prices look expensive. We will seek to exploit the opportunities that these conditions present by implementing a diversified range of strategies across multiple asset classes.

## Other Fund Information

	Retail Acc	Retail Dist	Institutional Acc	Institutional Dist	Currency
Bloomberg	SLEDARU LX	-	SLEDDIU LX	-	EUR
ISIN	LU1432322557	-	LU1432322714	-	EUR
WKN	A2AL2K	-	A2AL2M	-	EUR

Domicile Luxembourg

Custodian Name The Bank of New York Mellon SA/NV, Luxembourg Branch, 2-4 Rue Eugene Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg

Auditor Name PricewaterhouseCoopers S.à r.l., Réviseur d'entreprises 400, route d'Esch, L-1014 Luxembourg, Grand Duchy of Luxembourg

	Interim	Annual
Reporting Dates	30 Jun	31 Dec

Settlement Time T+3

Email luxmb-sli-ta@bnymellon.com

Telephone +352 24 525 717

Share Price Calculation Time 15:00 (Luxembourg time)

Dealing Cut Off Time 13:00 (Luxembourg time)

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Additional Information for Switzerland : The prospectus, the key investor information documents, the articles of incorporation, the annual and semi-annual report in German, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The last share prices can be found on www.fundinfo.com.

To find out more about our fund range, visit our website or alternatively speak to your usual contact at Standard Life Investments.

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

Standard Life Investments Limited is registered in Scotland (SC123321) at 1 George Street, Edinburgh EH2 2LL.

Standard Life Investments Limited is authorised and regulated by the Financial Conduct Authority.

Standard Life Investments Global SICAV is an umbrella type investment company with variable capital registered in Luxembourg (no. B78797) at 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.

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