

# Aberdeen Global II

## Interim Report and Accounts

For the six months ended 31 December 2017



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# Incorporation

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Aberdeen Global II ("the Company") was incorporated as a société anonyme, qualifying as a société d'investissement à capital variable on 18 February 2008 for an unlimited period and commenced operations on 16 May 2008. It is registered under number B136363 at the Register of Commerce at the District Court of Luxembourg.

As at 31 December 2017, the Company has issued shares in the following Funds:

Asian Bond

Australian Dollar Bond

Canadian Dollar Bond

Emerging Markets Total Return Bond

Euro Corporate Bond

Global Bond

Global Government Bond

US Dollar Bond

The full name of each Fund is constituted by the name of the Company, Aberdeen Global II, followed by a hyphen and then the specific name of the Fund. Throughout the Financial Statements, the Funds are referred to by their short names as indicated above.

No subscriptions can be received on the basis of this document. Subscriptions are only valid if made on the basis of the current Prospectus or on the Key Investor Information Document, accompanied by a copy of the latest annual report or of the subsequent semi-annual report if it has been published.

Please see the Notes to the Financial Statements for changes during the period.

## Important information

Following approval from the Financial Conduct Authority and Prudential Regulation Authority on 25 July 2017, Aberdeen Asset Management PLC and Standard Life plc merged to become Standard Life Aberdeen plc on Monday 14 August 2017. Upon completion of the merger, the ultimate parent company of the Management Company became Standard Life Aberdeen plc. Further information can be found on the website at [standardlifeaberndeen.com](http://standardlifeaberndeen.com). To date there has been no amendment to legal entities and naming conventions therefore the references to Aberdeen Asset Management throughout this report have not been changed.

# Chairman's Statement

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For the first six months of the current fiscal year the assets under management ('AUM') of the Company decreased from US\$2.23 billion to US\$1.78 billion. The Company has been affected by the continued rationalisation of the fund ranges initiated already in the previous fiscal year. As a result of the mergers of six funds into the Aberdeen Global fund range and the closure of two funds in the last quarter of 2017, the number of funds in the umbrella decreased to 8 active funds as at 31 December 2017.

The Aberdeen Global II – Global Bond Fund continued to attract more shareholder subscriptions and remained the largest fund in the Company with AUM of \$1.2 billion. We noted a strong interest for Aberdeen Global II – Emerging Markets Total Return Bond Fund which tripled in size to US\$103 million.

Since 31 December 2017, the Board has informed the relevant shareholders of the closure of the Aberdeen Global II – Euro Corporate Bond Fund scheduled to take place in March 2018. Additional funds mergers taking place in February and March 2018 have also been communicated to the impacted shareholders. Further rationalisations are planned for the fiscal year ending 30 June 2018 and will be communicated once approved by the Regulator. Such rationalisations are intended to benefit shareholders over time by generating costs efficiencies in the management and marketing of the products.

CG Little

February 2018

# Investment Manager's Review

## Investment review

The global economic background was characterised by continued growth but more signs of rising inflation.

As has been the case for most of 2017, Donald Trump continued to dominate the headlines – largely focusing on concerns that the Trump administration might be unable to push its economic stimulus plans through Congress. Towards the end of the period, optimism grew that Trump would succeed in pushing through tax reforms, including a substantial reduction in corporation tax.

In December the Federal Open Markets Committee (Fed) voted 7-2 in favour of raising the Fed funds target range by 25 basis points to 1.25-1.50%. Jerome Powell was announced as the new Fed chair, and is due to replace Janet Yellen in February. He is thought to represent the most continuity for policy and has been a centrist on the committee during his existing tenure on the FOMC. Details of the Republican tax reform package were released in September, and in December Congress passed its long awaited tax reform bill. This features \$1.5 trillion of cuts over the next decade, a reduction in the corporate tax rate to 21% and a top individual tax rate of 37%.

Despite the continuing uncertainty around Brexit, the UK economy proved resilient over the period. Third-quarter growth came in slightly ahead of analysts' expectations at 0.4%, driven mainly by robust consumer spending. Although data from the manufacturing sector was at times contradictory, the manufacturing purchasing managers' index strengthened sharply in November. As was widely expected, the Bank of England's Monetary Policy Committee voted to raise interest rates for the first time since the financial crisis in November. The decision, by 7 to 2, increased the benchmark rate by 0.25 percentage points to 0.5%. The most striking feature of the government's Budget was the Office for Budget Responsibility's greater-than-expected downgrade for UK growth – to 1.5% this year and 1.4% in 2018. Longer-term growth downgrades – to 1.3% in 2019 and 2020 and only modestly higher beyond – suggest a loss of £65 billion (bn) to the economy.

While the UK policy outlook still remains highly sensitive to Brexit, there were grounds for optimism after Theresa May's government finally reached an agreement with the European Union (EU) on its divorce terms. It will commit to continued 'regulatory alignment' with the EU to avoid an Irish border dispute. The deal also requires the UK to honour outstanding EU liabilities, with a net payment estimated around €45-55bn. These terms pave the way for trade talks, with emphasis on a two-year transition period.

In Europe, investors have been heartened by further evidence of the Eurozone's economic health. Manufacturing data, surveys of consumer and business confidence and inflation figures highlighted the ongoing economic upturn. The European Central Bank (ECB) left interest rates unchanged over the period. It also extended its asset-purchase programme into next year, although it reduced the quantity of monthly purchases. The ECB announced at its October meeting that it would taper asset purchases from €60bn to €30bn as of January 2018 and extend the programme by nine months or longer. Political risks returned to the fore. In Catalonia's regional elections in December, separatist parties retained a slim majority. In Germany,

coalition negotiations are ongoing after the country's general election. Former coalition partners Social Democrats Party (SPD) are in talks with Angela Merkel's Christian Democratic Union (CDU) /Christian Social Union (CSU), in a bid to resolve the impasse.

Japanese Premier Shinzo Abe's decision to call a snap election in October was vindicated when he was rewarded with an outright majority. Mr Abe's decision to call the election was in part a response to North Korean sabre-rattling, after Kim Jong-un's regime launched missiles over Japan in August. The prime minister's strengthened position gives him greater authority to attempt to change Japan's pacifist constitution in reaction to the threat from North Korea. Meanwhile, a panel that had been set up to review the timing of Emperor Akihito's abdication agreed that he would step down on 30 April 2019.

The yen weakened following the result, partly driven by expectations of continued very easy policy by the Bank of Japan as it was assumed that Kuroda would remain as Governor. A weaker yen and stronger overseas demand has helped Japan's exporters, with preliminary data showing the manufacturing sector had expanded at the strongest rate for over three years in November. Other economic data was positive too, with sustained growth in producer prices and gross domestic product. Wage growth and household spending continue to present challenges.

Indian state-owned banks rallied on the government's recapitalisation plan, while private-sector banks underperformed over the review period. The government will inject 2.1 trillion rupees (around \$32 bn) into state-owned banks over two years. This record capital injection will be funded by selling 1.35 trillion rupees of recapitalisation bonds, while banks will raise another 760 bn rupees through market borrowings. Moody's, the ratings agency, unexpectedly upgraded India's credit rating to Baa2 from Baa3, citing expectations for economic and institutional reforms to improve the business climate, enhance productivity, stimulate investments and foster sustainable growth. This is the first time Moody's has raised its rating on India since 2004.

Emerging markets (EM) generally are beginning 2018 on a strong footing, propelled by a broad-based pick-up in global growth and world trade, but also boosted by supportive domestic conditions and firmer commodity prices. We project overall EM growth to rise from 4.4% in 2017 to 4.7% in 2018. China's economy entered 2017 Q4 on a softer note, owing to weaker industrial production, exports and real estate activity. This is in line with our view that a cooling is under way, and we expect domestic demand to continue to ease into 2018, in part reflecting tighter monetary and financial policies. Overall, we forecast Chinese GDP growth to ease only modestly to 6.4% in 2018, after 6.8% in 2017. Meanwhile, the authorities announced a tightening of the regulation on asset management products in mid-November, reconfirming the signals sent during and after the 19th Party Congress that senior policymakers remain focused on reducing financial risk and deleveraging parts of the financial system.

**Aberdeen Asset Managers Limited**  
February 2018

# Net Asset Value History

Numbers are shown in USD terms (unless otherwise stated).

Fund	Share Class	NAV per Share 31.12.17	NAV per Share 30.06.17	NAV per Share 30.06.16	NAV per Share 30.06.15	Ongoing Charges % <sup>†</sup> As at 31.12.17	OASE %* As at 31.12.17
Asia Pacific Multi Asset <sup>A</sup>	A-1	-	9.8965	9.1669	9.6605	-	-
	A-2	-	189.9182	173.3066	179.2744	-	-
	A(CHF)-2 <sup>^</sup>	-	147.5823	138.0397	145.2263	-	-
	A(EUR)-2 <sup>^</sup>	-	164.8708	153.4785	160.0942	-	-
	E(EUR)-2	-	12.7998	11.9916	12.3688	-	-
	W-1	-	11.4567	10.6143	-	-	-
	W-2	-	11.5823	10.6715	-	-	-
	X-2	-	11.0261	9.9864	10.2520	-	-
	Y(EUR)-2	-	12.6394	11.7526	12.0321	-	-
Asian Bond	A-1	122.5086	117.6166	118.1189	118.1310	1.61	0.38
	A-2	167.8466	158.6370	155.1293	150.8861	1.61	0.38
	A(EUR)-2 <sup>^</sup>	153.9438	147.2663	146.9484	144.3868	1.73	0.50
	D(GBP)-2 <sup>^</sup>	-	-	10.8396	10.5763	-	-
	I-2	1,722.8896	1,623.9353	1,579.4113	1,527.9438	1.07	0.34
	X-2	10.9968	10.3674	10.0873	-	1.11	0.38
	Z-2	1,255.6906	1,179.4038	1,139.1125	1,094.2584	0.37	0.34
Australian Dollar Bond	A(AUD)-1	1,294.9348	1,291.2181	1,331.5485	1,253.9824	1.17	0.27
	A(AUD)-2	4,560.3739	4,516.3023	4,606.2804	4,280.9466	1.17	0.27
	X(AUD)-1	10.5344	10.5042	10.8323	10.2009	0.77	0.27
	X(AUD)-2	11.7302	11.5937	11.7772	10.9011	0.77	0.27
	Z(AUD)-2	10.1050	-	-	-	0.24	0.23
Canadian Dollar Bond	A(CAD)-1	1,339.2580	1,361.2118	1,409.5539	1,365.0359	1.18	0.28
	A(CAD)-2	3,658.8502	3,706.3659	3,818.9483	3,664.1375	1.18	0.28
	X(CAD)-1	9.9398	10.1028	10.4622	10.1328	0.78	0.28
Emerging Europe Bond <sup>B</sup>	A(EUR)-2	-	-	222.6340	219.1268	-	-
	X(EUR)-2	-	-	9.3781	9.1848	-	-
Emerging Markets Total Return Bond	A-2	10.5544	10.2168	-	-	1.77	0.27
	A(EUR)-2 <sup>^</sup>	10.3002	10.0809	-	-	1.83	0.33
	I-1	1.8059	1.7766	1.7521	1.7609	0.99	0.24
	I-2	10.6595	10.2787	-	-	0.99	0.24
	I(GBP)-1 <sup>^</sup>	9.9585	-	-	-	1.05	0.28
	R(GBP)-1	-	9.9243	-	-	-	-
	R(GBP)-2	-	9.9907	-	-	-	-
	X-2	10.6537	10.2747	-	-	1.02	0.27
	X(CHF)-2 <sup>^</sup>	10.3289	10.1002	-	-	1.09	0.34
	X(EUR)-2 <sup>^</sup>	10.3928	10.1365	-	-	1.09	0.34
	Z-1	-	-	9.5272	9.5751	-	-
	Z-2	18.7091	17.9732	16.7953	15.9302	0.24	0.24
Euro Absolute Return Bond <sup>C</sup>	A(EUR)-2	-	-	9.8499	-	-	-
	I(EUR)-2	-	-	1.0455	1.0775	-	-
	X(EUR)-2	-	-	9.8814	-	-	-
	Z(EUR)-2	-	-	9.9156	-	-	-

# Net Asset Value History

Fund	Share Class	NAV per Share 31.12.17	NAV per Share 30.06.17	NAV per Share 30.06.16	NAV per Share 30.06.15	Ongoing Charges % <sup>†</sup> As at 31.12.17	OASE %* As at 31.12.17
Euro Bond <sup>D</sup>	I(EUR)-1	-	-	-	10.4683	-	-
	Z(EUR)-2	-	-	-	18.8812	-	-
Euro Corporate Bond	A(EUR)-1	11.1390	10.9914	10.9726	10.6136	1.19	0.28
	A(EUR)-2	11.4726	11.2670	11.2227	10.7937	1.19	0.28
	A(CZK)-2^	109.8363	109.1315	109.9624	106.5555	1.32	0.41
	A(HUF)-2^	1,020.7379	1,002.0977	-	-	1.25	0.34
	I(EUR)-2	14.0409	13.7596	13.6462	13.0603	0.74	0.24
	Z(EUR)-2	17.4913	17.0974	16.8703	16.0775	0.24	0.24
Euro Government Bond <sup>E</sup>	A(EUR)-1	-	136.7239	142.9048	131.6746	-	-
	A(EUR)-2	-	513.9904	537.2271	495.0089	-	-
	J(EUR)-2	-	2,011.1531	2,093.8815	1,920.8976	-	-
	X(EUR)-1	-	11.2779	11.7465	10.7862	-	-
	X(EUR)-2	-	11.7631	12.2518	11.2450	-	-
	Z(EUR)-2	-	10.1845	10.5619	-	-	-
Euro High Yield Bond <sup>B</sup>	A(EUR)-2	-	-	139.0927	135.1630	-	-
	I(EUR)-2	-	-	1,458.4363	1406.8061	-	-
	X(EUR)-2	-	-	12.4017	11.9924	-	-
Euro Short Term Bond <sup>F</sup>	A(EUR)-1	-	50.7407	51.0945	50.6817	-	-
	A(EUR)-2	-	147.5014	148.5283	147.3281	-	-
	J(EUR)-2	-	1,243.2392	1,248.2379	1,234.7411	-	-
	X(EUR)-1	-	10.0332	10.0787	9.9770	-	-
	X(EUR)-2	-	10.1551	10.2002	10.0893	-	-
European Convertibles Bond <sup>F</sup>	A(EUR)-2	-	17.3892	16.7024	17.3889	-	-
	I(EUR)-1	-	12.0220	11.5979	12.1323	-	-
	I(EUR)-2	-	1,943.5296	1,856.9043	1,922.9174	-	-
	X(EUR)-2	-	12.4270	11.8764	12.3032	-	-
	Z(EUR)-2	-	10.3016	-	-	-	-
Global Bond	J-2	15.7510	15.4193	15.7705	14.6460	0.71	0.21
	Z-2	16.9379	16.5394	16.8317	15.5536	0.21	0.21
Global Government Bond	D(GBP)-1	1.0575	1.0822	1.1101	0.8611	1.21	0.31
	J-2	8.5718	8.4064	8.8405	8.0219	0.77	0.27
	Z-2	17.1888	16.8108	17.5806	15.8723	0.27	0.27
Global High Yield Bond <sup>F</sup>	A-1	-	9.8322	9.4267	10.0434	-	-
	A-2	-	10.7583	9.8392	9.9562	-	-
	A(EUR)-1^	-	8.6013	8.3841	8.9794	-	-
	E(EUR)-1	-	11.2185	11.0427	11.7313	-	-
	E(EUR)-2	-	12.9092	12.1219	12.2306	-	-
	I-1	-	9.8298	9.4242	10.0419	-	-
	I(EUR)-2^	-	10.3078	9.5296	9.6487	-	-
	X-2	-	11.0103	10.0204	10.0875	-	-
	Z-2	-	11.2319	10.1668	10.1753	-	-

# Net Asset Value History

Fund	Share Class	NAV per Share 31.12.17	NAV per Share 30.06.17	NAV per Share 30.06.16	NAV per Share 30.06.15	Ongoing Charges % <sup>†</sup> As at 31.12.17	OASE %* As at 31.12.17
Sterling Bond <sup>G</sup>	A(GBP)-1	-	-	-	645.8116	-	-
	A(GBP)-2	-	-	-	2,306.8900	-	-
	I(GBP)-2	-	-	-	1.7937	-	-
	J(GBP)-2	-	-	-	17.2860	-	-
	K(GBP)-2	-	-	-	1.9634	-	-
	X(GBP)-2	-	-	-	10.6862	-	-
	Z(GBP)-1	-	-	-	1.1078	-	-
	Z(GBP)-2	-	-	-	17.3939	-	-
Sterling Credit Bond <sup>G</sup>	I(GBP)-1	-	-	-	1.0824	-	-
	I(GBP)-2	-	-	-	2.1195	-	-
	K(GBP)-1	-	-	-	1.2193	-	-
	Z(GBP)-1	-	-	-	10.2633	-	-
	Z(GBP)-2	-	-	-	1.9777	-	-
Sterling Government Bond <sup>G</sup>	D(GBP)-1	-	-	-	1.1602	-	-
	D(GBP)-2	-	-	-	1.5857	-	-
	J(GBP)-2	-	-	-	2.9919	-	-
	R(GBP)-1	-	-	-	10.0957	-	-
	R(GBP)-2	-	-	-	10.6816	-	-
	Z(GBP)-1	-	-	-	1.3608	-	-
	Z(GBP)-2	-	-	-	2.2676	-	-
Sterling Index Linked Bond <sup>G</sup>	I(GBP)-2	-	-	-	2.5302	-	-
	J(GBP)-2	-	-	-	3.7965	-	-
	K(GBP)-2	-	-	-	2.6186	-	-
	Z(GBP)-2	-	-	-	3.5626	-	-
Sterling Long Dated Credit Bond <sup>G</sup>	K(GBP)-2	-	-	-	2.5774	-	-
	Z(GBP)-2	-	-	-	2.2151	-	-
Sterling Long Dated Government Bond <sup>G</sup>	I(GBP)-2	-	-	-	2.3490	-	-
	K(GBP)-2	-	-	-	2.3947	-	-
	Z(GBP)-2	-	-	-	1.8807	-	-
US Dollar Bond	A-1	1,357.3784	1,355.0934	1,397.1895	1,341.4452	1.23	0.33
	A-2	3,770.4848	3,738.6395	3,808.5464	3,613.5317	1.23	0.33
	J-2	1,950.3122	1,929.5696	1,957.0002	1,848.5805	0.79	0.29
	X-2	10.7278	10.6160	10.7712	10.1785	0.83	0.33
	Z-2	10.0497	-	-	-	0.29	0.28
US Dollar Credit Bond <sup>EH</sup>	A-2	-	10.8841	10.6622	-	-	-
	I-2	-	10.9530	10.6829	-	-	-
	I(EUR)-1 <sup>^</sup>	-	10.2771	10.4963	-	-	-
	X-2	-	10.9467	10.6811	-	-	-
	Z-2	-	11.0164	10.7019	-	-	-

# Net Asset Value History

Fund	Share Class	NAV per Share 31.12.17	NAV per Share 30.06.17	NAV per Share 30.06.16	NAV per Share 30.06.15	Ongoing Charges % <sup>†</sup> As at 31.12.17	OASE %* As at 31.12.17
US Dollar High Yield Bond <sup>†</sup>	A-1	-	9.3933	8.8700	9.5707	-	-
	A-2	-	10.2003	9.2279	9.4386	-	-
	A(EUR)-2 <sup>^</sup>	-	10.3233	9.5091	9.8055	-	-
	I-1	-	9.0703	8.5611	9.2380	-	-
	I-2	-	29.1741	26.2173	26.6339	-	-
	I(EUR)-2 <sup>^</sup>	-	33.2302	30.4018	31.1275	-	-
	X-1	-	8.8519	8.3585	9.0192	-	-
	Z-2	-	11.6782	10.4218	-	-	-
US Dollar Short Term Bond <sup>‡</sup>	A-1	-	103.4934	103.9677	103.5627	-	-
	A-2	-	310.5645	309.4697	306.6089	-	-

<sup>†</sup> Source: Aberdeen Asset Management.

Calculated in accordance with the European Securities and Markets Authority (ESMA) guidelines.

The ongoing charges figure (OCF) 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 collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current charges.

\* Operating, Administrative and Servicing Expenses (OASE) Gross Rate.

<sup>^</sup> Base currency exposure share class.

<sup>†</sup> Fund closed on 24 November 2017.

<sup>‡</sup> Fund closed on 23 September 2016.

<sup>^</sup> Fund closed on 7 April 2017.

<sup>†</sup> Fund closed on 24 October 2015.

<sup>‡</sup> Fund closed on 8 December 2017.

<sup>^</sup> Fund closed on 11 September 2017.

<sup>†</sup> Fund closed on 12 May 2016.

<sup>‡</sup> First net asset value calculated on 19 January 2016.

<sup>^</sup> Fund closed on 29 November 2017.

Exchange Rates	31.12.17	30.06.17	30.06.16	30.06.15
£ - US\$	1.352750	1.298950	1.336800	1.572700
£ - €	1.126500	1.138850	1.203300	1.411500
€ - US\$	1.200843	1.140580	1.110945	1.114205
£ - AU\$	1.729550	1.693450	1.795350	2.046200
£ - CA\$	1.694900	1.686950	1.736100	1.963450

# Summary of Historic Information

Fund	Base Currency	Net Asset Value	Net Asset Value	Net Asset Value	Net Asset Value
		31.12.17 ('000)	30.06.17 ('000)	30.06.16 ('000)	30.06.15 ('000)
Asia Pacific Multi Asset <sup>A</sup>	US Dollars	-	90,008	98,976	138,332
Asian Bond	US Dollars	80,438	67,513	78,869	100,036
Australian Dollar Bond	Australian Dollars	91,109	85,358	121,971	108,148
Canadian Dollar Bond	Canadian Dollars	74,383	71,510	82,807	89,250
Emerging Europe Bond <sup>B</sup>	Euro	-	-	15,153	19,509
Emerging Markets Total Return Bond	US Dollars	102,957	30,593	59,088	94,497
Euro Absolute Return Bond <sup>C</sup>	Euro	-	-	8,398	8,656
Euro Bond <sup>D</sup>	Euro	-	-	-	9,920
Euro Corporate Bond	Euro	9,002	48,033	68,488	78,118
Euro Government Bond <sup>E</sup>	Euro	-	189,947	250,174	273,634
Euro High Yield Bond <sup>B</sup>	Euro	-	-	40,458	42,339
Euro Short Term Bond <sup>E</sup>	Euro	-	102,214	121,865	132,047
European Convertibles Bond <sup>E</sup>	Euro	-	104,006	155,860	175,124
Global Bond	US Dollars	1,205,251	1,099,932	444,501	428,133
Global Government Bond	US Dollars	213,917	146,468	254,938	101,911
Global High Yield Bond <sup>F</sup>	US Dollars	-	16,397	15,587	16,673
Sterling Bond <sup>G</sup>	Sterling	-	-	-	277,749
Sterling Credit Bond <sup>G</sup>	Sterling	-	-	-	169,786
Sterling Government Bond <sup>G</sup>	Sterling	-	-	-	42,375
Sterling Index Linked Bond <sup>G</sup>	Sterling	-	-	-	114,423
Sterling Long Dated Credit Bond <sup>G</sup>	Sterling	-	-	-	21,240
Sterling Long Dated Government Bond <sup>G</sup>	Sterling	-	-	-	41,850
US Dollar Bond	US Dollars	38,543	42,373	56,502	70,832
US Dollar Credit Bond <sup>EH</sup>	US Dollars	-	14,572	10,878	-
US Dollar High Yield Bond <sup>I</sup>	US Dollars	-	18,553	46,105	220,321
US Dollar Short Term Bond <sup>E</sup>	US Dollars	-	75,105	107,501	115,476
<b>Combined Total</b>	<b>US Dollars</b>	<b>1,782,543</b>	<b>2,228,696</b>	<b>2,061,189</b>	<b>3,314,261</b>

<sup>A</sup> Fund closed on 24 November 2017.

<sup>B</sup> Fund closed on 23 September 2016.

<sup>C</sup> Fund closed on 7 April 2017.

<sup>D</sup> Fund closed on 24 October 2015.

<sup>E</sup> Fund closed on 8 December 2017.

<sup>F</sup> Fund closed on 11 September 2017.

<sup>G</sup> Fund closed on 12 May 2016.

<sup>H</sup> First net asset value calculated on 19 January 2016.

<sup>I</sup> Fund closed on 29 November 2017.

# Aberdeen Global II - Combined Statements

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	1,716,760
Cash at bank		53,377
Amounts held at futures clearing houses and brokers		5,916
Interest and dividends receivable		11,794
Subscriptions receivable		10,081
Receivable for investments sold		1,107
Unrealised gains on forward currency exchange contracts	2.6	2,680
Unrealised gains on future contracts	2.7	1,734
Other assets		36
<b>Total assets</b>		<b>1,803,485</b>
<b>Liabilities</b>		
Payable for investments purchased		15,743
Taxes and expenses payable		742
Redemptions payable		557
Unrealised losses on forward currency exchange contracts	2.6	420
Unrealised losses on swap contracts	2.8	1,472
Other liabilities		2,008
<b>Total liabilities</b>		<b>20,942</b>
<b>Net assets at the end of the period</b>		<b>1,782,543</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		2,228,696
Exchange rate effect on opening net assets		30,069
Net gains from investments		14,847
Net realised gains		62,873
Net unrealised losses		(32,295)
Proceeds from shares issued		494,895
Payments for shares redeemed		(1,016,462)
Net equalisation received	10	796
Dividends paid	5	(876)
<b>Net assets at the end of the period</b>		<b>1,782,543</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	21,174
Bank interest		187
Other income		2
<b>Total income</b>		<b>21,363</b>
<b>Expenses</b>		
Management fees	4.2	3,827
Operating, administrative and servicing fees	4.3	2,643
Distribution fees	4.1	4
Other operational expenses		25
Bank interest		17
<b>Total expenses</b>		<b>6,516</b>
<b>Net gains from investments</b>		<b>14,847</b>
Realised gains on investments		58,410
Realised gains on forward currency exchange contracts		2,355
Realised losses on future contracts		(4,701)
Realised losses on swap contracts		(266)
Realised currency exchange gains		7,075
<b>Net realised gains</b>		<b>62,873</b>
Decrease in unrealised appreciation on investments		(35,168)
Increase in unrealised appreciation on forward foreign exchange contracts		1,044
Increase in unrealised appreciation on future contracts		1,082
Decrease in unrealised depreciation on swap contracts		629
Unrealised currency exchange gains		118
<b>Net unrealised losses</b>		<b>(32,295)</b>
<b>Net increase in assets as a result of operations</b>		<b>45,425</b>

The accompanying notes form an integral part of these financial statements.

# Asia Pacific Multi Asset

For the period ended 23 November 2017

## Corporate activity

On 24 November 2017, Aberdeen Global II – Asia Pacific Multi Asset Fund merged its assets into Aberdeen Global – Asia Pacific Multi Asset Fund, resulting in a contribution in kind worth US\$89 million in investments and cash. Shareholders involved in the merger were given either A, E, W, X or Y shares in the Aberdeen Global – Asia Pacific Multi Asset Fund, for every 1 share previously held in the Aberdeen Global II – Asia Pacific Multi Asset Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind ('000)	Transfer Ratio
Asia Pacific Multi Asset Fund	A – 1	Asia Pacific Multi Asset Fund	A – 1	US\$ 3,193	1.000000
Asia Pacific Multi Asset Fund	A – 2	Asia Pacific Multi Asset Fund	A – 2	US\$ 31,285	1.000000
Asia Pacific Multi Asset Fund	A(CHF) – 2	Asia Pacific Multi Asset Fund	A(CHF) – 2	CHF 11,677	1.000000
Asia Pacific Multi Asset Fund	A(EUR) – 2	Asia Pacific Multi Asset Fund	A(EUR) – 2	EUR 13,660	1.000000
Asia Pacific Multi Asset Fund	E(EUR) – 2	Asia Pacific Multi Asset Fund	E(EUR) – 2	EUR 19,832	1.000000
Asia Pacific Multi Asset Fund	W – 1	Asia Pacific Multi Asset Fund	W – 1	US\$ 597	1.000000
Asia Pacific Multi Asset Fund	W – 2	Asia Pacific Multi Asset Fund	W – 2	US\$ 409	1.000000
Asia Pacific Multi Asset Fund	X – 2	Asia Pacific Multi Asset Fund	X – 2	US\$ 2,129	1.000000
Asia Pacific Multi Asset Fund	Y(EUR) – 2	Asia Pacific Multi Asset Fund	Y(EUR) – 2	EUR 115	1.000000

## Performance

For the period ended 23 November 2017, the value of the Asia Pacific Multi Asset – A Accumulation shares increased by 5.98% compared to an increase of 8.42% in the composite benchmark being 50% Markit iBoxx Asian Local Bond Index and 50% MSCI AC Asia Pacific ex Japan.

Source: Aberdeen Asset Management, Lipper, Rimes, and Factset. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

Asian equities posted solid gains over the review period as a synchronised worldwide economic recovery, resurgent earnings and subdued inflation buoyed markets. China outpaced the region, led by a sharp rally in internet stocks, including several of our holdings such as Tencent. Indian equities also rose although corporate earnings remained soft during the transitory phase of GST implementation and demonetisation. That said, many of our holdings still posted double-digit growth. Later, the government's bank rescue plan bolstered sentiment further. Singapore equities gained as the economy continued to power ahead. The property sector was buoyant as developers replenished their land banks, enbloc sales remained firm and transactions concluded at higher prices. Financials also did well, while strength in exports and industrial output gave industrial names a lift. Conversely, Australia posted lower returns compared to most regional peers, with banking stocks buffeted by regulatory headwinds after the government announced a royal commission to review misconduct in the sector.

Regional bond markets also strengthened but lagged their equity counterparts in aggregate. Indonesian government bonds were among the best-performing emerging markets, following Fitch's credit-rating upgrade and healthy foreign inflows. Sri Lankan bonds enjoyed good demand amid an acceleration in fiscal reforms. Conversely, Indian bonds lagged after a solid run as Delhi's plans to recapitalise state banks and increase borrowings weighed on sentiment. In credit markets, spreads narrowed with the rise in US Treasury yields. The high-yield sector outperformed investment-grade, while sovereigns outpaced corporate bonds and quasi-sovereigns.

Over the review period, most regional currencies strengthened against the US dollar, which came under far more pressure than anticipated as the Federal Reserve's (Fed) policy normalisation had been expected to lend it some support.

## Portfolio review

During the review period, all assets contributed positively to performance, although security selection in equities and diversified assets as well as tactical overlay detracted.

In the equity portion of the Fund, the underweight to China detracted as mainland markets outpaced the region. Our underweight to tech stocks also hurt performance. In Hong Kong, our holding Jardine Strategic remained under pressure from concerns over heightened competition in its automotive business in Indonesia, while Swire Pacific continued to be weak amid the restructuring of its airline business and cyclical challenges for its marine segment.

Conversely, the Fund's lack of exposure to the big four Australian banks, which were buffeted by regulatory headwinds, benefited the Fund. The government recently announced a royal commission to review misconduct in the sector, which weighed on their share prices.

# Asia Pacific Multi Asset

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Within the fixed income allocation, our strategies in Asian local-currency bonds and Asian US-dollar credit contributed to performance. In local-currency bonds, one of the key contributors included our non-benchmark exposure to Sri Lankan bonds. The overweight to high-yielding markets, such as India and Indonesia, also added to relative return, although negative duration effects in India pared gains. In Asian US-dollar credit, our holdings in investment-grade industrials contributed the most to relative performance, whereas those in senior financials and lower-rated quasi-sovereigns cost the Fund.

In the diversified assets portion of the Fund, the allocation to Pakistan hurt performance. The correction was due to various factors including unexpected net foreign outflows on the back of Pakistan's inclusion in the MSCI Emerging Markets Index, political upheaval, as well as a potential devaluation of the local currency given the huge trade deficit.

In terms of portfolio changes, we reduced exposure to equities over the half year, particularly those in Taiwan, India, Hong Kong and Korea, to cushion the portfolio against potential corrections as valuations looked stretched following strong rallies. We increased US-dollar exposure against various currencies, given that US macro fundamentals and Fed policy normalisation appear supportive of the greenback. Towards the end of the period, we took advantage of further weakness in the Australian dollar and increased our exposure incrementally.

## **Outlook**

The Fund closed on 24 November 2017.

## **Multi-Asset Team**

January 2018

# Asia Pacific Multi Asset

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Cash at bank		1,265
Other assets		2
<b>Total assets</b>		<b>1,267</b>
<b>Liabilities</b>		
Other liabilities		1,267
<b>Total liabilities</b>		<b>1,267</b>
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		90,008
Net gains from investments		590
Net realised gains		11,817
Net unrealised losses		(7,124)
Proceeds from shares issued		10,966
Payments for shares redeemed		(106,195)
Net equalisation paid	10	(39)
Dividends paid	5	(23)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 23 November 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	1,253
Bank interest		27
Other income		2
<b>Total income</b>		<b>1,282</b>
<b>Expenses</b>		
Management fees	4.2	547
Operating, administrative and servicing fees	4.3	140
Distribution fees	4.1	4
Other operational expenses		1
<b>Total expenses</b>		<b>692</b>
<b>Net gains from investments</b>		<b>590</b>
Realised gains on investments		11,654
Realised gains on forward currency exchange contracts		1,431
Realised losses on future contracts		(567)
Realised currency exchange losses		(701)
<b>Net realised gains</b>		<b>11,817</b>
Decrease in unrealised appreciation on investments		(6,914)
Decrease in unrealised appreciation on forward currency exchange contracts		(276)
Decrease in unrealised depreciation on future contracts		7
Unrealised currency exchange gains		59
<b>Net unrealised losses</b>		<b>(7,124)</b>
<b>Net increase in assets as a result of operations</b>		<b>5,283</b>

## Share Transactions

For the period from 1 July 2017 to 23 November 2017

	A-1 <sup>A</sup>	A-2 <sup>A</sup>	A(CHF)-2 <sup>A</sup>	A(EUR)-2 <sup>A</sup>	E(EUR)-2 <sup>A</sup>	W-1 <sup>A</sup>
Shares outstanding at the beginning of the period	472,724	170,858	80,737	82,583	1,508,149	40,802
Shares issued during the period	17,092	34,453	8	16,241	32,730	16,124
Shares redeemed during the period	(489,816)	(205,311)	(80,745)	(98,824)	(1,540,879)	(56,926)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	W-2 <sup>A</sup>	X-2 <sup>A</sup>	Y(EUR)-2 <sup>A</sup>
Shares outstanding at the beginning of the period	17,131	190,663	8,560
Shares issued during the period	17,318	-	322
Shares redeemed during the period	(34,449)	(190,663)	(8,882)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 23 November 2017.

<sup>A</sup> Base currency exposure share class.

The accompanying notes form an integral part of these financial statements.

# Asian Bond

For the six months ended 31 December 2017

## Performance

For the six months ended 31 December 2017, the value of the Asian Bond - A Accumulation shares increased by 5.86% compared to an increase of 4.37% in the benchmark being Markit IBOXX Asian Local Bond Index.

Source: Aberdeen Asset Management, Lipper, Rimes and Factset. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The half year was marked by the start of monetary policy normalisation at the world's major central banks. The Federal Reserve's (Fed) pivotal move to trim its crisis-era quantitative-easing programme in October was followed in subsequent months by the European Central Bank's plan to pare its own asset purchases and the Bank of England's first interest rate hike in over a decade. With the Fed also raising rates, US Treasury short-term yields rose sharply, whereas longer-dated yields moved within a narrower range, leading to a flattening of the curve. In Asia, this was emulated by the Singapore and Hong Kong yield curves. Elsewhere, Indonesian government bonds were among the best-performing emerging markets, following Fitch's credit-rating upgrade and healthy foreign inflows. Sri Lankan bonds enjoyed good demand amid an acceleration in fiscal reforms. Conversely, Indian bonds corrected after a solid run. Delhi's plans to recapitalise state banks and increase borrowings weighed on sentiment. With ongoing deleveraging, Chinese bonds also underperformed, while Korean yields rose after the central bank hiked rates.

Despite the weakness in Korean bonds, the won led regional currencies higher against the US dollar, which came under far more pressure than anticipated as the Fed's policy normalisation had been expected to lend it some support. As geopolitical tensions eased in the Korean Peninsula, investors increased holdings in the won, betting against continued US-dollar weakness. The Malaysian ringgit and Thai baht found support from good economic data. The yuan and India rupee also strengthened, whereas the Sri Lankan rupee ended unchanged. It is worthwhile noting that Asian currencies rose over the half year, despite firmer commodity prices, which tends to hurt balance of payments, as well as threats to global trade emanating from the trade-restricting measures being pursued by President Donald Trump. Over the full-year, Asian currencies were also mostly firmer against the US dollar.

On a total-return basis, Asian credit markets rose over the half year. Credit spreads narrowed with the rise in US Treasury yields. The high-yield sector outperformed investment-grade, while sovereigns outpaced corporate bonds and quasi-sovereigns. The Reserve Bank of India stopped including masala bonds (rupee-denominated debt sold overseas) as part of the 2.44 trillion-rupee foreign investment limit on corporate bonds. This reclassification freed up 440 billion rupees-worth of securities to meet demand offshore for rupee-denominated debt.

Another key development was the introduction of the world's first komodo bonds, or rupiah-denominated debt issued overseas, by Indonesian toll road operator Jasa Marga, which we participated in. For the full-year, Asia saw record US-dollar issues as regional entities borrowed a gross US\$271 billion, up 56% from the previous year. Chinese issuers accounted for 64% of the total, underscoring aggressive mainland expansion.

## Portfolio review

At the overall portfolio level, our strategies in Asian local-currency bonds, currencies and Asian US-dollar credit contributed to absolute and relative performance.

In local-currency bonds, one of the key contributors to relative performance included our non-benchmark exposure to Sri Lankan bonds, mainly because of positive duration effects. The overweight to high-yielding markets, such as India and Indonesia, also added to relative return, although negative duration effects in India pared gains. In currencies, our overweight to the Indian and Sri Lankan rupees added to relative return but the underweight to the won detracted.

In Asian US-dollar credit, our holdings in investment-grade industrials contributed the most to relative performance, whereas those in senior financials and lower-rated quasi-sovereigns cost the fund.

## Outlook

For bond investors, a key concern in the year ahead is currency market volatility. With the Fed projected to hike rates up to four times in 2018, Asian currencies could come under pressure, a scenario that could worsen if Donald Trump's tax cuts lead to a significant repatriation of US profits back home. That said, the recovering growth environment that accompanies a rate-hike cycle has tended to benefit Asian and emerging-market currencies, as was the case in previous cycles. And fundamentals in Asia have improved substantially. With growing reserves and sturdier balance-of-payments, most regional markets are in a better position than before to withstand potential shocks. Indeed, high-yielding government bonds and currencies, such as those in India, Indonesia and Sri Lanka, may continue to find support as they gain in standing among international investors disenchanted by low returns in developed markets. There are some markets, however, that remain highly correlated to US Treasuries and may succumb to selling pressure on the back of higher rates. These include Singapore and Hong Kong. As for credit markets, we expect China to continue driving new issues. With Beijing committed to deleveraging and onshore credit conditions remaining tight, more Chinese corporates will seek US-dollar funding offshore. Rising domestic consumption, infrastructure investments and economic growth, not only in China but India, Indonesia and some frontier markets, should also boost regional companies' borrowing needs. For us, any volatility and correction will present opportunities to invest in our favoured trades.

## Fixed Income Team

January 2018

# Asian Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	68,759
Cash at bank		9,534
Amounts held at futures clearing houses and brokers		92
Interest receivable		1,014
Unrealised gains on forward currency exchange contracts	2.6	1,221
Unrealised gains on future contracts	2.7	60
<b>Total assets</b>		<b>80,680</b>
<b>Liabilities</b>		
Taxes and expenses payable		78
Redemptions payable		57
Other liabilities		107
<b>Total liabilities</b>		<b>242</b>
<b>Net assets at the end of the period</b>		<b>80,438</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		67,513
Net gains from investments		1,263
Net realised gains		1,658
Net unrealised gains		1,443
Proceeds from shares issued		22,072
Payments for shares redeemed		(13,589)
Net equalisation received	10	112
Dividends paid	5	(34)
<b>Net assets at the end of the period</b>		<b>80,438</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	1,655
Bank interest		16
<b>Total income</b>		<b>1,671</b>
<b>Expenses</b>		
Management fees	4.2	277
Operating, administrative and servicing fees	4.3	130
Other operational expenses		1
<b>Total expenses</b>		<b>408</b>
<b>Net gains from investments</b>		<b>1,263</b>
Realised gains on investments		527
Realised gains on forward currency exchange contracts		1,035
Realised gains on future contracts		135
Realised currency exchange losses		(39)
<b>Net realised gains</b>		<b>1,658</b>
Increase in unrealised appreciation on investments		416
Increase in unrealised appreciation on forward currency exchange contracts		1,003
Increase in unrealised appreciation on future contracts		20
Unrealised currency exchange gains		4
<b>Net unrealised gains</b>		<b>1,443</b>
<b>Net increase in assets as a result of operations</b>		<b>4,366</b>

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	A-1	A-2	A(EUR)-2^	I-2	X-2	Z-2
Shares outstanding at the beginning of the period	18,058	64,356	39,753	25,428	51,991	5,655
Shares issued during the period	1,274	14,200	45,302	6,795	22,835	-
Shares redeemed during the period	(1,462)	(5,155)	(5,459)	(6,879)	(30,764)	(29)
<b>Shares outstanding at the end of the period</b>	<b>17,870</b>	<b>73,401</b>	<b>79,596</b>	<b>25,344</b>	<b>44,062</b>	<b>5,626</b>
<b>Net asset value per share</b>	<b>122.5086</b>	<b>167.8466</b>	<b>153.9438</b>	<b>1,722.8896</b>	<b>10.9968</b>	<b>1,255.6906</b>

^ Base currency exposure share class.

The accompanying notes form an integral part of these financial statements.

# Asian Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market					73.28%
<b>Bonds 73.28%</b>					
<b>Corporate Bonds 31.46%</b>					
<b>China 5.38%</b>					
China Overseas Finance Cayman VI	5.9500	08/05/24	400,000	456	0.56
China Resources Gas (EMTN)	4.5000	05/04/22	250,000	263	0.33
Chinalco Capital	4.2500	21/04/22	220,000	221	0.27
CNAC HK Finbridge	3.0000	19/07/20	200,000	199	0.25
CNOOC Nexen Finance 2014 ULC	4.2500	30/04/24	195,000	206	0.26
Eastern Creation II Investment (EMTN)	2.7500	26/09/20	200,000	199	0.25
Franshion Brilliant	3.6000	03/03/22	450,000	449	0.55
Industrial & Commercial Bank of China	VAR	PERP	200,000	207	0.26
Postal Savings Bank of China	VAR	PERP	300,000	295	0.37
Proven Honour Capital	4.1250	06/05/26	550,000	562	0.69
Sinopec Group Overseas Development 2013	4.3750	17/10/23	250,000	266	0.33
Sinopec Group Overseas Development 2017	3.0000	12/04/22	210,000	210	0.26
Tianqi Finco	3.7500	28/11/22	200,000	198	0.25
Vanke Real Estate Hong Kong (EMTN)	3.9750	09/11/27	200,000	200	0.25
Voyage Bonds	3.3750	28/09/22	200,000	198	0.25
Yunnan Energy Investment Overseas Finance	4.2500	14/11/22	200,000	199	0.25
				<b>4,328</b>	<b>5.38</b>
<b>Hong Kong 1.11%</b>					
Champion (EMTN)	3.7500	17/01/23	252,000	253	0.31
CK Hutchison International 17	2.8750	05/04/22	300,000	299	0.37
Hutchison Whampoa Finance	7.5000	01/08/27	260,000	345	0.43
				<b>897</b>	<b>1.11</b>
<b>India 13.20%</b>					
Adani Ports & Special Economic Zone	4.0000	30/07/27	420,000	418	0.52
Adani Transmission	10.2500	15/04/21	50,000,000	826	1.03
Axis Bank	8.8500	05/12/24	80,000,000	1,310	1.63
Bharti Airtel International Netherlands	5.1250	11/03/23	200,000	212	0.26
Hindustan Petroleum	4.0000	12/07/27	400,000	402	0.50
Housing Development Finance	8.7500	13/01/20	100,000,000	1,588	1.98
ICICI Bank	7.6000	07/10/23	100,000,000	1,539	1.92
ICICI Bank Dubai (EMTN)	4.0000	18/03/26	430,000	436	0.54
Indiabulls Housing Finance	9.0000	29/04/26	50,000,000	788	0.98
Indian Railway Finance	3.8350	13/12/27	250,000	252	0.31
NTPC (EMTN)	4.2500	26/02/26	400,000	414	0.51
Power Finance	7.6300	14/08/26	100,000,000	1,515	1.89
Power Finance (EMTN)	3.7500	06/12/27	250,000	245	0.30
Rural Electrification	9.3500	15/06/22	20,000,000	333	0.41
UPL	3.2500	13/10/21	340,000	339	0.42
				<b>10,617</b>	<b>13.20</b>

# Asian Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>Indonesia 4.43%</b>					
Lembaga Pembiayaan Ekspor Indonesia	9.5000	13/03/20	46,000,000,000	3,562	4.43
<b>Kuwait 0.25%</b>					
Equate Petrochemical (EMTN)	4.2500	03/11/26	200,000	204	0.25
<b>Malaysia 0.82%</b>					
GOHL Capital	4.2500	24/01/27	200,000	206	0.26
RHB Bank (EMTN)	2.5030	06/10/21	260,000	255	0.32
TNB Global Ventures Capital (EMTN)	3.2440	19/10/26	200,000	195	0.24
				<b>656</b>	<b>0.82</b>
<b>Philippines 0.83%</b>					
AYC Finance	5.1250	PERP	200,000	205	0.25
ICTSI Treasury (EMTN)	5.8750	17/09/25	200,000	222	0.28
Union Bank of the Philippines (EMTN)	3.3690	29/11/22	240,000	240	0.30
				<b>667</b>	<b>0.83</b>
<b>Singapore 0.76%</b>					
Parkway Pantai (EMTN)	VAR	PERP	200,000	201	0.25
United Overseas Bank (EMTN)	VAR	PERP	210,000	210	0.26
United Overseas Bank (EMTN)	VAR	16/09/26	200,000	201	0.25
				<b>612</b>	<b>0.76</b>
<b>South Korea 1.60%</b>					
Busan Bank (GMTN)	3.6250	25/07/26	300,000	291	0.36
Industrial Bank of Korea	VAR	PERP	400,000	394	0.49
Korea East-West Power	2.5000	02/06/20	400,000	396	0.49
Shinhan Bank	2.8750	28/03/22	210,000	208	0.26
				<b>1,289</b>	<b>1.60</b>
<b>Thailand 1.12%</b>					
Krung Thai Bank Cayman (EMTN)	VAR	26/12/24	386,000	398	0.49
PTT Global Chemical	4.2500	19/09/22	450,000	471	0.59
Thai Oil	3.6250	23/01/23	29,000	30	0.04
				<b>899</b>	<b>1.12</b>
<b>United Arab Emirates 0.99%</b>					
DIB Sukuk	3.6640	14/02/22	200,000	202	0.25
MDC-GMTN (EMTN)	3.0000	19/04/24	400,000	393	0.49
National Bank of Abu Dhabi (EMTN)	3.0000	30/03/22	200,000	200	0.25
				<b>795</b>	<b>0.99</b>
<b>United Kingdom 0.97%</b>					
HSBC	VAR	PERP	535,000	577	0.72
Standard Chartered	3.9500	11/01/23	200,000	202	0.25
				<b>779</b>	<b>0.97</b>
<b>Total Corporate Bonds</b>				<b>25,305</b>	<b>31.46</b>

# Asian Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>Government Bonds 41.82%</b>					
<b>China 4.55%</b>					
China Development Bank	4.2400	24/08/27	10,000,000	1,474	1.83
China (Peoples Republic of)	4.1300	18/09/24	10,000,000	1,553	1.94
China (Peoples Republic of)	2.8500	28/01/26	2,000,000	285	0.35
China (Peoples Republic of)	3.5700	17/11/21	1,000,000	152	0.19
Export-Import Bank of China	2.8750	26/04/26	200,000	195	0.24
				<b>3,659</b>	<b>4.55</b>
<b>India 12.36%</b>					
Gujarat (State of)	7.2000	14/06/27	50,000,000	778	0.97
India (Government of)	9.2000	30/09/30	270,000	5	0.01
India (Republic of)	8.2700	09/06/20	190,000,000	3,072	3.81
India (Republic of)	8.1700	01/12/44	80,000,000	1,305	1.62
India (Republic of)	8.0800	02/08/22	60,000,000	971	1.21
Karnataka (State of)	7.3800	27/09/27	100,000,000	1,523	1.89
Karnataka (State of)	7.7600	13/12/27	50,000,000	779	0.97
Maharashtra (State of)	7.2000	09/08/27	100,000,000	1,509	1.88
				<b>9,942</b>	<b>12.36</b>
<b>Indonesia 5.66%</b>					
Indonesia (Republic of)	8.2500	15/05/36	20,000,000,000	1,645	2.04
Indonesia (Republic of)	8.3750	15/03/34	20,000,000,000	1,644	2.04
Indonesia (Republic of)	7.5000	15/08/32	13,150,000,000	1,022	1.27
Perusahaan Penerbit SBSN Indonesia III	4.3500	10/09/24	234,000	246	0.31
				<b>4,557</b>	<b>5.66</b>
<b>Malaysia 7.61%</b>					
Malaysia (Government of)	4.0590	30/09/24	16,400,000	4,096	5.09
Malaysia (Government of)	4.7360	15/03/46	8,300,000	2,026	2.52
				<b>6,122</b>	<b>7.61</b>
<b>Saudi Arabia 0.35%</b>					
Saudi Arabia (Government of) (EMTN)	3.6250	04/03/28	281,000	279	0.35
<b>South Korea 1.14%</b>					
Korea Gas (EMTN)	2.7500	20/07/22	235,000	232	0.29
Korea National Oil	2.0000	24/10/21	400,000	384	0.48
Korea Water Resources	2.7500	23/05/22	305,000	301	0.37
				<b>917</b>	<b>1.14</b>
<b>Sri Lanka 7.29%</b>					
Sri Lanka (Republic of)	10.6000	15/09/19	361,000,000	2,399	2.99
Sri Lanka (Republic of)	10.7500	15/01/19	166,000,000	1,100	1.37
Sri Lanka (Republic of)	10.7500	01/03/21	130,000,000	871	1.08
Sri Lanka (Republic of)	8.0000	15/11/18	126,000,000	815	1.01

# Asian Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Sri Lanka (Republic of)	11.5000	15/12/21	50,000,000	344	0.43
Sri Lanka (Republic of)	11.0000	01/08/21	30,000,000	202	0.25
Sri Lanka (Republic of)	9.2500	01/05/20	20,000,000	130	0.16
				<b>5,861</b>	<b>7.29</b>
<b>Thailand 2.86%</b>					
Thailand (Kingdom of)	3.6500	20/06/31	34,600,000	1,172	1.45
Thailand (Kingdom of)	4.8750	22/06/29	30,000,000	1,131	1.41
				<b>2,303</b>	<b>2.86</b>
<b>Total Government Bonds</b>				<b>33,640</b>	<b>41.82</b>
<b>Total Bonds</b>				<b>58,945</b>	<b>73.28</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market</b>				<b>58,945</b>	<b>73.28</b>
<b>Other transferable securities and money market instruments 3.59%</b>					
<b>Bonds 3.59%</b>					
<b>Corporate Bonds 3.59%</b>					
<b>China 0.38%</b>					
Industrial & Commercial Bank of China	3.9500	20/09/18	2,000,000	306	0.38
<b>Malaysia 2.35%</b>					
Cagamas	5.8000	08/08/18	1,700,000	426	0.53
Cagamas (IMTN)	4.0500	20/12/18	5,900,000	1,463	1.82
				<b>1,889</b>	<b>2.35</b>
<b>Netherlands 0.86%</b>					
ING Bank (EMTN)	-	23/07/18	734,000	696	0.86
<b>Total Corporate Bonds</b>				<b>2,891</b>	<b>3.59</b>
<b>Total Bonds</b>				<b>2,891</b>	<b>3.59</b>
<b>Total Other transferable securities and money market instruments</b>				<b>2,891</b>	<b>3.59</b>
<b>Open Ended Investment Funds 8.61%</b>					
Aberdeen Global - Asian Credit Bond Fund Z-2 <sup>†</sup>			600,367	6,923	8.61
<b>Total Open Ended Investment Funds</b>				<b>6,923</b>	<b>8.61</b>

# Asian Bond

Derivatives 1.59%

Future contracts 0.07%

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US Ultra Bond	20/03/18	12	6	0.01
CBT US 10 Year Note	20/03/18	(102)	54	0.06
CBT US 2 Year Note	29/03/18	16	(8)	(0.01)
CBT US 5 Year Note	29/03/18	(15)	8	0.01
Unrealised gains on future contracts			60	0.07

Forward currency exchange contracts 1.52%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
BNP Paribas	EUR	USD	02/01/18	8,436	10,000	-	-
BNP Paribas	EUR	USD	14/03/18	12,195,647	14,404,803	302	0.38
BNP Paribas	EUR	USD	14/03/18	73,386	88,618	-	-
BNP Paribas	EUR	USD	14/03/18	61,242	73,113	1	-
BNP Paribas	USD	EUR	14/03/18	112,566	95,142	(2)	-
BNP Paribas	USD	EUR	14/03/18	27,268	22,961	-	-
BNP Paribas	USD	EUR	14/03/18	10,062	8,436	-	-
BNP Paribas	USD	EUR	14/03/18	4,541	3,820	-	-
Citigroup	SGD	USD	05/03/18	537,702	400,000	3	-
Goldman Sachs	CNH	USD	02/02/18	20,600,000	3,094,079	64	0.08
Goldman Sachs	CNH	USD	02/02/18	17,230,000	2,587,911	54	0.07
Goldman Sachs	KRW	USD	05/01/18	5,713,513,000	5,020,000	317	0.39
Goldman Sachs	KRW	USD	05/01/18	4,097,340,000	3,600,000	227	0.28
Goldman Sachs	KRW	USD	05/01/18	2,904,930,000	2,700,000	14	0.02
Goldman Sachs	KRW	USD	05/01/18	1,721,440,000	1,600,000	8	0.01
Goldman Sachs	KRW	USD	05/01/18	1,631,280,000	1,500,000	24	0.03
Goldman Sachs	KRW	USD	05/01/18	1,145,443,900	1,000,000	70	0.09
Goldman Sachs	KRW	USD	05/01/18	678,355,302	600,000	34	0.04
Goldman Sachs	KRW	USD	05/01/18	458,177,560	400,000	28	0.03
Goldman Sachs	THB	USD	31/01/18	55,200,000	1,667,573	28	0.03
Goldman Sachs	THB	USD	31/01/18	13,002,800	400,000	(1)	-
Goldman Sachs	THB	USD	31/01/18	9,787,800	300,000	1	-
Goldman Sachs	USD	INR	04/01/18	900,000	58,050,000	(9)	(0.01)
Goldman Sachs	USD	INR	04/01/18	500,000	32,250,000	(5)	(0.01)
Goldman Sachs	USD	KRW	05/01/18	300,000	325,125,588	(4)	-
Goldman Sachs	USD	CNH	02/02/18	500,000	3,334,644	(11)	(0.01)
HSBC	JPY	USD	19/01/18	158,000,000	1,414,662	(11)	(0.01)
HSBC	SGD	USD	08/03/18	9,194,400	6,833,988	53	0.07
HSBC	SGD	USD	08/03/18	5,003,939	3,719,353	29	0.04
HSBC	USD	KRW	05/01/18	800,000	891,040,000	(32)	(0.04)
HSBC	USD	HKD	08/03/18	3,499,251	27,316,258	-	-
HSBC	USD	HKD	08/03/18	3,398,773	26,531,851	-	-
HSBC	USD	HKD	08/03/18	700,000	5,457,231	1	-
Royal Bank of Canada	USD	KRW	05/01/18	500,000	548,843,700	(13)	(0.02)
Standard Chartered	AUD	USD	01/03/18	1,846,110	1,400,000	44	0.05
Standard Chartered	CNY	USD	31/01/18	7,316,430	1,100,000	22	0.03
Standard Chartered	CNY	USD	31/01/18	7,304,550	1,100,000	20	0.02

# Asian Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Standard Chartered	CNY	USD	31/01/18	2,656,200	400,000	7	0.01
Standard Chartered	THB	USD	31/01/18	81,000,000	2,446,738	41	0.05
Standard Chartered	USD	CNY	31/01/18	1,250,000	8,314,125	(25)	(0.03)
Standard Chartered	USD	AUD	01/03/18	3,600,343	4,700,000	(75)	(0.09)
UBS	PHP	USD	26/01/18	130,570,700	2,600,000	16	0.02
UBS	PHP	USD	26/01/18	60,263,400	1,200,000	7	0.01
UBS	USD	JPY	19/01/18	1,380,427	155,997,492	(6)	(0.01)
Unrealised gains on forward currency exchange contracts						1,221	1.52
Unrealised gains on derivatives						1,281	1.59
Total investments						70,040	87.07
Other net assets						10,398	12.93
Total net assets						80,438	100.00

† Managed by subsidiaries of Aberdeen Asset Management PLC.  
Currently forward positions are not collateralised.

# Australian Dollar Bond

For the six months ended 31 December 2017

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## Performance

For the six months ended 31 December 2017, the value of the Australian Dollar Bond - A Accumulation shares increased by 0.96% compared to an increase of 1.20% in the benchmark, JPMorgan Government Bond Index Traded AUD.

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, AUD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The Australian bond market experienced huge fluctuations relative to US Treasuries over the review period. In the first half, the yield differential between Australia and the US widened considerably as Australian yields rose. But this swiftly reversed in the last three months after US yields also moved higher. As such, long-dated Australian yields were almost unchanged over the six months but three-year yields were 27 basis points higher at 2.2%. Much of this movement reflected the re-pricing of the domestic monetary policy outlook in light of solid economic data. The resilience of the Chinese economy and commodity prices also likely played a part. It was unsurprising thus to see the Australian dollar appreciate 1.5% against the US dollar to end at 78 cents.

Economic data that stood out included the labour market reports and National Australia Bank business surveys, with both exhibiting above-trend performance. However, consumer spending continued to expand only moderately, while inflation remained subdued at below the bottom of the Reserve Bank of Australia's (RBI) 2-3% target range. The housing market appeared to be losing some vigour, although this could be policy-driven. The RBI seemed comfortable with a neutral stance and left the cash rate stable at 1.5%.

## Portfolio review

Interest rate strategies contributed to performance, mostly at the end of the reporting period. In December, the Fund had been positioned for higher yields by holding a shorter duration than the benchmark. As yields rose, we took profits on the short-duration position and the Fund's duration became in line with the benchmark. Additionally, our selection of highly-rated non-Commonwealth government bonds provided positive alpha over the period.

## Outlook

The Fund will merge into the Aberdeen Global – Australian Dollar Government Bond Fund on 23rd March 2018.

## Australian Fixed Income Team

January 2018

# Australian Dollar Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	AU\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	89,698
Cash at bank		6,461
Interest receivable		787
Subscriptions receivable		105
<b>Total assets</b>		<b>97,051</b>
<b>Liabilities</b>		
Payable for investments purchased		5,688
Taxes and expenses payable		82
Redemptions payable		57
Other liabilities		115
<b>Total liabilities</b>		<b>5,942</b>
<b>Net assets at the end of the period</b>		<b>91,109</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	AU\$'000
Net assets at the beginning of the period		85,358
Net gains from investments		605
Net realised losses		(240)
Net unrealised gains		528
Proceeds from shares issued		29,327
Payments for shares redeemed		(24,270)
Net equalisation received	10	24
Dividends paid	5	(223)
<b>Net assets at the end of the period</b>		<b>91,109</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	AU\$'000
<b>Income</b>		
Investment income	2.3	1,078
Bank interest		22
<b>Total income</b>		<b>1,100</b>
<b>Expenses</b>		
Management fees	4.2	377
Operating, administrative and servicing fees	4.3	117
Other operational expenses		1
<b>Total expenses</b>		<b>495</b>
<b>Net gains from investments</b>		<b>605</b>
Realised losses on investments		(240)
<b>Net realised losses</b>		<b>(240)</b>
Increase in unrealised appreciation on investments		528
<b>Net unrealised gains</b>		<b>528</b>
<b>Net increase in assets as a result of operations</b>		<b>893</b>

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	A-1	A-2	X-1	X-2	Z-2 <sup>A</sup>
Shares outstanding at the beginning of the period	24,044	11,040	176,838	223,808	-
Shares issued during the period	1,070	5,614	1,411	6,600	239,998
Shares redeemed during the period	(1,459)	(4,787)	(21,982)	(34,617)	(850)
<b>Shares outstanding at the end of the period</b>	<b>23,655</b>	<b>11,867</b>	<b>156,267</b>	<b>195,791</b>	<b>239,148</b>
<b>Net asset value per share</b>	<b>1,294.9348</b>	<b>4,560.3739</b>	<b>10.5344</b>	<b>11.7302</b>	<b>10.1050</b>

<sup>A</sup> Share class launched 8 August 2017.

The accompanying notes form an integral part of these financial statements.

# Australian Dollar Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value AU\$'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.45%					
Bonds 98.45%					
Asset Backed Bonds / Mortgage Backed Bonds 0.97%					
Australia 0.97%					
Progress 2017-2 Trust	FRN	10/02/49	880,000	880	0.97
Total Asset Backed Bonds / Mortgage Backed Bonds				880	0.97
Corporate Bonds 2.02%					
Australia 1.43%					
Virtue Trust	7.2000	15/03/20	1,200,000	1,301	1.43
United Kingdom 0.59%					
Lloyds Banking (MTN)	4.2500	22/11/27	540,000	539	0.59
Total Corporate Bonds				1,840	2.02
Government Bonds 95.46%					
Australia 83.72%					
Australia (Commonwealth of)	5.7500	15/07/22	14,500,000	16,644	18.28
Australia (Commonwealth of)	2.0000	21/12/21	11,800,000	11,689	12.83
Australia (Commonwealth of)	3.2500	21/06/39	11,000,000	11,116	12.20
Australia (Commonwealth of)	2.7500	21/04/24	9,500,000	9,660	10.60
Australia (Commonwealth of)	5.7500	15/05/21	6,100,000	6,804	7.47
Australia (Commonwealth of)	2.7500	21/11/27	6,700,000	6,770	7.43
Australia (Commonwealth of)	4.2500	21/04/26	2,700,000	3,036	3.33
Australia (Commonwealth of)	3.2500	21/04/29	2,100,000	2,209	2.42
Australia (Commonwealth of)	3.0000	21/03/47	2,284,000	2,135	2.34
New South Wales Treasury	3.0000	20/04/29	1,600,000	1,580	1.73
New South Wales Treasury	3.0000	20/02/30	1,300,000	1,272	1.40
Queensland Treasury	5.5000	21/06/21	1,900,000	2,099	2.30
Western Australian Treasury	7.0000	15/07/21	1,100,000	1,270	1.39
				76,284	83.72
Canada 1.76%					
Export Development Canada (MTN)	2.7000	24/10/22	1,600,000	1,604	1.76
Germany 5.04%					
Landwirtschaftliche Rentenbank (MTN)	5.5000	09/03/20	4,300,000	4,593	5.04
Norway 4.94%					
Kommunalbanken (MTN)	6.5000	12/04/21	4,000,000	4,497	4.94

## Australian Dollar Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value AU\$'000	Total Net Assets %
Total Government Bonds				86,978	95.46
Total Bonds				89,698	98.45
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				89,698	98.45
Total investments				89,698	98.45
Other net assets				1,411	1.55
Total net assets				91,109	100.00

# Canadian Dollar Bond

For the six months ended 31 December 2017

## Performance

For the six months ended 31 December 2017, the value of the Canadian Dollar Bond - A Accumulation shares decreased by 1.38% compared to a decrease of 0.80% in the benchmark, JPMorgan Government Bond Index Traded CAD.

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, CAD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The global economy continued with a strong momentum into Q4 2017. We have upgraded our forecast for global growth in 2018 by 0.1% to 3.8%, after 3.6% in 2017. November's global Composite Purchasing Managers' Index (PMI) was broadly unchanged at a high level for the fourth month running, which bodes well for global trade prospects. Given our positive outlook for the advanced economies, and a fairly favourable outlook for commodity prices, we expect both manufacturers and commodity producers in emerging markets to fare well in 2018. We expect growth in emerging markets as a whole to rise from 4.4% in 2017 to 4.7% this year.

In Canada, economic data has been robust. Real retail sales were up 1.4% in November, which followed similar growth rates in the months leading up to year end. The trends in durable goods such as autos, appliances and furniture have been a source of strength for both retail sales and real manufacturing sales.

The Bank of Canada (BoC) held rates steady in December during their last policy meeting of 2017. The minutes from the Bank commented on many recent positive economic signs including stronger third quarter growth in the US, higher oil prices, strong employment growth with rising wages and an upward sloping inflation trend. Partially offsetting these hawkish comments included uncertainty around the global outlook. The net result is a market which expects four rate hikes in 2018.

Real GDP rose at a 1.7% annualised rate in Q3 2017, just slightly behind the market's 1.8% projection, while September's 0.2% monthly gain beat forecasts. The November Labour Force Survey was strong in all aspects, with employment rising by 80,000, the unemployment rate falling 0.4% to 5.9%, and wages posting their largest annual gain in 19 months. Elsewhere in the data, Q3 2017 GDP was close to expectations, and business sentiment surveys were positive. Before last week's positive data surprises, Governor Poloz of the Bank of Canada sounded more upbeat in a Tuesday press conference. The Bank of Canada raised its forecast for 2017 GDP growth to 3.1% in Q4 from a year ago. Growth is expected to moderate to average 2.2% in the second half of 2018. Inflation is now expected to be 1.4% in 2017 and slightly above target at 2.1% in both 2018 and 2019.

Last month's inflation report surprised to the upside, with the index up 0.3% on the month and 2.1% compared to a year ago, both 0.2% above expectations. Two out of three of the BoC preferred core inflation measures increased, and their average rose to 1.7% over last year. This was the highest reading since October 2016.

The merchandise trade deficit narrowed to C\$1.5 billion (bn) last month from a revised wider C\$3.4 bn in the prior month. After declines in every month since June, nominal exports increased 2.7%, mostly due to an over 4% rise in exports to the US. Higher prices played a role in the gain, but in volume terms exports were up 1.1%, led by a double-digit gain of 13.2% in exports of industrial chemical, plastic, and rubber materials. Together, real exports excluding energy were up 1.7%, the first increase in five months.

Housing starts surged higher by 13% month over month in November to 252,000 units. The housing report included a small upward revision to October. The 6-month trend reached recovery high 226,000 units last month. Reports highlighted that the strong gain reflected construction of multiple-unit buildings in Toronto, where inventories of unabsorbed multiple units are low and strong demand continues unabated.

## Portfolio review

The Fund underperformed its benchmark over the six-month period ended 31 December 2017 on a net of fees basis. The incremental yield from investments in 3-5 year corporates plus credit spreads tightening in the period added to performance while the Fund maintained a slight long bias to duration in the period (approximately ¼ a year) had an oversetting result. We lowered the corporate exposure in the Fund throughout the period which reduced the incremental yield in the Fund from those investments. As a result, the net of fees returns were lower in the final months of the year. July was the sole losing month in the period which was negatively impacted from longer duration bias in the portfolio.

## Outlook

The Fund will merge into the Aberdeen Global – US Dollar Credit Bond Fund on the 23rd February 2018.

## North American Fixed Income Team

January 2018

# Canadian Dollar Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	CA\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	74,055
Cash at bank		488
Interest receivable		266
Subscriptions receivable		10
<b>Total assets</b>		<b>74,819</b>
<b>Liabilities</b>		
Taxes and expenses payable		73
Redemptions payable		274
Other liabilities		89
<b>Total liabilities</b>		<b>436</b>
<b>Net assets at the end of the period</b>		<b>74,383</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	CA\$'000
Net assets at the beginning of the period		71,510
Net gains from investments		240
Net realised losses		(311)
Net unrealised losses		(842)
Proceeds from shares issued		11,371
Payments for shares redeemed		(7,508)
Net equalisation received	10	12
Dividends paid	5	(89)
<b>Net assets at the end of the period</b>		<b>74,383</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	CA\$'000
<b>Income</b>		
Investment income	2.3	666
<b>Total income</b>		<b>666</b>
<b>Expenses</b>		
Management fees	4.2	324
Operating, administrative and servicing fees	4.3	101
Other operational expenses		1
<b>Total expenses</b>		<b>426</b>
<b>Net gains from investments</b>		<b>240</b>
Realised losses on investments		(311)
<b>Net realised losses</b>		<b>(311)</b>
Decrease in unrealised appreciation on investments		(842)
<b>Net unrealised losses</b>		<b>(842)</b>
<b>Net decrease in assets as a result of operations</b>		<b>(913)</b>

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	A-1	A-2	X-1
Shares outstanding at the beginning of the period	17,441	12,565	118,600
Shares issued during the period	2,327	2,258	-
Shares redeemed during the period	(1,268)	(1,530)	(21,250)
<b>Shares outstanding at the end of the period</b>	<b>18,500</b>	<b>13,293</b>	<b>97,350</b>
<b>Net asset value per share</b>	<b>1,339.2580</b>	<b>3,658.8502</b>	<b>9.9398</b>

The accompanying notes form an integral part of these financial statements.

# Canadian Dollar Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value CA\$'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market					96.86%
<b>Bonds 96.86%</b>					
<b>Corporate Bonds 17.56%</b>					
<b>Canada 4.78%</b>					
Canadian Natural Resources	3.3100	11/02/22	500,000	511	0.69
Canadian Pacific Railway	6.2500	01/06/18	1,000,000	1,018	1.37
Rogers Communications	4.7000	29/09/20	500,000	531	0.71
Toyota Credit Canada	2.2000	25/02/21	1,500,000	1,493	2.01
				<b>3,553</b>	<b>4.78</b>
<b>Germany 1.56%</b>					
KFW	5.0500	04/02/25	1,000,000	1,161	1.56
<b>United Kingdom 3.43%</b>					
BP Capital Markets	3.4970	09/11/20	1,250,000	1,290	1.73
HSBC	3.1960	05/12/23	1,250,000	1,264	1.70
				<b>2,554</b>	<b>3.43</b>
<b>United States 7.79%</b>					
American Express Canada	2.3100	29/03/18	1,000,000	1,002	1.35
AT&T	2.8500	25/05/24	1,000,000	975	1.31
Bank of America	3.2280	22/06/22	1,000,000	1,021	1.37
General Motors Financial of Canada	3.0800	22/05/20	300,000	303	0.41
Goldman Sachs	5.0000	03/05/18	1,000,000	1,011	1.36
Goldman Sachs	VAR	26/04/23	1,000,000	982	1.32
Walt Disney	2.7580	07/10/24	500,000	500	0.67
				<b>5,794</b>	<b>7.79</b>
<b>Total Corporate Bonds</b>				<b>13,062</b>	<b>17.56</b>
<b>Government Bonds 79.30%</b>					
<b>Canada 79.30%</b>					
Canada (Government of)	1.5000	01/06/26	9,775,000	9,380	12.61
Canada (Government of)	0.7500	01/09/20	8,775,000	8,554	11.50
Canada (Government of)	3.7500	01/06/19	7,750,000	7,978	10.73
Canada (Government of)	5.0000	01/06/37	3,525,000	5,062	6.81
Canada (Government of)	1.7500	01/09/19	4,940,000	4,947	6.65
Canada (Government of)	4.0000	01/06/41	3,375,000	4,426	5.95
Canada (Government of)	5.7500	01/06/33	2,870,000	4,213	5.66
Canada (Government of)	3.5000	01/12/45	3,350,000	4,192	5.64
Canada (Government of)	1.5000	01/06/23	3,820,000	3,743	5.03
Canada (Government of)	2.5000	01/06/24	3,050,000	3,152	4.24
Canada (Government of)	1.0000	01/09/22	2,950,000	2,837	3.81
Municipal Finance Authority of British Columbia	1.7500	15/10/20	500,000	497	0.67
				<b>58,981</b>	<b>79.30</b>

# Canadian Dollar Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value CA\$'000	Total Net Assets %
Total Government Bonds				58,981	79.30
Total Bonds				72,043	96.86
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				72,043	96.86
Other transferable securities and money market instruments 2.70%					
Bonds 2.70%					
Corporate Bonds 2.70%					
Germany 1.35%					
VW Credit Canada	2.8000	20/08/18	1,000,000	1,006	1.35
United States 1.35%					
Molson Coors International	2.7500	18/09/20	1,000,000	1,006	1.35
Total Corporate Bonds				2,012	2.70
Total Bonds				2,012	2.70
Total Other transferable securities and money market instruments				2,012	2.70
Total investments				74,055	99.56
Other net assets				328	0.44
Total net assets				74,383	100.00

# Emerging Markets Total Return Bond

For the six months ended 31 December 2017

## Performance

For the six months ended 31 December 2017, the value of the Emerging Markets Total Return Bond - Z Accumulation shares increased by 4.22% compared to an increase of 0.44% in the benchmark, Citigroup World Government Bond Index USA.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

All components of emerging market debt performed strongly over the period. Demand for both hard currency and local currency bonds remained robust, while emerging market currencies were standout performers early on thanks to a weak US dollar. An increase in commodity prices also boosted the asset class. The rally took a breather in September however, as US Treasury yields rose sharply. At the same time, the euro depreciated against the US dollar, paring the huge gains made during the year.

Emerging market debt exhibited a strong end to 2017, capping a year in which numerous idiosyncratic events failed to derail the positive sentiment towards the asset class. Hard currency sovereign and corporate debt returned +10.3% and +7.6% respectively during 2017, while local currency debt (+15.2%) outperformed amid a strong rally in local rates and currency strength against the US dollar.

The period was marked by the US Federal Reserve (Fed) carrying out its third policy rate hike of the year, in December, which was widely expected and carried very little broader market impact. The median dots for 2018 continued to show three rate hikes in 2018 and two in 2019, which was more dovish than the market expected given the Fed's upgrades to its US growth and employment forecasts. The yield of the US 10-year treasury bond ended the year at 2.41%, four basis points lower than at the end of 2016. Commodities performed well as 2017 came to an end, with Brent crude oil rallying by over 5% to just shy of US\$67 per barrel, while copper, iron ore and gold also finished the year strongly.

Investment grade (IG) countries started strongly, outperforming their high yield counterparts which were skewed by a dramatic 12% collapse in Venezuelan asset prices. However, as has been the case for much of the last year, high yield assets rebounded as IG credits were negatively affected by the sell-off in US Treasuries and risk-on sentiment. Spreads on investment grade bonds in the index narrowed by 20bps, resulting in a 3.3% return over the period, while spreads on high yield bonds narrowed by 37bps, resulting in a 4.3% return.

## Portfolio Review

Fund performance was bolstered by allocations to Ukraine and Ecuador US dollar-denominated bonds, while a position in Brazilian and Russian local currency bonds was also positive for performance. On the other side, short currency positions in Colombian peso, Hungarian forint and Thai baht were the largest negative contributors as was a long position in Argentine local currency bonds.

During the period, we increased the Fund's allocation to El Salvador, where we think pension reforms could provide fiscal space and the opportunity to access bond market. We increased exposure to US treasuries as a risk-reduction measure. We also reduced the Fund's Sub-Saharan Africa exposure via Ethiopia and Gabon and carried out a switch in Nigeria by purchasing a new 30 year bond and reducing our position in the sovereign's 15 year security at the same time. We purchased a new 10 year issue from Ecuador and increased allocation to the Brazilian state-controlled oil company Petrobras. In local markets, we increased our Argentina position, preferring a new higher-yielding floating-rate note to the nominal bonds. We reduced duration exposure in Indonesia, after a strong market rally and added a position in India via the state-owned National Highways. We carried out a switch within our Uruguay local currency position, purchasing a new 10 year bond and selling a short-dated inflation-linked security; we also switched from Turkey into Russia on an unhedged basis.

## Outlook

The Fund will merge into the Aberdeen Global – Emerging Markets Total Return Bond Fund on 23rd March 2018.

## Emerging Market Debt Team

January 2018

# Emerging Markets Total Return Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	94,098
Cash at bank		4,436
Interest receivable		1,844
Subscriptions receivable		9,979
Unrealised gains on forward currency exchange contracts	2.6	1,203
Other assets		22
<b>Total assets</b>		<b>111,582</b>
<b>Liabilities</b>		
Payable for investments purchased		8,018
Taxes and expenses payable		98
Unrealised losses on swap contracts	2.8	289
Other liabilities		220
<b>Total liabilities</b>		<b>8,625</b>
<b>Net assets at the end of the period</b>		<b>102,957</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		30,593
Net gains from investments		873
Net realised gains		6
Net unrealised gains		1,561
Proceeds from shares issued		70,303
Payments for shares redeemed		(904)
Net equalisation received	10	861
Dividends paid	5	(336)
<b>Net assets at the end of the period</b>		<b>102,957</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	1,095
Bank interest		6
<b>Total income</b>		<b>1,101</b>
<b>Expenses</b>		
Management fees	4.2	164
Operating, administrative and servicing fees	4.3	64
<b>Total expenses</b>		<b>228</b>
<b>Net gains from investments</b>		<b>873</b>
Realised gains on investments		278
Realised losses on forward currency exchange contracts		(314)
Realised losses on swap contracts		(2)
Realised currency exchange gains		44
<b>Net realised gains</b>		<b>6</b>
Decrease in unrealised depreciation on investments		454
Increase in unrealised appreciation on forward currency exchange contracts		1,171
Increase in unrealised depreciation on swap contracts		(64)
<b>Net unrealised gains</b>		<b>1,561</b>
<b>Net increase in assets as a result of operations</b>		<b>2,440</b>

# Emerging Markets Total Return Bond

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	A-2	A(EUR)-2 <sup>^</sup>	I-1	I-2	I(GBP)-1 <sup>^A</sup>	R(GBP)-1 <sup>B</sup>
Shares outstanding at the beginning of the period	650	71,034	6,162,229	36,700	-	500
Shares issued during the period	-	4,840,000	6,166,276	-	50,000	-
Shares redeemed during the period	-	(58,000)	(108,473)	-	-	(500)
<b>Shares outstanding at the end of the period</b>	<b>650</b>	<b>4,853,034</b>	<b>12,220,032</b>	<b>36,700</b>	<b>50,000</b>	<b>-</b>
<b>Net asset value per share</b>	<b>10.5544</b>	<b>10.3002</b>	<b>1.8059</b>	<b>10.6595</b>	<b>9.9585</b>	<b>-</b>

	R(GBP)-2 <sup>B</sup>	X-2	X(CHF)-2 <sup>^</sup>	X(EUR)-2 <sup>^</sup>	Z-2
Shares outstanding at the beginning of the period	500	650	63,500	58,000	950,593
Shares issued during the period	-	-	-	-	32,135
Shares redeemed during the period	(500)	-	-	-	-
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>650</b>	<b>63,500</b>	<b>58,000</b>	<b>982,728</b>
<b>Net asset value per share</b>	<b>-</b>	<b>10.6537</b>	<b>10.3289</b>	<b>10.3928</b>	<b>18.7091</b>

<sup>^</sup> Base currency exposure share class.

<sup>A</sup> Share class launched 25 September 2017.

<sup>B</sup> Share class closed 14 September 2017.

The accompanying notes form an integral part of these financial statements.

# Emerging Markets Total Return Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market					91.39%
<b>Bonds 91.39%</b>					
<b>Corporate Bonds 14.11%</b>					
<b>Azerbaijan 0.94%</b>					
Southern Gas Corridor	6.8750	24/03/26	494,000	563	0.55
State Oil of the Azerbaijan Republic (EMTN)	4.7500	13/03/23	400,000	407	0.39
				<b>970</b>	<b>0.94</b>
<b>Brazil 1.19%</b>					
Petrobras Global Finance	FRN	17/03/20	1,200,000	1,227	1.19
<b>Costa Rica 0.78%</b>					
Banco Nacional de Costa Rica	4.8750	01/11/18	800,000	806	0.78
<b>Dominican Republic 0.17%</b>					
Dominican Republic (Mesteno)	8.5000	02/01/20	166,667	175	0.17
<b>Georgia 0.22%</b>					
Georgian Railway	7.7500	11/07/22	200,000	225	0.22
<b>India 0.86%</b>					
NTPC (EMTN)	7.2500	03/05/22	20,000,000	317	0.31
State Bank of India (London)	3.2500	18/04/18	570,000	572	0.55
				<b>889</b>	<b>0.86</b>
<b>Kazakhstan 2.47%</b>					
KazMunayGas National	7.0000	05/05/20	1,580,000	1,714	1.67
KazMunayGas National (EMTN)	9.1250	02/07/18	800,000	825	0.80
				<b>2,539</b>	<b>2.47</b>
<b>Mexico 3.10%</b>					
Petroleos Mexicanos	6.8750	04/08/26	1,186,000	1,348	1.31
Petroleos Mexicanos	FRN	11/03/22	897,000	987	0.96
Petroleos Mexicanos	FRN	18/07/18	850,000	857	0.83
				<b>3,192</b>	<b>3.10</b>
<b>Russian Federation 0.21%</b>					
GTLK Europe	5.9500	19/07/21	200,000	212	0.21
<b>Sri Lanka 1.93%</b>					
National Savings Bank	8.8750	18/09/18	1,920,000	1,986	1.93
<b>Turkey 0.45%</b>					
TC Ziraat Bankasi (EMTN)	5.1250	29/09/23	470,000	459	0.45

# Emerging Markets Total Return Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>United Arab Emirates 1.79%</b>					
Abu Dhabi Crude Oil Pipeline (SINK)	4.6000	02/11/47	419,000	432	0.42
DP World (EMTN)	6.8500	02/07/37	640,000	791	0.76
ICD Sukuk (EMTN)	5.0000	01/02/27	600,000	624	0.61
				<b>1,847</b>	<b>1.79</b>
<b>Total Corporate Bonds</b>					
				<b>14,527</b>	<b>14.11</b>
<b>Government Bonds 77.28%</b>					
<b>Argentina 4.19%</b>					
Argentina (Republic of)	FRN	21/06/20	30,001,007	1,702	1.65
Argentina (Republic of)	5.6250	26/01/22	1,136,000	1,199	1.16
Argentina (Republic of)	7.5000	22/04/26	460,000	521	0.51
Argentina (Republic of)	8.2800	31/12/33	364,530	432	0.42
Argentina (Republic of)	VAR	15/12/35	3,620,000	381	0.37
Argentina (Republic of)	16.0000	17/10/23	1,540,000	82	0.08
				<b>4,317</b>	<b>4.19</b>
<b>Armenia 1.20%</b>					
Armenia (Republic of)	7.1500	26/03/25	1,080,000	1,237	1.20
<b>Bahrain 0.37%</b>					
Bahrain (Kingdom of)	7.0000	12/10/28	370,000	376	0.37
<b>Brazil 5.45%</b>					
Brazil (Federal Republic of)	10.0000	01/01/27	7,880,000	2,352	2.28
Brazil (Federal Republic of)	10.0000	01/01/25	5,870,000	1,767	1.72
Brazil (Federal Republic of)	10.0000	01/01/23	880,000	268	0.26
Brazil (Federal Republic of)	6.0000	15/08/50	126,000	125	0.12
Caixa Economica Federal	4.2500	13/05/19	1,085,000	1,104	1.07
				<b>5,616</b>	<b>5.45</b>
<b>Croatia 0.61%</b>					
Croatia (Republic of)	6.0000	26/01/24	550,000	628	0.61
<b>Dominican Republic 2.28%</b>					
Dominican (Republic of)	6.8500	27/01/45	2,075,000	2,344	2.28
<b>Ecuador 2.14%</b>					
Ecuador (Republic of)	10.7500	28/03/22	1,500,000	1,761	1.72
Ecuador (Republic of)	8.7500	02/06/23	200,000	221	0.21
Ecuador (Republic of)	8.8750	23/10/27	200,000	220	0.21
				<b>2,202</b>	<b>2.14</b>
<b>Gabon 0.84%</b>					
Gabon (Republic of)	6.3750	12/12/24	850,000	865	0.84

# Emerging Markets Total Return Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>Georgia 1.77%</b>					
Georgia (Republic of)	6.8750	12/04/21	1,620,000	1,820	1.77
<b>Ghana 0.27%</b>					
Ghana (Republic of)	10.7500	14/10/30	200,000	276	0.27
<b>Guatemala 2.16%</b>					
Guatemala (Republic of)	5.7500	06/06/22	2,053,000	2,220	2.16
<b>Honduras 2.09%</b>					
Honduras (Republic of)	7.5000	15/03/24	1,914,000	2,151	2.09
<b>India 1.38%</b>					
National Highways Authority of India	7.3000	18/05/22	90,000,000	1,425	1.38
<b>Indonesia 4.07%</b>					
Indonesia (Republic of)	5.8750	13/03/20	1,750,000	1,881	1.83
Indonesia (Republic of)	8.3750	15/03/34	11,813,000,000	971	0.94
Perusahaan Penerbit SBSN Indonesia III	4.3500	10/09/24	1,270,000	1,336	1.30
				4,188	4.07
<b>Ivory Coast 1.60%</b>					
Ivory Coast (Government of)	6.3750	03/03/28	1,556,000	1,652	1.60
<b>Mexico 0.58%</b>					
Mexico (Government of)	5.5500	21/01/45	532,000	601	0.58
<b>Morocco 1.69%</b>					
Morocco (Government of)	4.2500	11/12/22	1,650,000	1,745	1.69
<b>Nigeria 2.00%</b>					
Nigeria (Federal Republic of)	7.8750	16/02/32	1,200,000	1,360	1.32
Nigeria (Federal Republic of) (EMTN)	7.6250	28/11/47	650,000	699	0.68
				2,059	2.00
<b>Paraguay 2.11%</b>					
Paraguay (Republic of)	6.1000	11/08/44	1,520,000	1,742	1.69
Paraguay (Republic of)	5.0000	15/04/26	400,000	431	0.42
				2,173	2.11
<b>Russian Federation 3.11%</b>					
Russia (Federation of)	5.2500	23/06/47	1,200,000	1,256	1.22
Russia (Federation of)	7.5000	15/03/18	62,330,000	1,089	1.06
Russia (Federation of)	8.5000	17/09/31	45,520,000	856	0.83
				3,201	3.11
<b>Rwanda 0.90%</b>					
Rwanda (Republic of)	6.6250	02/05/23	880,000	925	0.90

# Emerging Markets Total Return Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>Senegal 2.12%</b>					
Senegal (Republic of)	6.2500	30/07/24	1,270,000	1,376	1.33
Senegal (Republic of)	8.7500	13/05/21	700,000	809	0.79
				<b>2,185</b>	<b>2.12</b>
<b>Serbia 2.03%</b>					
Serbia (Republic of)	7.2500	28/09/21	1,827,000	<b>2,094</b>	<b>2.03</b>
<b>Tanzania 0.96%</b>					
Tanzania (Republic of)	FRN	09/03/20	942,222	<b>991</b>	<b>0.96</b>
<b>Tunisia 1.12%</b>					
Banque Centrale de Tunisie	5.7500	30/01/25	1,160,000	<b>1,157</b>	<b>1.12</b>
<b>Turkey 1.98%</b>					
Turkey (Republic of)	7.3750	05/02/25	1,770,000	<b>2,043</b>	<b>1.98</b>
<b>Ukraine 0.92%</b>					
Ukraine (Republic of)	VAR	31/05/40	1,691,000	<b>947</b>	<b>0.92</b>
<b>United States 23.01%</b>					
US Treasury	1.6250	15/05/26	11,158,000	10,512	10.22
US Treasury	2.6250	15/08/20	8,551,900	8,703	8.45
US Treasury	2.5000	15/02/46	4,689,700	4,464	4.34
				<b>23,679</b>	<b>23.01</b>
<b>Uruguay 2.28%</b>					
Uruguay (Republic of)	5.1000	18/06/50	1,220,000	1,364	1.32
Uruguay (Republic of)	8.5000	15/03/28	18,669,000	639	0.62
Uruguay (Republic of)	9.8750	20/06/22	9,449,000	346	0.34
				<b>2,349</b>	<b>2.28</b>
<b>Vietnam 0.97%</b>					
Vietnam (Socialist Republic of)	6.7500	29/01/20	920,000	<b>994</b>	<b>0.97</b>
<b>Zambia 1.08%</b>					
Zambia (Republic of)	8.5000	14/04/24	800,000	886	0.86
Zambia (Republic of)	8.9700	30/07/27	200,000	225	0.22
				<b>1,111</b>	<b>1.08</b>
<b>Total Government Bonds</b>				<b>79,571</b>	<b>77.28</b>
<b>Total Bonds</b>				<b>94,098</b>	<b>91.39</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market</b>				<b>94,098</b>	<b>91.39</b>

# Emerging Markets Total Return Bond

Derivatives 0.89%

Forward currency exchange contracts 1.17%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays Capital	USD	HUF	10/01/18	670,659	177,507,000	(17)	(0.02)
BNP Paribas	CHF	USD	14/03/18	657,042	664,019	14	0.01
BNP Paribas	EUR	USD	14/03/18	40,843,917	48,242,507	1,013	1.00
BNP Paribas	EUR	USD	14/03/18	9,680,308	11,436,848	236	0.23
BNP Paribas	EUR	USD	14/03/18	602,625	711,786	15	0.01
BNP Paribas	EUR	USD	14/03/18	17,578	20,902	-	-
BNP Paribas	GBP	USD	14/03/18	502,643	679,522	2	-
BNP Paribas	USD	THB	10/01/18	268,183	8,745,000	-	-
BNP Paribas	USD	EUR	14/03/18	712,464	597,243	(8)	(0.01)
BNP Paribas	USD	EUR	14/03/18	244,717	206,294	(4)	-
BNP Paribas	USD	CHF	14/03/18	5,640	5,563	-	-
BNP Paribas	USD	EUR	14/03/18	4,020	3,398	-	-
BNP Paribas	USD	GBP	14/03/18	3,655	2,732	-	-
Citigroup	KRW	USD	22/02/18	596,204,000	553,116	5	-
Citigroup	USD	THB	10/01/18	83,634	2,770,000	(1)	-
Citigroup	USD	BRL	22/02/18	962,306	3,181,000	9	0.01
Citigroup	USD	COP	22/02/18	526,629	1,604,111,000	(8)	(0.01)
Citigroup	USD	BRL	22/02/18	172,506	580,000	(1)	-
Goldman Sachs	USD	HUF	10/01/18	252,735	67,613,000	(9)	(0.01)
HSBC	USD	HUF	10/01/18	242,443	64,183,000	(6)	(0.01)
HSBC	USD	THB	10/01/18	111,183	3,610,000	-	-
Merrill Lynch	USD	HUF	10/01/18	560,038	148,354,000	(14)	(0.01)
Merrill Lynch	USD	THB	10/01/18	121,558	4,053,000	(3)	-
Morgan Stanley	USD	KRW	22/02/18	541,512	596,204,000	(16)	(0.02)
Morgan Stanley	USD	BRL	22/02/18	323,480	1,056,000	7	0.01
Morgan Stanley	USD	COP	22/02/18	281,968	851,543,000	(2)	-
Morgan Stanley	USD	BRL	22/02/18	147,971	494,000	-	-
Morgan Stanley	USD	COP	22/02/18	110,861	333,582,000	-	-
State Street	USD	HUF	10/01/18	140,531	36,568,000	(1)	-
UBS	USD	THB	10/01/18	326,120	10,889,000	(8)	(0.01)
Unrealised gains on forward currency exchange contracts						1,203	1.17

# Emerging Markets Total Return Bond

## Swaps (0.28%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays	USD	20/12/19	1,900,000	1.0000%	Colombia Government International Bond	(23)	(0.02)
Citigroup	USD	20/12/22	1,400,000	1.0000%	Colombia Government International Bond	3	-
Deutsche Bank	MXN	11/06/18	7,100,000	28 Day MXN TIIE	9.2500%	2	-
HSBC	INR	03/03/20	95,700,000	1 Day HS INR MIBOR	6.7550%	(271)	(0.26)
Unrealised losses on swap contracts						(289)	(0.28)
Unrealised gains on derivatives						914	0.89
Total investments						95,012	92.28
Other net assets						7,945	7.72
Total net assets						102,957	100.00

Currently forward positions are not collateralised.

# Euro Corporate Bond

For the six months ended 31 December 2017

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## Performance

For the six months ended 31 December 2017, the value of the Euro Corporate Bond - Z Accumulation shares increased by 2.43% compared to an increase of 1.78% in the benchmark, Bloomberg Barclays Capital Euro Aggregate Corporate Index.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, EUR.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

European corporate bond spreads tightened at the beginning of the review period as a combination of inflows into investment grade funds and limited primary market issuance provided strong technical support for the market.

Spreads widened during August, interrupting a significant period of outperformance for the asset class, but resumed their previous path in September, offsetting some of the price drops caused by rising yields. Despite geopolitical concerns and potential for tighter monetary conditions, strong economic data and ongoing demand for income led to continued strength.

Despite some political noise at the beginning of October surrounding the Catalan independence referendum, corporate bond markets were driven by limited corporate issuance and central bank dovishness, including the European Central Bank's announcement of a nine-month extension to its asset purchase programme. Positive news on US tax reform and some progress in Brexit negotiations also gave support to markets.

## Portfolio review

Fund performance was positive in both absolute and relative terms. The Fund's active overweight in credit risk made a positive contribution as European corporate bond yield spreads over government bonds tightened. Markets anticipated the winding-down of the European Central Bank's Corporate Sector Purchase Programme (CSPP), and this led to broad underperformance of CSPP-eligible assets. As a result, the Fund's overweight in financials (which generally lack eligibility) versus corporates made a positive contribution to performance.

Subordinated insurance was the standout sector throughout 2017 and the portfolio's overweight through names such as AXA, Aviva and AGS generated further outperformance in the second half of the year. Returns were also boosted by overweight positioning in senior bonds from high quality banking names such as Barclays, UBS and Nationwide. In terms of security selection, hybrids led the outperformance with strong returns from SSE, Orange and Total. The latter company benefited from the rally in oil prices. Sky bonds also performed strongly on the potential tie-up between Disney and 21st Century Fox, which holds a material stake in the UK media company. Exposure to Israel-based pharmaceutical manufacturer Teva acted as a slight drag on performance on the back of weak earnings and a subsequent downgrade to junk at Moody's. This also weighed on the US pharma sector as a whole. Underperformance was tempered, however, by the Fund's holding of the shortest bond on the Teva curve (which was the least affected).

The portfolio participated in 12 new issues over the period. Corporate additions included Volkswagen, ENI, Renault and BASF, while senior holding company bonds from Credit Suisse and Barclays were added in financials. Abbvie 24s was sold to limit exposure to the US pharma sector, and Swedish property operator Rikshem was also reduced to allow space for more attractive real estate issues from Aroundtown, Grand City and ADO Properties.

## Outlook

The Fund will close on 5th March 2018.

**Aberdeen Euro Fixed Income Team**  
January 2018

# Euro Corporate Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	€'000
<b>Assets</b>		
Investments in securities at market value	2.2	8,742
Cash at bank		191
Interest receivable		82
Subscriptions receivable		3
<b>Total assets</b>		<b>9,018</b>
<b>Liabilities</b>		
Taxes and expenses payable		6
Unrealised losses on forward currency exchange contracts	2.6	7
Other liabilities		3
<b>Total liabilities</b>		<b>16</b>
<b>Net assets at the end of the period</b>		<b>9,002</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	€'000
Net assets at the beginning of the period		48,033
Net gains from investments		110
Net realised gains		846
Net unrealised losses		(324)
Proceeds from shares issued		766
Payments for shares redeemed		(40,371)
Net equalisation paid	10	(55)
Dividends paid	5	(3)
<b>Net assets at the end of the period</b>		<b>9,002</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	€'000
<b>Income</b>		
Investment income	2.3	169
<b>Total income</b>		<b>169</b>
<b>Expenses</b>		
Management fees	4.2	27
Operating, administrative and servicing fees	4.3	30
Other operational expenses		1
Bank interest		1
<b>Total expenses</b>		<b>59</b>
<b>Net gains from investments</b>		<b>110</b>
Realised gains on investments		782
Realised gains on forward currency exchange contracts		64
<b>Net realised gains</b>		<b>846</b>
Increase in unrealised depreciation on investments		(300)
Decrease in unrealised appreciation on forward currency exchange contracts		(24)
<b>Net unrealised losses</b>		<b>(324)</b>
<b>Net increase in assets as a result of operations</b>		<b>632</b>

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	A-1	A-2	A(CZK)-2^	A-(HUF)-2^	I-2	Z-2
Shares outstanding at the beginning of the period	120,218	22,992	870,121	328,788	44,459	2,406,148
Shares issued during the period	6,229	1,733	44,463	3,368	33,901	-
Shares redeemed during the period	(76,487)	(8,595)	(71,683)	-	(39,796)	(2,234,644)
<b>Shares outstanding at the end of the period</b>	<b>49,960</b>	<b>16,130</b>	<b>842,901</b>	<b>332,156</b>	<b>38,564</b>	<b>171,504</b>
<b>Net asset value per share</b>	<b>11.1390</b>	<b>11.4726</b>	<b>109.8363</b>	<b>1,020.7379</b>	<b>14.0409</b>	<b>17.4913</b>

^ Base currency exposure share class.

The accompanying notes form an integral part of these financial statements.

# Euro Corporate Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value €'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market					97.11%
<b>Bonds 97.11%</b>					
<b>Asset Backed Bonds / Mortgage Backed Bonds 1.86%</b>					
<b>United Kingdom 1.86%</b>					
Lanark Master Issuer	FRN	22/12/54	166,000	167	1.86
<b>Total Asset Backed Bonds / Mortgage Backed Bonds</b>				<b>167</b>	<b>1.86</b>
<b>Corporate Bonds 91.86%</b>					
<b>Australia 8.13%</b>					
APT Pipelines (EMTN)	1.3750	22/03/22	221,000	228	2.54
AusNet Services (EMTN)	2.3750	24/07/20	200,000	212	2.35
National Australia Bank (EMTN)	0.2500	28/03/22	184,000	185	2.05
SGSP Australia Assets (EMTN)	2.0000	30/06/22	100,000	107	1.19
				<b>732</b>	<b>8.13</b>
<b>Belgium 2.12%</b>					
Anheuser-Busch InBev (EMTN)	2.7500	17/03/36	80,000	88	0.98
KBC (EMTN)	1.0000	26/04/21	100,000	102	1.14
				<b>190</b>	<b>2.12</b>
<b>France 11.23%</b>					
AXA (EMTN)	VAR	PERP	151,000	171	1.90
Banque Federative du Credit Mutuel (EMTN)	3.0000	21/05/24	110,000	122	1.36
BNP Paribas (EMTN)	2.8750	24/10/22	114,000	128	1.42
BNP Paribas (EMTN)	VAR	14/10/27	100,000	108	1.20
Coentreprise de Transport d'Electricité	2.1250	29/07/32	100,000	104	1.15
Credit Agricole	1.0000	16/09/24	100,000	102	1.13
Orange	VAR	PERP	100,000	108	1.20
Renault (EMTN)	1.0000	28/11/25	64,000	63	0.70
TOTAL (EMTN)	VAR	PERP	100,000	105	1.17
				<b>1,011</b>	<b>11.23</b>
<b>Germany 6.74%</b>					
Allianz Finance II (EMTN)	VAR	08/07/41	100,000	118	1.29
BASF (EMTN)	0.8750	15/11/27	28,000	28	0.31
BMW Finance (EMTN)	0.1250	03/07/20	100,000	100	1.12
E.ON International Finance (EMTN)	5.7500	07/05/20	72,000	82	0.91
Volkswagen International Finance	VAR	PERP	72,000	77	0.86
Volkswagen Leasing (EMTN)	1.1250	04/04/24	113,000	114	1.27
Volkswagen Leasing (EMTN)	1.3750	20/01/25	87,000	88	0.98
				<b>607</b>	<b>6.74</b>

# Euro Corporate Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value €'000	Total Net Assets %
<b>Ireland 2.87%</b>					
CRH Finance Germany (EMTN)	1.7500	16/07/21	150,000	158	1.75
Ryanair DAC (EMTN)	1.1250	15/08/23	100,000	101	1.12
				<b>259</b>	<b>2.87</b>
<b>Italy 5.74%</b>					
Enel Finance International (EMTN)	1.9660	27/01/25	100,000	108	1.19
Eni (EMTN)	1.0000	14/03/25	123,000	123	1.37
Intesa Sanpaolo (EMTN)	1.1250	14/01/20	181,000	185	2.06
Italgas (EMTN)	0.5000	19/01/22	100,000	101	1.12
				<b>517</b>	<b>5.74</b>
<b>Japan 1.71%</b>					
Bank of Tokyo-Mitsubishi (EMTN)	0.8750	11/03/22	151,000	154	1.71
<b>Luxembourg 1.97%</b>					
SELP Finance	1.2500	25/10/23	177,000	178	1.97
<b>Mexico 1.46%</b>					
America Movil	VAR	06/09/73	127,000	131	1.46
<b>Netherlands 8.07%</b>					
ABN AMRO Bank (EMTN)	4.1250	28/03/22	103,000	120	1.32
ABN AMRO Bank (EMTN)	VAR	30/06/25	100,000	106	1.18
ASML	1.3750	07/07/26	100,000	104	1.15
Cooperatieve Rabobank	1.2500	23/03/26	72,000	74	0.83
Koninklijke	VAR	PERP	106,000	110	1.23
TenneT	VAR	PERP	100,000	104	1.16
Vesteda Finance (EMTN)	2.5000	27/10/22	100,000	108	1.20
				<b>726</b>	<b>8.07</b>
<b>Spain 1.14%</b>					
FCC Aqualia	1.4130	08/06/22	100,000	102	1.14
<b>Sweden 1.08%</b>					
Hemso Fastighets (EMTN)	1.0000	09/09/26	100,000	97	1.08
<b>Switzerland 3.80%</b>					
Credit Suisse (EMTN)	VAR	17/07/25	127,000	128	1.43
UBS	1.5000	30/11/24	205,000	214	2.37
				<b>342</b>	<b>3.80</b>
<b>United Kingdom 29.48%</b>					
Annington Funding (EMTN)	1.6500	12/07/24	150,000	152	1.69
Aviva (EMTN)	VAR	04/12/45	181,000	196	2.17
Barclays Bank (EMTN)	1.8750	08/12/23	119,000	125	1.39
Barclays (EMTN)	VAR	07/02/28	100,000	100	1.11
Channel Link Enterprises Finance	VAR	30/06/50	100,000	104	1.15

# Euro Corporate Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value €'000	Total Net Assets %
Coventry Building Society	2.5000	18/11/20	148,000	158	1.75
Experian Finance (EMTN)	1.3750	25/06/26	178,000	178	1.99
FCE Bank (EMTN)	FRN	17/09/19	110,000	111	1.24
FCE Bank (EMTN)	1.6150	11/05/23	100,000	104	1.16
HBOS (EMTN)	VAR	18/03/30	72,000	85	0.94
HSBC	0.8750	06/09/24	127,000	128	1.42
Lloyds Banking (EMTN)	1.0000	09/11/23	124,000	125	1.39
Motability Operations (EMTN)	1.6250	09/06/23	100,000	106	1.18
Motability Operations (EMTN)	0.8750	14/03/25	103,000	103	1.15
National Westminster Bank (EMTN)	VAR	PERP	100,000	98	1.09
Nationwide Building Society (EMTN)	VAR	20/03/23	141,000	142	1.58
Nationwide Building Society (EMTN)	1.1250	03/06/22	113,000	117	1.29
Rolls-Royce (EMTN)	2.1250	18/06/21	100,000	107	1.18
Royal Bank of Scotland (EMTN)	FRN	08/06/20	100,000	101	1.12
Santander UK	1.1250	08/09/23	100,000	101	1.13
Sky (GMTN)	2.2500	17/11/25	100,000	109	1.21
SSE	VAR	PERP	100,000	104	1.15
				<b>2,654</b>	<b>29.48</b>
<b>United States 6.32%</b>					
Apple	1.3750	24/05/29	103,000	105	1.17
AT&T	2.4000	15/03/24	100,000	108	1.20
General Electric	2.1250	17/05/37	100,000	99	1.11
General Motors Financial (EMTN)	0.9550	07/09/23	106,000	106	1.18
Thermo Fisher Scientific	1.3750	12/09/28	155,000	151	1.66
				<b>569</b>	<b>6.32</b>
<b>Total Corporate Bonds</b>				<b>8,269</b>	<b>91.86</b>
<b>Government Bonds 3.39%</b>					
<b>Germany 3.39%</b>					
Germany (Federal Republic of)	5.5000	04/01/31	90,000	145	1.61
Germany (Federal Republic of)	1.7500	04/07/22	80,000	87	0.97
Germany (Federal Republic of)	0.5000	15/02/26	40,000	41	0.45
Germany (Federal Republic of)	2.5000	15/08/46	25,000	33	0.36
				<b>306</b>	<b>3.39</b>
<b>Total Government Bonds</b>				<b>306</b>	<b>3.39</b>
<b>Total Bonds</b>				<b>8,742</b>	<b>97.11</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market</b>				<b>8,742</b>	<b>97.11</b>

# Euro Corporate Bond

Derivatives (0.08%)

Forward currency exchange contracts (0.08%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) €'000	Total Net Assets %
BNP Paribas	CZK	EUR	14/03/18	94,212,169	3,707,482	(21)	(0.24)
BNP Paribas	CZK	EUR	14/03/18	83,298	3,254	-	-
BNP Paribas	EUR	CZK	04/01/18	3,251	83,298	-	-
BNP Paribas	EUR	CZK	14/03/18	23,124	590,023	-	-
BNP Paribas	EUR	CZK	14/03/18	21,709	557,339	-	-
BNP Paribas	EUR	CZK	14/03/18	6,985	178,672	-	-
BNP Paribas	EUR	CZK	14/03/18	5,984	153,270	-	-
BNP Paribas	EUR	CZK	14/03/18	2,515	64,353	-	-
BNP Paribas	HUF	EUR	14/03/18	340,361,167	1,081,947	14	0.16
Unrealised losses on forward currency exchange contracts						(7)	(0.08)
Unrealised losses on derivatives						(7)	(0.08)
Total investments						8,735	97.03
Other net assets						267	2.97
Total net assets						9,002	100.00

Currently forward positions are not collateralised.

# Euro Government Bond

For the period ended 7 December 2017

## Corporate activity

On 8 December 2017, Aberdeen Global II – Euro Government Bond Fund merged its assets into Aberdeen Global – Euro Government Bond Fund, resulting in a contribution in kind worth €176 million in investments and cash. Shareholders involved in the merger were given either A, J, X or Z shares in the Aberdeen Global – Euro Government Bond Fund, for every 1 share previously held in the Aberdeen Global II – Euro Government Bond Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind (€'000)	Transfer Ratio
Euro Government Bond Fund	A - 1	Euro Government Bond Fund	A - 1	36,113	1.000000
Euro Government Bond Fund	A - 2	Euro Government Bond Fund	A - 2	118,728	1.000000
Euro Government Bond Fund	J - 2	Euro Government Bond Fund	J - 2	17,514	1.000000
Euro Government Bond Fund	X - 1	Euro Government Bond Fund	X - 1	873	1.000000
Euro Government Bond Fund	X - 2	Euro Government Bond Fund	X - 2	3,271	1.000000
Euro Government Bond Fund	Z - 2	Euro Government Bond Fund	Z - 2	6	1.000000

## Performance

For the period ended 7 December 2017, the value of the Euro Government Bond – A Accumulation shares increased by 1.63% compared to an increase of 2.58% in the benchmark, Bloomberg Barclays Capital Euro Aggregate Treasury Index.

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, EUR.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

In the UK, the Bank of England's Monetary Policy Committee voted 7-2 in favour of hiking its policy rate by 25 basis points (bps) to 0.5% at the end of the period. The communication accompanying the rate move was rather negative on the economy and made it clear the hike had been driven by weaker potential growth as it is believed Brexit will further exacerbate the economy's supply constraints.

Data in Europe continued to show the recovery is continuing. Q3 GDP rose by 0.6% quarter on quarter and the unemployment rate fell to 8.8%, the lowest level since 2009. The European Central Bank announced it would taper its asset purchases from €60 billion (bn) to €30bn as of January 2018 and extend the program by nine months, or longer.

Political risks returned to the fore. Catalonia held a regional election in December which failed to resolve its independence issue as Catalan nationalists retained a slim majority, although Ciudadanos, which favours union with Spain, emerged as the single largest party. In Germany, coalition negotiations collapsed between Merkel's Christian Democratic Union (CDU) /Christian Social Union (CSU), the liberal Free Democratic Party, and the Green party. Former coalition partners Social Democrats Party (SPD) agreed to have talks with the CDU/CSU in an attempt to resolve the impasse.

European yields trended lower for most of the period with 10-year bunds reaching a low of 0.29% before closing 0.04% lower on the quarter, at 0.43%. Peripheral spreads continued to tighten. The euro continued to appreciate against the US dollar, decoupling from interest rate differentials amid a positive growth outlook.

## Portfolio review

There was a negative performance as a result of duration strategies over the period. Country allocation was negative and in particular underweight France versus US Treasuries. But this was offset by yield curve flattening positioning and foreign exchange strategies.

## Outlook

The Fund closed 8 December 2017.

## Pan European Credit Team

January 2018

# Euro Government Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	€'000
<b>Assets</b>		
Cash at bank		35
<b>Total assets</b>		<b>35</b>
<b>Liabilities</b>		
Taxes and expenses payable		32
Other liabilities		3
<b>Total liabilities</b>		<b>35</b>
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	€'000
Net assets at the beginning of the period		189,947
Net losses from investments		(324)
Net realised gains		24,579
Net unrealised losses		(20,920)
Proceeds from shares issued		5,272
Payments for shares redeemed		(198,554)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 7 December 2017

	Notes	€'000
<b>Income</b>		
Investment income	2.3	442
<b>Total income</b>		<b>442</b>
<b>Expenses</b>		
Management fees	4.2	577
Operating, administrative and servicing fees	4.3	184
Other operational expenses		2
Bank interest		3
<b>Total expenses</b>		<b>766</b>
<b>Net losses from investments</b>		<b>(324)</b>
Realised gains on investments		24,407
Realised gains on forward currency exchange contracts		(209)
Realised losses on future contracts		(11)
Realised gains on swaps		102
Realised currency exchange losses		290
<b>Net realised gains</b>		<b>24,579</b>
Decrease in unrealised appreciation on investments		(20,777)
Decrease in unrealised depreciation on forward currency exchange contracts		58
Decrease in unrealised appreciation on futures		(264)
Decrease in unrealised depreciation on swaps		42
Unrealised currency exchange gains		21
<b>Net unrealised losses</b>		<b>(20,920)</b>
<b>Net increase in assets as a result of operations</b>		<b>3,335</b>

## Share Transactions

For the period from 1 July 2017 to 7 December 2017

	A-1 <sup>A</sup>	A-2 <sup>A</sup>	J-2 <sup>A</sup>	X-1 <sup>A</sup>	X-2 <sup>A</sup>	Z-2 <sup>A</sup>
Shares outstanding at the beginning of the period	314,645	246,073	8,951	87,451	123,621	564
Shares issued during the period	1,628	2,932	810	2,515	156,927	-
Shares redeemed during the period	(316,273)	(249,005)	(9,761)	(89,966)	(280,548)	(564)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 7 December 2017.

The accompanying notes form an integral part of these financial statements.

# Euro Short Term Bond

For the period ended 7 December 2017

## Corporate activity

On 8 December 2017, Aberdeen Global II – Euro Short Term Bond Fund merged its assets into Aberdeen Global – Euro Short Term Bond Fund, resulting in a contribution in kind worth € 80 million in investments and cash. Shareholders involved in the merger were given either A, J, or X shares in the Aberdeen Global – Euro Short Term Bond Fund, for every 1 share previously held in the Aberdeen Global II – Euro Short Term Bond Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind (€'000)	Transfer Ratio
Euro Short Term Bond Fund	A - 1	Euro Short Term Bond Fund	A - 1	6,982	1.000000
Euro Short Term Bond Fund	A - 2	Euro Short Term Bond Fund	A - 2	54,089	1.000000
Euro Short Term Bond Fund	J - 2	Euro Short Term Bond Fund	J - 2	10,888	1.000000
Euro Short Term Bond Fund	X - 1	Euro Short Term Bond Fund	X - 1	78	1.000000
Euro Short Term Bond Fund	X - 2	Euro Short Term Bond Fund	X - 2	8,263	1.000000

## Performance

For period ended 7 December 2017, the value of the Euro Short Term Bond – A Accumulation shares increased by 0.14% compared to an increase of 0.13% in the benchmark, Citigroup EMU Government Bond Index 1-3 Years (ex BBB).

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, EUR.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market Review

In the UK, the Bank of England's Monetary Policy Committee voted 7-2 in favour of hiking its policy rate by 0.25% to 0.5%. The communication accompanying the rate move was rather negative on the economy and made it clear the hike had been driven by weaker potential growth as it is believed Brexit will further exacerbate the economy's supply constraints.

After months of intense negotiations, the UK finally reached an agreement with the European Union (EU) on its divorce terms. The UK will commit to continued 'regulatory alignment' with the EU to avoid the Irish border dispute, which may push the UK towards a 'softer' form of Brexit. The deal also requires the UK to honour outstanding EU liabilities, with a net payment estimated at around €45-55 billion (bn). Overall, the terms of agreement are closely aligned with the opening demands made by the EU. While this may be viewed unfavourably by Brexiteers, it paves the way for trade talks, with emphasis on a two-year transition period likely to begin immediately. UK gilts trended lower over the period to close at 1.19%

Data in Europe continued to show the recovery is continuing. Q3 GDP rose by 0.6% quarter on quarter and the unemployment rate fell to 8.8%, the lowest level since 2009. The European Central Bank announced it would taper its asset purchases from €60 bn to €30 bn as of January 2018 and extend the program by nine months, or longer.

Political risks returned to the fore. Catalonia held a regional election in December which failed to resolve its independence issue as Catalan nationalists retained a slim majority, although Ciudadanos, which favours union with Spain, emerged as the single largest party. In Germany, coalition negotiations collapsed between Merkel's Christian Democratic Union (CDU) /Christian Social Union (CSU), the liberal Free Democratic Party, and the Green party. Former coalition partners Social Democrats Party (SPD) agreed to have talks with the CDU/CSU in an attempt to resolve the impasse.

## Fund Review

The yield curve sold off through the quarter with two and five year bund yields reaching a 4-month high by the end of the period. The main drivers were the robust economic data, a rise in Germany's issuance plans for 2018 and expectations that a United States tax overhaul plan would be passed. We maintained the 2s-5s flattening position for the Fund during the quarter and think more favourable financing conditions are still required. This is due to the potential for periods of political turbulence, with particular emphasis on the Italian elections.

European risk has diminished marginally and we have seen a significant improvement in its growth outlook. The Fund has maintained a neutral duration position versus benchmark. The Fund has continued to hold a core exposure to floating rate notes to mitigate some of the volatility around yield movements.

The overweight to credit in the portfolio was maintained. We are still seeing little new issuance in short-end euros, with all deals in this area of the market heavily oversubscribed. Performance has been robust throughout the period, with the Fund outperforming the benchmark in Q4 2017.

## Outlook

The Fund closed 8 December 2017.

## Money Markets Team

January 2018

# Euro Short Term Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	€'000
<b>Assets</b>		
Cash at bank		21
<b>Total assets</b>		<b>21</b>
<b>Liabilities</b>		
Taxes and expenses payable	11	
Other liabilities	10	
<b>Total liabilities</b>		<b>21</b>
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	€'000
Net assets at the beginning of the period		102,214
Net losses from investments		(229)
Net realised gains		21,636
Net unrealised losses		(21,227)
Proceeds from shares issued		1,094
Payments for shares redeemed		(103,488)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 7 December 2017

	Notes	€'000
<b>Income</b>		
Investment income	2.3	52
<b>Total income</b>		<b>52</b>
<b>Expenses</b>		
Management fees	4.2	183
Operating, administrative and servicing fees	4.3	95
Other operational expenses		1
Bank interest		2
<b>Total expenses</b>		<b>281</b>
<b>Net losses from investments</b>		<b>(229)</b>
Realised gains on investments		21,554
Realised gains on future contracts		82
<b>Net realised gains</b>		<b>21,636</b>
Decrease in unrealised appreciation on investments		(21,395)
Decrease in unrealised depreciation on future contracts		168
<b>Net unrealised losses</b>		<b>(21,227)</b>
<b>Net increase in assets as a result of operations</b>		<b>180</b>

## Share Transactions

For the period from 1 July 2017 to 7 December 2017

	A-1 <sup>A</sup>	A-2 <sup>A</sup>	J-2 <sup>A</sup>	X-1 <sup>A</sup>	X-2 <sup>A</sup>
Shares outstanding at the beginning of the period	158,001	433,621	15,781	7,775	1,037,848
Shares issued during the period	2,800	6,442	-	-	-
Shares redeemed during the period	(160,801)	(440,063)	(15,781)	(7,775)	(1,037,848)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 7 December 2017.

The accompanying notes form an integral part of these financial statements.

# European Convertibles Bond

For the period ended 7 December 2017

## Corporate activity

On 8 December 2017, Aberdeen Global II – European Convertibles Bond Fund merged its assets into Aberdeen Global – European Convertibles Bond Fund, resulting in a contribution in kind worth €84 million in investments and cash. Shareholders involved in the merger were given either A, I, X or Z shares in the Aberdeen Global – European Convertibles Bond Fund, for every 1 share previously held in the Aberdeen Global II – European Convertibles Bond Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind (€'000)	Transfer Ratio
European Convertibles Bond Fund	A – 2	European Convertibles Bond Fund	A – 2	47,161	1.000000
European Convertibles Bond Fund	I – 1	European Convertibles Bond Fund	I – 1	3,949	1.000000
European Convertibles Bond Fund	I – 2	European Convertibles Bond Fund	I – 2	24,147	1.000000
European Convertibles Bond Fund	X – 2	European Convertibles Bond Fund	X – 2	414	1.000000
European Convertibles Bond Fund	Z – 2	European Convertibles Bond Fund	Z – 2	8,156	1.000000

## Performance

For the period ended 7 December 2017, the value of the European Convertibles Bond – A Accumulation shares decreased by 2.53% compared to a decrease of 1.21% in the benchmark, Thomson Reuters Europe Convertible Index.

Source: Aberdeen and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, EUR.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The second half of 2017 saw risk assets continue to perform well, particularly in September and October, as some geopolitical tensions eased, for example in North Korea. The European Central Bank (ECB) moved to extend its asset purchase programmes for a further nine months and the euro paused its ascent. The latter proved temporary, as euro area economic indicators, corporate profitability (c.10% year-on-year (year on year) earnings growth) and forward inflation expectations remained strong. This was despite observed core inflation staying below the ECB's target, while in the United States (US) the US Federal Reserve (Fed) hiked rates again. European broad equity indices posted gains during the half-year (Stoxx Europe index 3.3% return and Eurostoxx index 3.8% return, trailing the S&P 500's 10.3%, helped in part by anticipation of tax reforms), while credit spreads continued to compress towards 10-year tights. Commodities added to the positive market dynamic; notably, crude oil benchmarks climbing c.30% to levels last seen in late-2014, helped by the Organisation of Petroleum Exporting Countries production curbs.

The period was punctuated with episodes of relatively mild risk-aversion and volatility, for example around the Catalan independence referendum. The Spanish market underperformed until late in the year, but has since recovered.

The European convertible asset class had a mixed half-year. The benign macro environment and generally positive momentum in equities and credit were positive factors. In addition, many convertibles' relative valuations strengthened after initial summer weakness, helped by negative net supply: an unusually heavy volume of existing bond redemptions, conversions and tenders of EUR10.6 billion (bn) outweighed the relatively modest new convertible issuance of EUR6.1bn in H2 17. Several idiosyncratic events also impacted the asset class. The most adverse was Steinhoff International, one of the largest convertible issuers, which announced in early December that its fiscal year results would be postponed as accounting irregularities had been discovered. On a more positive note, heightened merger and acquisition activity boosted several convertibles (eg, Buwog, Intu, and NH Hoteles) owing to beneficial takeover protection features, which are present in many convertibles.

## Portfolio review

We became more constructive on risk assets in September given the lacklustre performance of equities during the summer. Prospects for ongoing central bank stimulus until well into 2018 at least, robust corporate earnings and expansionary economic indicators. The portfolio's top-down equity sensitivity was thus raised to neutral to slightly positive versus the benchmark. Later in the period the portfolio's equity sensitivity declined transiently as we sold our overweight positions in the highly equity-sensitive in-the-money Swiss Life and Deutsche Post bonds ahead of their conversion events.

Regarding credit spread sensitivity, we kept the portfolio's overall exposure close to that of the benchmark despite the tight level of spreads. Investment-grade markets remained underpinned by quantitative easing and high-yield credit by low default rates. In terms of effective interest rate duration, we trimmed our short position (expressed using German government bond futures) as the potential catalysts for a sizeable, near-term increase in risk-free rates were attenuating, although the portfolio kept a modest underweight relative to the benchmark.

The portfolio's relative performance versus the benchmark was impacted by its underweight in the real estate sector, which is very heavily represented in the convertible universe, but performed strongly as government bond yields eased and several companies reported positive rent, occupancy and NAV trends. Our overweights in the healthcare sector also detracted from relative performance in H2 17, although our overweights in the basic resources and oil sectors were positive contributors. Security selection had a mixed impact: underweights in Covestro, MTU and Subsea7 for example had a negative effect, as did our holdings in Carillion and Elior; whereas our overweights in Symrise, Ageas, Buwog and AMS were beneficial, as were our underweights in Sirius, Bekaert and Playtech. The strengthening in convertibles' relative valuations had only a marginal impact on relative performance, as cash holdings in the portfolio were low (1-3%) for most of the period.

## Outlook

The Fund closed 8 December 2017.

## Convertibles Team

January 2018

# European Convertibles Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	€'000
<b>Assets</b>		
Cash at bank		41
<b>Total assets</b>		<b>41</b>
<b>Liabilities</b>		
Taxes and expenses payable		19
Other liabilities		22
<b>Total liabilities</b>		<b>41</b>
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	€'000
Net assets at the beginning of the period		104,006
Net gains from investments		356
Net realised losses		(11,181)
Net unrealised gains		8,842
Proceeds from shares issued		1,509
Payments for shares redeemed		(103,447)
Net equalisation paid	10	(67)
Dividends paid	5	(18)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 7 December 2017

	Notes	€'000
<b>Income</b>		
Investment income	2.3	854
<b>Total income</b>		<b>854</b>
<b>Expenses</b>		
Management fees	4.2	390
Operating, administrative and servicing fees	4.3	99
Other operational expenses		1
Bank interest		8
<b>Total expenses</b>		<b>498</b>
<b>Net gains from investments</b>		<b>356</b>
Realised losses on investments		(11,206)
Realised gains on forward currency exchange contracts		101
Realised losses on future contracts		(181)
Realised currency exchange gains		105
<b>Net realised losses</b>		<b>(11,181)</b>
Decrease in unrealised depreciation on investments		8,975
Decrease in unrealised appreciation on forward currency exchange contracts		(126)
Unrealised currency exchange losses		(7)
<b>Net unrealised gains</b>		<b>8,842</b>
<b>Net decrease in assets as a result of operations</b>		<b>(1,983)</b>

## Share Transactions

For the period from 1 July 2017 to 7 December 2017

	A-2 <sup>A</sup>	I-1 <sup>A</sup>	I-2 <sup>A</sup>	X-2 <sup>A</sup>	Z-2 <sup>A</sup>
Shares outstanding at the beginning of the period	3,276,857	337,109	17,498	82,823	770,258
Shares issued during the period	21,816	-	156	-	81,232
Shares redeemed during the period	(3,298,673)	(337,109)	(17,654)	(82,823)	(851,490)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 7 December 2017.

The accompanying notes form an integral part of these financial statements.

# Global Bond

For the six months ended 31 December 2017

## Performance

For six months ended 31 December 2017, the value of the Global Bond – Z Accumulation shares increased by 2.48% compared to an increase of 2.86% in the benchmark, Bloomberg Barclays Capital Global Aggregate Bond Index.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

US Treasury yields trended lower for most of the first three months of the review period. They touched a low of 2.04% in the first week of September as a result of tepid inflation, tensions between US and North Korea, and the fallout from a series of hurricanes struck the Caribbean.

At the September Federal Open Market Committee (FOMC) meeting, the start of balance sheet normalisation was confirmed for October. Outgoing Federal Reserve (Fed) chair Janet Yellen ascribed the recent inflation undershoots to transitory factors. In December the FOMC voted 7-2 in favour of raising the Fed funds target range by 25 basis points (bp) to 1.25-1.50%. The median dots for 2018 continued to show three interest rate hikes in 2018 and two in 2019. The US curve flattened as shorter dated maturities underperformed, while the 10-year yield closed 2017 at 2.40%. Jerome Powell, was announced as the new Fed Chair, and is due to replace Janet Yellen in February. He is thought to represent the most continuity for policy and has been a centrist on the committee during his existing tenure on the FOMC. Details of the Republican tax reform package were released in September, and in December Congress passed its long awaited tax reform bill. This features \$1.5 trillion of cuts over the next decade, a reduction in the corporate tax rate to 21% and a top individual tax rate of 37%.

The European Central Bank (ECB) announced at its October meeting that it would taper asset purchases from €60 billion to €30 billion (bn) as of January 2018 and extend the programme by nine months or longer. Political risks returned to the fore. In Catalonia's regional elections in December, separatist parties retained a slim majority. In Germany, coalition negotiations are ongoing after the country's general election. Former coalition partners SPD are in talks with Angela Merkel's Christian Democratic Union (CDU) /Christian Social Union (CSU) in a bid to resolve the impasse.

In the UK, the Bank of England voted unanimously to keep policy unchanged. Nevertheless, the outlook for policy still remains highly sensitive to Brexit. The UK finally reached an agreement with EU on its divorce terms. It will commit to continued 'regulatory alignment' with the EU to avoid the Irish border dispute. The deal also requires the UK to honour outstanding EU liabilities, with a net payment estimated around €45-55 bn. These terms pave the way for trade talks, with emphasis on a two-year transition period.

In Japan, incumbent Prime Minister Shinzo Abe won a convincing victory in the snap general election. The yen weakened following the result, partly driven by expectations of continued very easy policy by the Bank of Japan as it was assumed that Kuroda would remain as Governor.

The Bank of Canada raised its policy rate by 25 bp in July, surprising again in September and driving another leg of sell-off in Canadian rates. Governor Poloz later moderated their policy outlook to being data dependent, suggesting that these hikes were only reversing emergency cuts that followed the oil price slump in 2014. Noting uncertainty over NAFTA negotiations and given softness in Canadian data recently it was not surprising that that central bank adopted a more cautious tone and remained on hold in October at 1%.

## Portfolio review

The portfolio underperformed relative to benchmark over the review period. The Fund's long US 10-year position - which was initiated as hedge against the risk-off moves in September - was the biggest drag to performance as weather-related risks dissipated. This prompted a sharp selloff in government bonds, which continued as momentum gained behind Trump's tax reform plans. These losses were partially offset by an underweight to US shorter-dated bonds as the Fed indicated it would raise interest rates in December.

A long Canada position on spread versus Germany, the UK and the US detracted as the Bank of Canada validated its hawkish stance by raising interest rates twice, in July and September. These losses were partially offset by an overweight to Australia in outright duration and on spread versus the US. Inflation strategies were neutral for performance as gains from a long US breakeven were offset by a short European breakevens trade. In currencies, the Fund's overweight to US dollar was a drag, particularly versus the euro, Chinese yuan and yen as global growth outside of the US firmed. These losses were partially offset by long euro trades versus the Israeli shekel and New Zealand dollar.

Corporate bonds delivered a positive contribution. Outperformance was driven by a modest overweight credit position and good security selection.

Despite some spread widening in peripheral names in the aftermath of the Catalan independence referendum, the Fund's financial holdings generated strong performance. Banking financials were top performers as spreads from issuers lower down the capital structure tightened relative to senior bonds.

Industrials generated further outperformance. This was driven by a positive tone in the corporate market and oil ending the period over \$60 per barrel (West Texas Intermediate).

Within industrials, utilities, consumer non-cyclicals and telecommunications were the Fund's best performing sectors. Performance was detracted by the portfolio's underweight to basic industrials and capital goods. However, good security selection within basic industrials helped mitigate this underperformance.

## Outlook

The Fund will merge into the Aberdeen Global – Global Bond Fund on 23rd March 2018.

## Global Credit Team

January 2018

# Global Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	1,167,211
Cash at bank		28,310
Amounts held at futures clearing houses and brokers		5,430
Interest receivable		7,045
Receivable for investments sold		802
Unrealised gains on future contracts	2.7	1,371
Other assets		12
<b>Total assets</b>		<b>1,210,181</b>
<b>Liabilities</b>		
Payable for investments purchased		2,985
Taxes and expenses payable		263
Redemptions payable		114
Unrealised losses on forward currency exchange contracts	2.6	412
Unrealised losses on swap contracts	2.8	1,156
<b>Total liabilities</b>		<b>4,930</b>
<b>Net assets at the end of the period</b>		<b>1,205,251</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		1,099,932
Net gains from investments		9,545
Net realised gains		3,959
Net unrealised gains		12,184
Proceeds from shares issued		219,270
Payments for shares redeemed		(139,864)
Net equalisation received	10	225
<b>Net assets at the end of the period</b>		<b>1,205,251</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	11,081
Bank interest		89
<b>Total income</b>		<b>11,170</b>
<b>Expenses</b>		
Management fees	4.2	378
Operating, administrative and servicing fees	4.3	1,235
Other operational expenses		12
<b>Total expenses</b>		<b>1,625</b>
<b>Net gains from investments</b>		<b>9,545</b>
Realised gains on investments		891
Realised gains on forward currency exchange contracts		130
Realised losses on future contracts		(3,619)
Realised losses on swap contracts		(399)
Realised currency exchange gains		6,956
<b>Net realised gains</b>		<b>3,959</b>
Increase in unrealised appreciation on investments		11,542
Decrease in unrealised appreciation on forward currency exchange contracts		(998)
Increase in unrealised appreciation on future contracts		977
Decrease in unrealised depreciation on swap contracts		623
Unrealised currency exchange gains		40
<b>Net unrealised gains</b>		<b>12,184</b>
<b>Net increase in assets as a result of operations</b>		<b>25,688</b>

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	J-2	Z-2
Shares outstanding at the beginning of the period	8,103,336	58,949,336
Shares issued during the period	9,408,473	4,331,528
Shares redeemed during the period	(8,847,964)	(180,546)
<b>Shares outstanding at the end of the period</b>	<b>8,663,845</b>	<b>63,100,318</b>
<b>Net asset value per share</b>	<b>15.7510</b>	<b>16.9379</b>

The accompanying notes form an integral part of these financial statements.

# Global Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market					96.31%
<b>Bonds 96.31%</b>					
<b>Asset Backed Bonds / Mortgage Backed Bonds 11.25%</b>					
<b>United States 11.25%</b>					
Chase Mortgage Finance Trust Series 2005-A1	FRN	25/12/35	66,989	66	0.01
Fannie Mae Pool	4.0000	01/11/47	2,840,483	2,975	0.25
Fannie Mae Pool	3.5000	01/12/37	2,870,000	2,973	0.25
Fannie Mae Pool	4.5000	01/04/41	2,702,524	2,918	0.24
Fannie Mae Pool	3.5000	01/10/47	2,777,296	2,854	0.24
Fannie Mae Pool	3.0000	01/10/44	2,668,154	2,683	0.22
Fannie Mae Pool	3.0000	01/04/32	2,536,579	2,586	0.21
Fannie Mae Pool	3.5000	01/02/42	2,440,492	2,523	0.21
Fannie Mae Pool	3.5000	01/02/47	2,434,478	2,502	0.21
Fannie Mae Pool	4.0000	01/09/43	2,312,185	2,443	0.20
Fannie Mae Pool	3.5000	01/12/46	2,351,016	2,416	0.20
Fannie Mae Pool	3.5000	01/04/45	2,340,346	2,405	0.20
Fannie Mae Pool	3.5000	01/06/46	2,269,405	2,345	0.19
Fannie Mae Pool	3.5000	01/07/42	2,140,514	2,213	0.18
Fannie Mae Pool	4.0000	01/08/46	2,054,241	2,163	0.18
Fannie Mae Pool	3.0000	01/05/43	2,013,395	2,025	0.17
Fannie Mae Pool	4.0000	01/06/37	1,886,484	1,994	0.17
Fannie Mae Pool	4.0000	01/03/47	1,862,981	1,950	0.16
Fannie Mae Pool	2.5000	01/01/30	1,824,944	1,829	0.15
Fannie Mae Pool	4.0000	01/07/46	1,696,037	1,777	0.15
Fannie Mae Pool	4.5000	01/11/41	1,529,505	1,652	0.14
Fannie Mae Pool	4.0000	01/06/44	925,849	979	0.08
Fannie Mae Pool	4.0000	01/12/44	895,300	947	0.08
Fannie Mae Pool	3.5000	01/09/46	693,807	716	0.06
Fannie Mae Pool	3.5000	01/12/46	516,288	531	0.04
Fannie Mae Pool	5.5000	01/09/38	459,250	510	0.04
Fannie Mae Pool	5.0000	01/04/41	452,549	497	0.04
Fannie Mae Pool	5.0000	01/12/39	307,213	332	0.03
Fannie Mae Pool	5.5000	01/09/39	103,569	114	0.01
Fannie Mae Pool	5.5000	01/03/38	76,137	85	0.01
Fannie Mae Pool	6.5000	01/09/38	67,665	78	0.01
Fannie Mae Pool	5.0000	01/09/41	51,765	56	-
Fannie Mae REMICS	3.0000	25/07/46	2,836,214	2,853	0.24
Fannie Mae REMICS	3.5000	25/07/41	2,626,358	2,705	0.22
Fannie Mae REMICS	3.0000	25/12/44	2,166,708	2,186	0.18
Fannie Mae REMICS	3.0000	25/11/45	2,149,288	2,170	0.18
Fannie Mae REMICS	3.0000	25/03/46	2,005,316	2,007	0.17
Fannie Mae REMICS	3.0000	25/10/42	1,639,163	1,633	0.14
Fannie Mae REMICS	3.0000	25/07/45	883,153	892	0.07
Freddie Mac Gold Pool	3.5000	01/05/42	3,175,558	3,277	0.26
Freddie Mac Gold Pool	3.5000	01/09/47	2,942,040	3,026	0.25
Freddie Mac Gold Pool	3.5000	01/12/47	2,905,000	2,989	0.25

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Freddie Mac Gold Pool	4.5000	01/12/47	2,789,245	2,972	0.25
Freddie Mac Gold Pool	4.0000	01/03/44	2,818,013	2,959	0.25
Freddie Mac Gold Pool	3.5000	01/11/47	2,847,784	2,930	0.24
Freddie Mac Gold Pool	3.0000	01/11/46	2,623,172	2,627	0.22
Freddie Mac Gold Pool	3.0000	01/10/43	2,576,068	2,592	0.22
Freddie Mac Gold Pool	3.5000	01/06/43	2,476,175	2,560	0.21
Freddie Mac Gold Pool	3.5000	01/12/43	2,424,394	2,507	0.21
Freddie Mac Gold Pool	4.0000	01/11/47	2,132,019	2,233	0.19
Freddie Mac Gold Pool	4.5000	01/11/47	2,092,236	2,231	0.19
Freddie Mac Gold Pool	4.0000	01/12/47	2,124,691	2,226	0.18
Freddie Mac Gold Pool	3.0000	01/11/42	2,183,895	2,197	0.18
Freddie Mac Gold Pool	3.0000	01/06/43	1,849,123	1,860	0.15
Freddie Mac Gold Pool	4.0000	01/05/47	1,736,365	1,817	0.15
Freddie Mac Gold Pool	4.0000	01/03/44	1,657,713	1,748	0.15
Freddie Mac Gold Pool	2.5000	01/05/31	1,741,720	1,742	0.14
Freddie Mac Gold Pool	4.0000	01/10/41	1,488,900	1,564	0.13
Freddie Mac Gold Pool	3.5000	01/01/46	601,277	620	0.05
Freddie Mac Gold Pool	3.0000	01/07/30	300,894	307	0.03
Freddie Mac REMICS	3.0000	15/11/45	2,537,786	2,556	0.21
Freddie Mac REMICS	3.0000	15/08/41	2,315,000	2,312	0.19
Freddie Mac REMICS	3.5000	15/10/45	1,737,364	1,790	0.15
Freddie Mac REMICS	3.0000	15/08/44	865,343	875	0.07
Freddie Mac Strips	3.0000	15/08/42	2,910,183	2,876	0.24
FREMF 2011-K10 Mortgage Trust	VAR	25/11/49	3,082,000	3,207	0.26
FREMF 2011-K11 Mortgage Trust	VAR	25/12/48	1,350,000	1,406	0.12
Ginnie Mae I Pool	3.5000	15/07/45	2,644,234	2,746	0.23
Ginnie Mae I Pool	4.5000	15/12/45	287,875	303	0.03
Ginnie Mae 2015-57 AB	2.0000	20/04/45	1,181,943	1,145	0.10
Government National Mortgage Association	3.5000	20/01/34	590,502	611	0.05
GS Mortgage Securities 2008-2R	VAR	25/10/36	59,867	42	-
JP Morgan Mortgage Trust 2005-A8	FRN	25/11/35	3,872	4	-
JP Morgan Mortgage Trust 2014-IVR3	FRN	25/09/44	287,413	289	0.02
JP Morgan Resecuritization Trust Series 2009-7	VAR	27/09/36	131,575	135	0.01
Structured Asset Securities Series 2003 40A	VAR	25/01/34	386,031	388	0.03
WaMu Mortgage Pass-Through Certificates Series 2006-AR18 Trust	FRN	25/01/37	194,464	180	0.01
Wells Fargo Mortgage Backed Securities 2006-AR10 Trust	FRN	25/07/36	199,211	201	0.02
Wendys Funding 2015-1	4.0800	15/06/45	947,198	972	0.08
				<b>135,605</b>	<b>11.25</b>
<b>Total Asset Backed Bonds / Mortgage Backed Bonds</b>				<b>135,605</b>	<b>11.25</b>
<b>Corporate Bonds 33.16%</b>					
<b>Australia 0.80%</b>					
APT Pipelines	4.2000	23/03/25	2,000,000	2,080	0.17
APT Pipelines (EMTN)	2.0000	22/03/27	391,000	486	0.04
BHP Billiton Finance	VAR	22/04/76	1,170,000	1,574	0.13

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
National Australia Bank	2.2500	16/03/21	3,800,000	3,770	0.31
Telstra	3.1250	07/04/25	1,750,000	1,755	0.15
				<b>9,665</b>	<b>0.80</b>
<b>Belgium 0.27%</b>					
Anheuser-Busch InBev Finance	3.6500	01/02/26	1,700,000	1,757	0.14
Anheuser-Busch InBev Finance	4.9000	01/02/46	1,299,000	1,512	0.13
				<b>3,269</b>	<b>0.27</b>
<b>Brazil 0.13%</b>					
Petrobras Global Finance	5.2990	27/01/25	1,390,000	1,396	0.11
QGOG Atlantic / Alaskan Rigs	5.2500	30/07/18	206,250	203	0.02
				<b>1,599</b>	<b>0.13</b>
<b>Canada 0.77%</b>					
Canadian Natural Resources	3.9000	01/02/25	1,090,000	1,124	0.09
Canadian Pacific Railway	4.8000	01/08/45	792,000	946	0.08
Cenovus Energy	4.2500	15/04/27	612,000	612	0.05
Glencore Canada Financial (EMTN)	7.3750	27/05/20	2,600,000	4,007	0.33
Toyota Credit Canada	1.8000	19/02/20	3,300,000	2,612	0.22
				<b>9,301</b>	<b>0.77</b>
<b>China 0.45%</b>					
CNOOC Curtis Funding No 1	4.5000	03/10/23	1,430,000	1,524	0.13
CNPC General Capital	2.7500	14/05/19	1,660,000	1,664	0.13
Industrial & Commercial Bank of China/New York	2.4520	20/10/21	1,520,000	1,492	0.12
Yunnan Energy Investment Overseas Finance	3.7500	14/11/20	800,000	795	0.07
				<b>5,475</b>	<b>0.45</b>
<b>France 1.79%</b>					
AXA (EMTN)	VAR	PERP	615,000	838	0.07
Banque Federative du Credit Mutuel (EMTN)	2.0000	12/04/19	3,334,000	3,322	0.28
BNP Paribas	3.8000	10/01/24	1,300,000	1,347	0.11
BPCE (MTN)	2.7500	02/12/21	1,240,000	1,244	0.10
CNP Assurances	VAR	30/09/41	1,200,000	1,934	0.16
Credit Agricole	3.2500	04/10/24	1,565,000	1,557	0.13
Credit Agricole Assurances	VAR	PERP	800,000	1,099	0.09
Credit Agricole (EMTN)	2.3750	01/07/21	1,580,000	1,570	0.13
RCI Banque (EMTN)	1.8750	08/11/22	1,003,000	1,376	0.11
RCI Banque (EMTN)	0.7500	26/09/22	1,047,000	1,267	0.11
Societe Generale	VAR	PERP	2,450,000	3,388	0.29
TDF Infrastructure	2.5000	07/04/26	1,000,000	1,259	0.10
TOTAL (EMTN)	VAR	PERP	1,060,000	1,331	0.11
				<b>21,532</b>	<b>1.79</b>
<b>Germany 2.49%</b>					
ADO Properties	1.5000	26/07/24	700,000	849	0.07
Allianz	VAR	06/07/47	2,000,000	2,635	0.22

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
ATF Netherlands (EMTN)	1.8750	19/01/26	1,700,000	2,090	0.17
BMW Finance (EMTN)	0.1250	03/07/20	1,960,000	2,363	0.20
Deutsche Telekom International Finance	2.8200	19/01/22	2,350,000	2,355	0.20
Deutsche Telekom International Finance	2.2500	13/04/29	1,150,000	1,536	0.13
Eurogrid	1.8750	10/06/25	1,500,000	1,925	0.16
Grand City (EMTN)	1.3750	03/08/26	700,000	838	0.07
KFW	1.8750	30/06/20	4,000,000	3,979	0.34
KFW (EMTN)	1.2500	04/07/36	3,200,000	3,881	0.32
Unitymedia Hessen	4.0000	15/01/25	400,000	509	0.04
Volkswagen Bank (EMTN)	0.7500	15/06/23	1,406,000	1,683	0.14
Volkswagen International Finance	VAR	PERP	1,000,000	1,229	0.10
Volkswagen Leasing (EMTN)	1.1250	04/04/24	1,641,000	1,987	0.16
Vonovia Finance	VAR	PERP	1,600,000	2,105	0.17
				<b>29,964</b>	<b>2.49</b>
<b>Hong Kong 0.27%</b>					
Cheung Kong Infrastructure Finance	1.0000	12/12/24	1,062,000	1,263	0.10
Hutchison Whampoa Europe Finance 13	VAR	PERP	1,589,000	1,935	0.17
				<b>3,198</b>	<b>0.27</b>
<b>India 0.82%</b>					
Bharti Airtel International Netherlands	5.1250	11/03/23	1,950,000	2,070	0.16
HDFC Bank (EMTN)	3.0000	06/03/18	1,190,000	1,191	0.10
ICICI Bank Dubai (EMTN)	3.5000	18/03/20	1,510,000	1,525	0.13
Indian Railway Finance	3.9170	26/02/19	1,370,000	1,388	0.12
Indian Railway Finance	3.8350	13/12/27	708,000	714	0.06
NTPC (EMTN)	5.6250	14/07/21	1,310,000	1,423	0.12
ONGC Videsh	2.7500	15/07/21	1,270,000	1,629	0.13
				<b>9,940</b>	<b>0.82</b>
<b>Italy 0.41%</b>					
Enel	VAR	24/09/73	1,600,000	1,994	0.16
Italgas (EMTN)	1.6250	19/01/27	1,210,000	1,511	0.13
UniCredit (EMTN)	VAR	03/01/27	1,110,000	1,447	0.12
				<b>4,952</b>	<b>0.41</b>
<b>Japan 0.87%</b>					
Bank of Tokyo-Mitsubishi	2.3500	08/09/19	2,900,000	2,901	0.24
Sumitomo Mitsui Banking Corp	1.7620	19/10/18	4,740,000	4,733	0.39
Sumitomo Mitsui Banking Corporation	2.2500	11/07/19	2,900,000	2,900	0.24
				<b>10,534</b>	<b>0.87</b>
<b>Luxembourg 0.14%</b>					
SES	VAR	PERP	1,280,000	1,712	0.14

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>Mexico 0.20%</b>					
America Movil	VAR	06/09/73	600,000	745	0.06
Petroleos Mexicanos	5.5000	21/01/21	1,617,000	1,718	0.14
				<b>2,463</b>	<b>0.20</b>
<b>Netherlands 1.97%</b>					
ABN AMRO Bank	2.1000	18/01/19	5,218,000	5,216	0.43
ABN AMRO Bank	VAR	PERP	1,300,000	1,706	0.14
ABN AMRO Bank (EMTN)	1.0000	30/06/20	2,100,000	2,838	0.24
ABN AMRO Bank (EMTN)	VAR	18/01/28	1,600,000	2,094	0.17
Cooperatieve Rabobank	VAR	PERP	2,660,000	2,976	0.25
ING Groep	3.9500	29/03/27	1,804,000	1,884	0.16
ING Groep (EMTN)	VAR	26/09/29	1,000,000	1,206	0.10
Koninklijke	VAR	PERP	2,430,000	3,038	0.25
Rabobank Nederland (EMTN)	4.2500	13/10/21	3,350,000	2,741	0.23
				<b>23,699</b>	<b>1.97</b>
<b>New Zealand 0.18%</b>					
BNZ International Funding	2.3500	04/03/19	1,490,000	1,491	0.12
Chorus (EMTN)	1.1250	18/10/23	606,000	734	0.06
				<b>2,225</b>	<b>0.18</b>
<b>Russian Federation 0.09%</b>					
Lukoil International Finance	4.5630	24/04/23	1,000,000	1,041	0.09
<b>Spain 0.19%</b>					
FCC Aqualia	1.4130	08/06/22	1,853,000	2,276	0.19
<b>Supranational 1.31%</b>					
European Bank for Reconstruction & Development (GMTN)	1.1250	24/08/20	3,057,000	2,980	0.25
European Investment Bank	3.2500	29/01/24	3,000,000	3,125	0.26
European Investment Bank	2.3750	24/05/27	3,000,000	2,949	0.24
European Investment Bank	0.3750	14/04/26	1,000,000	1,194	0.10
European Investment Bank (EMTN)	4.0000	15/10/37	2,000,000	3,643	0.30
European Investment Bank (EMTN)	1.7500	15/09/45	1,500,000	1,957	0.16
				<b>15,848</b>	<b>1.31</b>
<b>Sweden 0.46%</b>					
Nordea Bank (EMTN)	VAR	PERP	1,702,000	1,751	0.15
Skandinaviska Enskilda Banken	2.6250	17/11/20	1,691,000	1,700	0.14
Svenska Handelsbanken (MTN)	2.4500	30/03/21	2,079,000	2,077	0.17
				<b>5,528</b>	<b>0.46</b>
<b>Switzerland 0.58%</b>					
Credit Suisse	VAR	12/09/25	946,000	1,273	0.11
Credit Suisse Sydney (MTN)	3.5000	29/04/20	960,000	765	0.06
UBS London	2.4500	01/12/20	4,947,000	4,934	0.41
				<b>6,972</b>	<b>0.58</b>

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>Thailand 0.06%</b>					
Thai Oil	3.6250	23/01/23	700,000	715	0.06
<b>United Arab Emirates 0.13%</b>					
National Bank of Abu Dhabi (EMTN)	3.0000	30/03/22	1,570,000	1,566	0.13
<b>United Kingdom 3.49%</b>					
Anglo American Capital	3.7500	10/04/22	887,000	902	0.07
Anglo American Capital	3.6250	11/09/24	794,000	791	0.07
Aviva (EMTN)	VAR	05/07/43	1,170,000	1,749	0.15
Barclays Bank	7.6250	21/11/22	1,030,000	1,168	0.10
Barclays (EMTN)	VAR	06/10/23	2,102,000	2,879	0.24
Barclays (EMTN)	VAR	07/02/28	1,036,000	1,241	0.10
Boparan Finance	5.2500	15/07/19	400,000	529	0.04
CPUK Finance	4.2500	28/02/47	323,000	447	0.04
CYBG	VAR	09/02/26	1,080,000	1,558	0.13
CYBG	VAR	22/06/25	660,000	923	0.08
DS Smith (EMTN)	2.8750	26/07/29	460,000	621	0.05
Experian Finance (EMTN)	1.3750	25/06/26	1,690,000	2,039	0.17
HBOS Capital Funding	VAR	PERP	700,000	987	0.08
HSBC	VAR	13/03/23	3,316,000	3,365	0.27
Jaguar Land Rover Automotive	5.0000	15/02/22	1,050,000	1,549	0.13
Lloyds Bank (MTN)	3.2500	01/04/20	560,000	443	0.04
Lloyds Banking	3.7500	11/01/27	1,346,000	1,370	0.11
Lloyds Banking (EMTN)	2.2500	16/10/24	1,474,000	2,017	0.17
Paragon	VAR	09/09/26	710,000	1,049	0.09
Reckitt Benckiser Treasury Services	2.7500	26/06/24	1,241,000	1,215	0.10
Royal Bank of Scotland (EMTN)	2.5000	22/03/23	1,010,000	1,310	0.11
Saga	3.3750	12/05/24	527,000	685	0.06
Santander UK	5.0000	07/11/23	1,950,000	2,088	0.17
SELP Finance	1.5000	20/11/25	1,168,000	1,399	0.12
Smiths (EMTN)	2.0000	23/02/27	450,000	561	0.05
SSE	VAR	PERP	900,000	1,269	0.11
SSE	VAR	PERP	430,000	536	0.04
Stagecoach	4.0000	29/09/25	1,010,000	1,488	0.12
Standard Chartered	2.1000	19/08/19	3,326,000	3,307	0.27
Tesco (EMTN)	6.1250	24/02/22	358,000	559	0.05
Tesco Property Finance 3	5.7440	13/04/40	366,707	590	0.05
Western Power Distribution	3.6250	06/11/23	940,000	1,373	0.11
				<b>42,007</b>	<b>3.49</b>
<b>United States 15.29%</b>					
Actavis Funding	3.8000	15/03/25	1,870,000	1,907	0.16
AIG Global Funding	2.1500	02/07/20	2,119,000	2,101	0.17
Amazon.com	3.1500	22/08/27	2,595,000	2,604	0.22
Amazon.com	4.2500	22/08/57	645,000	707	0.06
American Honda Finance (MTN)	1.2000	12/07/19	1,690,000	1,667	0.14
American International	6.2500	01/05/36	1,470,000	1,903	0.16

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
American International	4.1250	15/02/24	557,000	589	0.05
Amgen	4.4000	01/05/45	668,000	730	0.06
Amgen	2.2500	19/08/23	680,000	660	0.05
Anadarko Petroleum	6.6000	15/03/46	810,000	1,046	0.09
Apple	3.0000	09/02/24	2,369,000	2,401	0.20
Apple	2.9000	12/09/27	1,744,000	1,726	0.14
Apple	3.4500	09/02/45	900,000	881	0.07
AT&T	5.2500	01/03/37	2,203,000	2,337	0.19
AutoNation	3.5000	15/11/24	2,076,000	2,056	0.17
AutoNation	4.5000	01/10/25	1,000,000	1,048	0.09
Bank of America (EMTN)	1.6250	14/09/22	1,767,000	2,238	0.19
Bank of America (MTN)	2.5030	21/10/22	2,298,000	2,275	0.19
Bank of America (MTN)	3.2480	21/10/27	1,720,000	1,709	0.14
Brighthouse Financial	4.7000	22/06/47	1,467,000	1,503	0.12
Broadcom Cayman Finance	3.0000	15/01/22	1,500,000	1,489	0.12
Broadcom Cayman Finance	3.8750	15/01/27	850,000	838	0.07
Buckeye	3.9500	01/12/26	1,562,000	1,538	0.13
Burlington Northern Santa Fe	4.7000	01/09/45	272,000	319	0.03
Capital One Financial	3.3000	30/10/24	3,614,000	3,600	0.30
Cardinal Health	3.0790	15/06/24	584,000	576	0.05
Chevron	2.8950	03/03/24	2,000,000	2,019	0.17
Citibank	1.8500	18/09/19	6,410,000	6,372	0.52
Citigroup	VAR	24/07/23	3,540,000	3,526	0.29
Citigroup	3.3900	18/11/21	2,330,000	1,910	0.16
Comcast	3.9690	01/11/47	1,839,000	1,905	0.16
Crown Castle International	2.2500	01/09/21	1,353,000	1,331	0.11
CSC	10.8750	15/10/25	504,000	601	0.05
CVS Health	3.5000	20/07/22	853,000	870	0.07
Dominion Resources	VAR	01/07/19	712,000	718	0.06
Duke Energy Carolinas	3.7000	01/12/47	1,521,000	1,571	0.13
eBay	2.7500	30/01/23	2,951,000	2,926	0.24
Edison International	2.4000	15/09/22	824,000	807	0.07
Energy Transfer Partners	3.6000	01/02/23	1,550,000	1,553	0.13
Energy Transfer Partners	5.2000	01/02/22	1,290,000	1,378	0.11
Energy Transfer Partners	5.3000	15/04/47	570,000	568	0.05
Exelon	3.4970	01/06/22	1,393,000	1,421	0.12
Express Scripts	2.6000	30/11/20	6,204,000	6,203	0.51
Express Scripts	2.2500	15/06/19	1,660,000	1,658	0.14
Express Scripts	3.4000	01/03/27	1,360,000	1,337	0.11
FedEx	4.5500	01/04/46	1,512,000	1,667	0.14
Ford Motor Credit	5.7500	01/02/21	2,770,000	3,009	0.25
General Electric	0.8750	17/05/25	1,892,000	2,266	0.19
General Electric	4.5000	11/03/44	1,590,000	1,766	0.15
General Mills	2.6000	12/10/22	1,770,000	1,759	0.15
General Motors Financial	4.0000	06/10/26	1,400,000	1,426	0.12
Goldman Sachs	VAR	29/09/25	1,760,000	1,754	0.15
Halliburton	5.0000	15/11/45	1,735,000	2,000	0.17
Harley-Davidson	4.6250	28/07/45	1,200,000	1,309	0.11

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Harley-Davidson	3.5000	28/07/25	706,000	724	0.06
Hartford Financial Services	6.6250	30/03/40	651,000	909	0.08
HSBC Finance	6.6760	15/01/21	548,000	610	0.05
Intel	4.1000	11/05/47	1,720,000	1,900	0.16
International Paper	5.1500	15/05/46	770,000	895	0.07
JPMorgan Chase	3.1250	23/01/25	3,610,000	3,633	0.30
JPMorgan Chase	VAR	01/05/28	2,891,000	2,945	0.24
JPMorgan Chase	VAR	PERP	1,625,000	1,655	0.14
Kraft Heinz Foods	3.5000	15/07/22	1,545,000	1,582	0.13
Kroger	3.8750	15/10/46	572,000	526	0.04
Lowe's	4.0500	03/05/47	1,413,000	1,508	0.13
Marathon Oil	5.2000	01/06/45	470,000	523	0.04
Metropolitan Life Global Funding I	3.0000	19/09/27	4,170,000	4,136	0.34
Metropolitan Life Global Funding I (MTN)	4.7500	17/09/21	1,960,000	1,625	0.13
Microsoft	2.8750	06/02/24	1,023,000	1,021	0.08
Morgan Stanley	FRN	14/02/20	3,629,000	3,644	0.30
Morgan Stanley	3.1250	05/08/21	2,730,000	2,215	0.18
Morgan Stanley	3.7000	23/10/24	1,650,000	1,707	0.14
Morgan Stanley (MTN)	2.6250	17/11/21	606,000	604	0.05
MPLX	4.8750	01/06/25	855,000	918	0.08
MPLX	5.2000	01/03/47	417,000	459	0.04
Mylan	2.2500	22/11/24	920,000	1,152	0.10
Mylan	5.2500	15/06/46	1,043,000	1,147	0.10
Mylan	3.0000	15/12/18	631,000	635	0.05
Mylan	1.2500	23/11/20	500,000	615	0.05
National Rural Utilities Cooperative Finance (MTN)	2.3000	15/09/22	2,930,000	2,902	0.24
New York Life Global Funding	1.5000	24/10/19	1,210,000	1,194	0.10
Oracle	2.9500	15/11/24	2,017,000	2,033	0.17
Oracle	4.0000	15/07/46	1,900,000	2,027	0.17
Penske Truck Leasing	3.3750	01/02/22	2,125,000	2,167	0.18
Perrigo Finance	3.5000	15/12/21	1,467,000	1,495	0.12
PetSmart	7.1250	15/03/23	380,000	227	0.02
Pfizer	4.1250	15/12/46	877,000	976	0.08
Quest Diagnostics	4.7000	30/03/45	1,417,000	1,514	0.13
Ryder System (MTN)	2.2500	01/09/21	808,000	796	0.07
Sabine Pass Liquefaction	5.6250	01/03/25	775,000	856	0.07
Sabine Pass Liquefaction	4.2000	15/03/28	623,000	632	0.05
Sherwin-Williams	4.5000	01/06/47	580,000	637	0.05
Sherwin-Williams	3.1250	01/06/24	202,000	203	0.02
Shire Acquisitions Investments Ireland	2.4000	23/09/21	1,679,000	1,654	0.14
Southern Power	4.9500	15/12/46	1,970,000	2,169	0.18
Southern Power	1.9500	15/12/19	1,480,000	1,469	0.12
Texas Instruments	2.6250	15/05/24	799,000	793	0.07
Thermo Fisher Scientific	1.4000	23/01/26	930,000	1,121	0.09
Toyota Motor Credit	1.9000	08/04/21	1,834,000	1,808	0.15
Toyota Motor Credit (MTN)	1.5500	18/10/19	3,640,000	3,609	0.30
Trans-Allegheny Interstate Line	3.8500	01/06/25	985,000	1,023	0.08
United Technologies (STEP)	VAR	04/05/18	3,900,000	3,894	0.32

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
UnitedHealth	4.2500	15/04/47	661,000	729	0.06
Verizon Communications	2.8750	15/01/38	1,156,000	1,409	0.12
Verizon Communications	5.0120	21/08/54	1,158,000	1,193	0.10
Virginia Electric & Power	4.0000	15/11/46	1,158,000	1,245	0.10
Wal-Mart Stores	4.8750	19/01/39	1,325,000	2,511	0.21
Walt Disney	2.7580	07/10/24	2,560,000	2,041	0.17
Walt Disney (MTN)	3.0000	30/07/46	713,000	636	0.05
Walt Disney (MTN)	7.5500	15/07/93	502,000	608	0.05
Wells Fargo (EMTN)	1.3750	30/06/22	1,900,000	2,553	0.21
Williams Partners	5.1000	15/09/45	760,000	839	0.07
21st Century Fox America	6.4000	15/12/35	1,420,000	1,893	0.16
				<b>184,222</b>	<b>15.29</b>
<b>Total Corporate Bonds</b>				<b>399,703</b>	<b>33.16</b>
<b>Government Bonds 51.80%</b>					
<b>Australia 1.65%</b>					
Australia (Commonwealth of)	1.7500	21/11/20	25,631,000	<b>19,837</b>	<b>1.65</b>
<b>Belgium 0.66%</b>					
Belgium (Kingdom of)	0.8000	22/06/27	4,090,000	4,989	0.41
Belgium (Kingdom of)	3.7500	22/06/45	1,678,000	2,991	0.25
				<b>7,980</b>	<b>0.66</b>
<b>Canada 0.94%</b>					
Canada (Government of)	5.0000	01/06/37	9,854,000	<b>11,294</b>	<b>0.94</b>
<b>China 0.51%</b>					
China Development Bank (EMTN)	0.3750	16/11/21	5,113,000	<b>6,125</b>	<b>0.51</b>
<b>France 3.92%</b>					
France (Government of)	-	25/05/21	17,840,000	21,648	1.79
France (Government of)	1.5000	25/05/31	7,589,000	9,632	0.80
France (Government of)	0.5000	25/05/25	6,296,000	7,682	0.64
France (Government of)	3.2500	25/05/45	2,619,000	4,247	0.35
UNEDIC ASSEO (EMTN)	1.2500	28/03/27	3,200,000	4,053	0.34
				<b>47,262</b>	<b>3.92</b>
<b>Germany 4.22%</b>					
Germany (Federal Republic of)	-	08/10/21	18,300,000	22,297	1.85
Germany (Federal Republic of)	0.5000	15/02/25	8,910,000	11,006	0.91
Germany (Federal Republic of)	2.5000	15/08/46	5,035,876	7,941	0.66
Germany (Federal Republic of)	0.5000	15/08/27	4,773,000	5,771	0.48
Germany (Federal Republic of)	5.5000	04/01/31	1,687,000	3,249	0.27
Germany (Federal Republic of)	0.2500	16/10/20	500,000	614	0.05
				<b>50,878</b>	<b>4.22</b>

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>India 0.11%</b>					
Export-Import Bank of India (EMTN)	2.7500	01/04/20	1,270,000	1,270	0.11
<b>Ireland 0.28%</b>					
Ireland (Republic of)	1.0000	15/05/26	2,753,000	3,395	0.28
<b>Italy 2.61%</b>					
Italy (Republic of)	1.2000	01/04/22	9,880,000	12,151	1.01
Italy (Republic of)	1.5000	01/06/25	8,540,000	10,216	0.85
Italy (Republic of)	1.6500	01/03/32	5,154,000	5,603	0.46
Italy (Republic of)	2.7000	01/03/47	3,159,000	3,455	0.29
				31,425	2.61
<b>Japan 16.10%</b>					
Japan (Government of)	1.1000	20/03/21	7,195,800,000	66,377	5.51
Japan (Government of)	2.1000	20/06/29	4,421,500,000	48,093	3.99
Japan (Government of)	0.4000	20/03/25	4,467,250,000	40,943	3.40
Japan (Government of)	1.5000	20/03/45	1,667,500,000	17,529	1.45
Japan (Government of)	2.4000	20/03/37	1,286,850,000	15,311	1.27
Japan (Government of) (INDX)	0.1000	10/03/24	604,500,000	5,806	0.48
				194,059	16.10
<b>Mexico 0.52%</b>					
Mexico (Government of)	10.0000	05/12/24	109,172,000	6,299	0.52
<b>Netherlands 0.44%</b>					
Netherlands (Kingdom of)	0.7500	15/07/27	2,702,000	3,312	0.28
Netherlands (Kingdom of)	2.7500	15/01/47	1,200,000	1,962	0.16
				5,274	0.44
<b>South Korea 0.20%</b>					
Korea Water Resources	2.7500	23/05/22	2,440,000	2,405	0.20
<b>Spain 2.19%</b>					
Spain (Kingdom of)	1.6000	30/04/25	14,177,000	17,826	1.49
Spain (Kingdom of)	0.7500	30/07/21	5,608,000	6,899	0.57
Spain (Kingdom of)	5.1500	31/10/44	926,000	1,620	0.13
				26,345	2.19
<b>Sweden 0.19%</b>					
Svensk Exportkredit (EMTN)	VAR	14/11/23	2,315,000	2,308	0.19
<b>Turkey 0.13%</b>					
Turkey (Republic of)	6.7500	03/04/18	1,600,000	1,618	0.13
<b>United Kingdom 3.50%</b>					
UK Treasury	4.2500	07/12/49	7,382,076	16,165	1.34
UK Treasury	3.7500	07/09/21	5,332,000	8,047	0.67

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
UK Treasury	4.2500	07/06/32	3,954,000	7,249	0.60
UK Treasury	2.7500	07/09/24	4,363,000	6,601	0.55
UK Treasury	4.7500	07/12/38	1,975,000	4,099	0.34
				<b>42,161</b>	<b>3.50</b>
<b>United States 13.63%</b>					
Bay Area California Toll Authority	6.7930	01/04/30	280,000	346	0.03
US Treasury	1.3750	30/04/21	36,317,000	35,536	2.96
US Treasury	2.1250	15/05/25	26,262,900	25,867	2.15
US Treasury	1.7500	15/05/22	20,734,000	20,402	1.69
US Treasury	2.5000	15/02/45	20,386,300	19,439	1.61
US Treasury	2.3750	15/05/27	10,633,000	10,604	0.88
US Treasury	0.7500	15/08/19	9,615,800	9,447	0.78
US Treasury	1.0000	15/11/19	9,105,800	8,960	0.74
US Treasury	3.8750	15/08/40	6,845,200	8,250	0.68
US Treasury	5.3750	15/02/31	5,020,000	6,672	0.55
US Treasury	0.8750	31/03/18	5,795,000	5,788	0.48
US Treasury	5.2500	15/11/28	2,000,000	2,538	0.21
US Treasury	1.7500	30/06/22	2,530,000	2,485	0.21
US Treasury	1.2500	31/03/21	2,524,000	2,462	0.20
US Treasury	1.3750	15/09/20	1,925,000	1,898	0.16
US Treasury	4.5000	15/02/36	1,200,000	1,545	0.13
US Treasury	1.3750	30/09/20	1,117,800	1,101	0.09
US Treasury	2.8750	15/08/45	893,000	916	0.08
				<b>164,256</b>	<b>13.63</b>
<b>Total Government Bonds</b>				<b>624,191</b>	<b>51.80</b>
<b>Municipal Bonds 0.10%</b>					
<b>United States 0.10%</b>					
Chicago Illinois Transit Authority	6.2000	01/12/40	900,000	1,174	0.10
<b>Total Municipal Bonds</b>				<b>1,174</b>	<b>0.10</b>
<b>Total Bonds</b>				<b>1,160,673</b>	<b>96.31</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market</b>				<b>1,160,673</b>	<b>96.31</b>
<b>Other transferable securities and money market instruments 0.54%</b>					
<b>Bonds 0.54%</b>					
<b>Asset Backed Bonds / Mortgage Backed Bonds 0.04%</b>					
<b>United States 0.04%</b>					
Securitized Asset Backed NIM Trust 2005-FR4	6.0000	25/01/36	141,742	-	-
STARM Mortgage Loan Trust 2007-2	FRN	25/04/37	188,561	159	0.01
WaMu Mortgage Pass-Through Certificates Series 2006-AR16 Trust	FRN	25/12/36	319,071	307	0.03
				<b>466</b>	<b>0.04</b>

# Global Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Total Asset Backed Bonds / Mortgage Backed Bonds				466	0.04
Corporate Bonds 0.33%					
Germany 0.27%					
Daimler Finance North America	2.2000	30/10/21	3,390,000	3,331	0.27
Netherlands 0.06%					
ABN AMRO Bank (MTN)	3.2500	09/04/20	930,000	736	0.06
Total Corporate Bonds				4,067	0.33
Government Bonds 0.17%					
South Korea 0.17%					
Export-Import Bank of Korea (MTN)	4.2500	21/05/20	2,500,000	2,005	0.17
Total Government Bonds				2,005	0.17
Total Bonds				6,538	0.54
Total Other transferable securities and money market instruments				6,538	0.54

## Derivatives (0.02%)

### Future contracts 0.11%

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US Long Bond	20/03/18	10	11	-
CBT US Ultra Bond	20/03/18	(33)	(34)	-
CBT US 10 Year Note	20/03/18	(106)	65	0.01
CBT US 10 Year Ultra	20/03/18	439	(23)	-
CBT US 2 Year Note	29/03/18	53	(21)	-
CBT US 5 Year Note	29/03/18	(693)	325	0.03
EUX Euro-Bobl	08/03/18	100	(82)	(0.01)
EUX Euro-Bund	08/03/18	163	(271)	(0.02)
EUX Euro-Buxl 30 Year Bond	08/03/18	(3)	2	-
EUX Euro-OAT	08/03/18	(185)	422	0.04
EUX Euro-Schatz	08/03/18	174	(28)	-
EUX Eyro-BTP	08/03/18	(333)	1,250	0.09
ICE Long Gilt	27/03/18	(48)	(60)	(0.01)
KFE Korea 3 Year Bond	20/03/18	580	(119)	(0.01)
MSE Canada 10 Year Bond	20/03/18	54	(86)	(0.01)
OSE Japan 10 Year Bond	13/03/18	(30)	19	-
SFE Australia 10 Year Bond	15/03/18	10	(9)	-
SGX 10 Year Mini JGB	12/03/18	(239)	10	-
Unrealised gains on future contracts			1,371	0.11

# Global Bond

## Forward currency exchange contracts (0.03%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays Capital	GBP	USD	10/01/18	1,874,000	2,475,928	60	-
Barclays Capital	JPY	USD	10/01/18	94,640,000	832,293	8	-
Barclays Capital	USD	GBP	10/01/18	330,320	252,000	(11)	-
Barclays Capital	USD	EUR	10/01/18	61,403	52,000	(1)	-
BNP Paribas	AUD	USD	22/01/18	361,000	282,561	-	-
BNP Paribas	DKK	USD	10/01/18	18,979,000	3,000,735	62	0.01
BNP Paribas	DKK	USD	10/01/18	5,274,000	833,863	17	-
BNP Paribas	EUR	USD	10/01/18	32,343,000	38,040,608	818	0.07
BNP Paribas	EUR	USD	10/01/18	699,000	822,773	17	-
BNP Paribas	EUR	USD	22/01/18	1,611,000	1,911,240	26	-
BNP Paribas	EUR	CZK	27/03/18	18,625,858	500,532,685	(1,145)	(0.09)
BNP Paribas	GBP	USD	22/01/18	185,000	244,575	6	-
BNP Paribas	JPY	USD	10/01/18	145,880,000	1,294,216	1	-
BNP Paribas	USD	EUR	10/01/18	6,461,708	5,441,000	(75)	(0.01)
BNP Paribas	USD	JPY	10/01/18	760,495	85,000,000	6	-
BNP Paribas	USD	GBP	10/01/18	516,436	390,000	(11)	-
BNP Paribas	USD	CHF	10/01/18	398,017	386,000	2	-
BNP Paribas	USD	JPY	10/01/18	140,831	15,950,000	(1)	-
BNP Paribas	USD	JPY	10/01/18	133,562	15,058,000	-	-
BNP Paribas	USD	EUR	10/01/18	106,430	90,000	(2)	-
Citigroup	CAD	USD	10/01/18	8,437,000	6,707,846	27	-
Citigroup	CAD	USD	10/01/18	7,057,000	5,610,676	22	-
Citigroup	CAD	USD	10/01/18	1,044,000	837,767	(4)	-
Citigroup	CAD	USD	10/01/18	823,000	641,690	15	-
Citigroup	EUR	USD	10/01/18	446,000	526,058	10	-
Citigroup	EUR	USD	10/01/18	162,000	192,351	2	-
Citigroup	GBP	USD	10/01/18	730,000	964,879	23	-
Citigroup	ILS	USD	10/01/18	5,822,000	1,659,901	18	-
Citigroup	USD	CNH	10/01/18	11,642,198	77,877,000	(312)	(0.03)
Citigroup	USD	MXN	10/01/18	3,491,054	65,568,000	145	0.01
Citigroup	USD	CAD	10/01/18	2,265,101	2,849,000	(9)	-
Citigroup	USD	EUR	10/01/18	2,079,486	1,780,000	(59)	-
Citigroup	USD	GBP	10/01/18	1,493,391	1,129,000	(34)	-
Citigroup	USD	EUR	10/01/18	899,280	759,000	(13)	-
Citigroup	USD	EUR	10/01/18	830,557	710,000	(22)	-
Citigroup	USD	AUD	10/01/18	311,296	400,000	(2)	-
Citigroup	USD	EUR	10/01/18	71,261	60,000	(1)	-
Citigroup	USD	BRL	22/02/18	5,525,169	18,264,000	50	-
Deutsche Bank	EUR	USD	10/01/18	708,000	841,588	9	-
Deutsche Bank	USD	EUR	10/01/18	605,835	512,000	(9)	-
Goldman Sachs	CAD	USD	10/01/18	515,000	403,796	7	-
Goldman Sachs	CZK	USD	10/01/18	273,719,000	12,483,194	397	0.03
Goldman Sachs	CZK	USD	10/01/18	25,978,000	1,184,749	38	-
Goldman Sachs	EUR	USD	10/01/18	5,560,000	6,544,415	136	0.01
Goldman Sachs	EUR	USD	10/01/18	2,201,000	2,595,309	49	-
Goldman Sachs	EUR	USD	10/01/18	885,000	1,045,890	17	-
Goldman Sachs	EUR	USD	10/01/18	409,000	486,736	5	-

# Global Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Goldman Sachs	GBP	USD	10/01/18	2,127,000	2,787,784	90	0.01
Goldman Sachs	GBP	USD	10/01/18	518,000	693,552	7	-
Goldman Sachs	GBP	USD	10/01/18	121,000	159,874	4	-
Goldman Sachs	JPY	USD	10/01/18	433,830,000	3,838,500	14	-
Goldman Sachs	JPY	USD	10/01/18	16,656,000	148,881	(1)	-
Goldman Sachs	RUB	USD	22/02/18	104,329,000	1,722,823	77	0.01
Goldman Sachs	SEK	USD	10/01/18	95,843,000	11,830,016	(118)	(0.01)
Goldman Sachs	SEK	USD	10/01/18	26,727,000	3,298,945	(33)	-
Goldman Sachs	SEK	USD	10/01/18	17,025,000	2,101,416	(21)	-
Goldman Sachs	SEK	EUR	10/01/18	3,403,000	347,971	(2)	-
Goldman Sachs	USD	ZAR	10/01/18	2,199,130	30,257,000	(242)	(0.02)
Goldman Sachs	USD	GBP	10/01/18	1,332,328	1,002,000	(24)	-
Goldman Sachs	USD	EUR	10/01/18	1,113,940	942,000	(18)	-
Goldman Sachs	USD	EUR	10/01/18	647,043	556,000	(21)	-
Goldman Sachs	USD	JPY	10/01/18	534,750	60,583,000	(3)	-
Goldman Sachs	USD	GBP	10/01/18	226,564	173,000	(8)	-
Goldman Sachs	USD	EUR	10/01/18	205,225	174,000	(4)	-
HSBC	AUD	USD	10/01/18	903,000	691,577	15	-
HSBC	AUD	USD	10/01/18	296,000	231,820	-	-
HSBC	AUD	USD	10/01/18	281,000	217,663	2	-
HSBC	CAD	JPY	10/01/18	14,666,000	1,317,490,778	7	-
HSBC	CAD	USD	10/01/18	1,624,000	1,267,417	29	-
HSBC	EUR	USD	10/01/18	1,919,000	2,232,492	73	0.01
HSBC	EUR	USD	10/01/18	654,000	772,301	13	-
HSBC	EUR	USD	10/01/18	356,000	422,661	5	-
HSBC	THB	USD	10/01/18	27,774,000	843,874	9	-
HSBC	USD	NZD	10/01/18	396,076	571,000	(10)	-
HSBC	USD	AUD	10/01/18	199,347	261,000	(5)	-
HSBC	USD	EUR	10/01/18	147,505	124,000	(1)	-
HSBC	ZAR	USD	10/01/18	30,257,000	2,172,674	268	0.02
JPM Chase	AUD	CAD	10/01/18	15,841,000	15,405,911	92	0.01
JPM Chase	AUD	USD	10/01/18	1,216,000	918,047	33	-
JPM Chase	CAD	AUD	10/01/18	15,423,827	15,646,000	74	0.01
JPM Chase	EUR	SEK	10/01/18	20,287,000	201,662,437	(270)	(0.02)
JPM Chase	EUR	USD	10/01/18	2,487,000	2,933,556	54	-
JPM Chase	EUR	USD	10/01/18	515,000	612,209	7	-
JPM Chase	JPY	USD	10/01/18	333,742,000	2,966,849	(3)	-
JPM Chase	KRW	USD	22/02/18	445,594,000	398,738	18	-
JPM Chase	NZD	USD	10/01/18	1,309,000	926,466	4	-
JPM Chase	NZD	USD	10/01/18	568,000	402,011	2	-
JPM Chase	PLN	USD	10/01/18	9,152,000	2,488,404	145	0.01
JPM Chase	SEK	EUR	10/01/18	97,731,443	10,055,000	(138)	(0.01)
JPM Chase	SGD	USD	10/01/18	2,208,000	1,617,914	34	-
JPM Chase	SGD	USD	10/01/18	560,000	410,341	9	-
JPM Chase	USD	CZK	10/01/18	1,175,767	25,708,000	(34)	-
JPM Chase	USD	EUR	10/01/18	1,022,971	869,000	(21)	-
JPM Chase	USD	CAD	10/01/18	935,810	1,173,000	(1)	-
JPM Chase	USD	CAD	10/01/18	752,879	940,000	3	-

# Global Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
JPM Chase	USD	EUR	10/01/18	550,639	471,000	(15)	-
JPM Chase	USD	JPY	10/01/18	149,755	17,028,000	(1)	-
Merrill Lynch	USD	JPY	10/01/18	6,390,213	725,116,000	(49)	-
Morgan Stanley	CHF	USD	10/01/18	5,471,000	5,619,937	(2)	-
Morgan Stanley	CHF	USD	10/01/18	2,116,000	2,173,604	(1)	-
Morgan Stanley	EUR	USD	10/01/18	1,330,000	1,571,533	26	-
Morgan Stanley	EUR	USD	10/01/18	797,000	953,042	5	-
Morgan Stanley	HUF	USD	10/01/18	239,911,000	904,528	25	-
Morgan Stanley	JPY	USD	10/01/18	1,780,930,000	15,850,341	(35)	-
Morgan Stanley	JPY	USD	10/01/18	1,630,213,000	14,496,311	(19)	-
Morgan Stanley	KRW	USD	22/02/18	14,410,595,000	13,088,660	398	0.03
Morgan Stanley	NOK	USD	10/01/18	9,450,000	1,181,706	(26)	-
Morgan Stanley	USD	EUR	10/01/18	68,856,583	58,546,000	(1,483)	(0.11)
Morgan Stanley	USD	JPY	10/01/18	18,474,718	2,077,613,000	24	-
Morgan Stanley	USD	JPY	10/01/18	8,843,242	989,640,000	55	-
Morgan Stanley	USD	EUR	10/01/18	8,172,985	6,931,000	(154)	(0.01)
Morgan Stanley	USD	GBP	10/01/18	1,554,986	1,180,000	(42)	-
Morgan Stanley	USD	EUR	10/01/18	1,413,189	1,209,000	(39)	-
Royal Bank of Canada	CAD	USD	22/01/18	557,000	443,298	1	-
Royal Bank of Canada	CZK	EUR	27/03/18	500,532,685	18,805,000	931	0.08
Royal Bank of Canada	EUR	GBP	10/01/18	10,198,000	8,992,392	85	0.01
Royal Bank of Canada	EUR	USD	10/01/18	5,857,000	6,888,347	149	0.01
Royal Bank of Canada	GBP	USD	10/01/18	9,243,000	12,114,449	393	0.03
Royal Bank of Canada	JPY	USD	22/01/18	31,990,000	283,698	1	-
Royal Bank of Canada	SEK	USD	10/01/18	2,278,000	270,287	8	-
Royal Bank of Canada	USD	GBP	10/01/18	12,065,954	9,206,000	(391)	(0.03)
Royal Bank of Canada	USD	AUD	10/01/18	10,298,462	13,268,000	(79)	(0.01)
Royal Bank of Canada	USD	AUD	10/01/18	824,312	1,062,000	(6)	-
Royal Bank of Canada	USD	AUD	10/01/18	751,350	968,000	(6)	-
Royal Bank of Canada	USD	AUD	10/01/18	622,504	798,000	(2)	-
Royal Bank of Canada	USD	EUR	10/01/18	361,130	309,000	(10)	-
Royal Bank of Canada	USD	SEK	10/01/18	320,186	2,570,000	6	-
State Street	CAD	USD	10/01/18	1,078,000	847,071	13	-
State Street	CAD	USD	10/01/18	567,000	452,133	-	-
State Street	EUR	USD	10/01/18	2,711,000	3,205,695	51	-
State Street	EUR	USD	10/01/18	1,644,000	1,918,194	57	-
State Street	EUR	USD	10/01/18	860,000	1,025,356	8	-
State Street	JPY	CAD	10/01/18	1,335,394,828	15,302,000	(355)	(0.03)
State Street	SEK	EUR	10/01/18	100,186,715	10,127,000	76	0.01
State Street	SEK	EUR	10/01/18	94,789,022	9,894,000	(304)	(0.03)
State Street	USD	EUR	10/01/18	4,235,839	3,570,000	(53)	-
State Street	USD	EUR	10/01/18	2,299,775	1,950,000	(43)	-
State Street	USD	GBP	10/01/18	1,937,467	1,463,000	(42)	-
State Street	USD	JPY	10/01/18	1,152,733	129,735,000	1	-
State Street	USD	CAD	10/01/18	1,089,587	1,364,000	1	-
State Street	USD	GBP	10/01/18	744,164	563,000	(18)	-
State Street	USD	AUD	10/01/18	203,372	265,000	(4)	-
State Street	USD	JPY	10/01/18	93,346	10,464,000	-	-

# Global Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
UBS	AUD	USD	10/01/18	473,000	360,321	10	-
UBS	EUR	USD	10/01/18	2,851,000	3,335,681	90	0.01
UBS	EUR	USD	10/01/18	832,000	981,985	18	-
UBS	GBP	USD	10/01/18	1,221,000	1,653,906	(2)	-
UBS	THB	USD	10/01/18	73,142,000	2,185,692	59	-
UBS	USD	GBP	10/01/18	4,069,360	3,056,000	(66)	(0.01)
UBS	USD	EUR	10/01/18	763,214	649,000	(17)	-
UBS	USD	EUR	10/01/18	512,348	432,000	(7)	-
UBS	USD	GBP	10/01/18	439,742	335,000	(14)	-
UBS	USD	EUR	10/01/18	206,730	175,000	(4)	-
UBS	USD	EUR	10/01/18	199,922	171,000	(6)	-
Unrealised losses on forward currency exchange contracts						(412)	(0.03)

## Swaps (0.10%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays	EUR	15/04/22	45,750,000	1.1100%	EUR CPI EX TOBACCO	1,090	0.09
Barclays	EUR	15/04/27	45,750,000	EUR CPI EX TOBACCO	1.3450%	(1,495)	(0.12)
Barclays	GBP	23/11/19	151,550,000	6 Month GBP LIBOR	0.8170%	164	0.01
Barclays	GBP	15/10/21	4,900,000	UK RPI	3.4575%	(228)	(0.02)
Barclays	GBP	15/10/21	7,670,000	UK RPI	3.4580%	(357)	(0.03)
Barclays	GBP	15/10/21	11,500,000	UK RPI	3.4575%	115	0.01
Barclays	GBP	15/10/21	11,500,000	UK RPI	3.4575%	(536)	(0.04)
Barclays	GBP	15/10/21	11,960,000	UK RPI	3.4575%	(557)	(0.05)
Barclays	GBP	23/11/27	25,030,000	1.3220%	6 Month GBP LIBOR	(163)	(0.01)
Citigroup	EUR	15/04/22	13,920,000	1.1100%	EUR CPI EX TOBACCO	332	0.03
Citigroup	EUR	15/04/22	109,810,000	1.1100%	EUR CPI EX TOBACCO	2,616	0.22
Citigroup	EUR	15/04/27	13,920,000	EUR CPI EX TOBACCO	1.3450%	(455)	(0.04)
Citigroup	EUR	15/04/27	109,810,000	EUR CPI EX TOBACCO	1.3450%	(3,587)	(0.31)
Deutsche Bank	AUD	17/12/19	400,730,000	3 Month AUD BBR	2.1110%	(156)	(0.01)
Goldman Sachs	USD	10/08/47	13,790,000	3 Month USD LIBOR	2.5310%	(29)	-
Goldman Sachs	USD	10/08/22	63,920,000	3 Month USD LIBOR	1.9030%	(910)	(0.08)
Goldman Sachs	USD	10/08/27	65,900,000	2.2350%	3 Month USD LIBOR	881	0.07
Merrill Lynch	USD	26/06/19	35,080,000	1.6850%	US CPI URBAN CON	552	0.05
UBS	GBP	24/09/19	277,760,000	6 Month GBP LIBOR	0.9890%	497	0.04
UBS	GBP	22/09/22	62,420,000	1.0965%	6 Month GBP LIBOR	(337)	(0.03)
UBS	USD	24/04/19	127,400,000	1.8650%	US CPI URBAN CON	1,186	0.10
UBS	USD	26/06/19	31,360,000	1.6850%	US CPI URBAN CON	221	0.02
Unrealised losses on swap contracts						(1,156)	(0.10)
Unrealised losses on derivatives						(197)	(0.02)
Total investments						1,167,014	96.83
Other net assets						38,237	3.17
Total net assets						1,205,251	100.00

Currently forward positions are not collateralised.

# Global Government Bond

For the period ended 31 December 2017

## Performance

For six months ended 31 December 2017, the value of the Global Government Bond – J Accumulation shares increased by 2.33% compared to an increase of 2.87% in the benchmark, Citigroup World Government Bond Index.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

US Treasury yields trended lower for most of the first three months of the review period. They touched a low of 2.04% in the first week of September as a result of tepid inflation, tensions between US and North Korea, and the fallout from a series of hurricanes struck the Caribbean.

At the September Federal Open Market Committee (FOMC) meeting, the start of balance sheet normalisation was confirmed for October. Outgoing Federal Reserve (Fed) chair Janet Yellen ascribed the recent inflation undershoots to transitory factors. In December the FOMC voted 7-2 in favour of raising the Fed funds target range by 25 basis points (bp) to 1.25-1.50%. The median dots for 2018 continued to show three interest rate hikes in 2018 and two in 2019. The US curve flattened as shorter dated maturities underperformed, while the 10-year yield closed 2017 at 2.40%. Jerome Powell, was announced as the new Fed Chair, and is due to replace Janet Yellen in February. He is thought to represent the most continuity for policy and has been a centrist on the committee during his existing tenure on the FOMC. Details of the Republican tax reform package were released in September, and in December Congress passed its long awaited tax reform bill. This features \$1.5 trillion of cuts over the next decade, a reduction in the corporate tax rate to 21% and a top individual tax rate of 37%.

The European Central Bank (ECB) announced at its October meeting that it would taper asset purchases from €60 billion to €30 billion (bn) as of January 2018 and extend the programme by nine months or longer. Political risks returned to the fore. In Catalonia's regional elections in December, separatist parties retained a slim majority. In Germany, coalition negotiations are ongoing after the country's general election. Former coalition partners SPD are in talks with Angela Merkel's Christian Democratic Union (CDU) /Christian Social Union (CSU) in a bid to resolve the impasse.

In the UK, the Bank of England voted unanimously to keep policy unchanged. Nevertheless, the outlook for policy still remains highly sensitive to Brexit. The UK finally reached an agreement with EU on its divorce terms. It will commit to continued 'regulatory alignment' with the EU to avoid the Irish border dispute. The deal also requires the UK to honour outstanding EU liabilities, with a net payment estimated around €45-55bn. These terms pave the way for trade talks, with emphasis on a two-year transition period.

In Japan, incumbent Prime Minister Shinzo Abe won a convincing victory in the snap general election. The yen weakened following the result, partly driven by expectations of continued very easy policy by the Bank of Japan as it was assumed that Kuroda would remain as Governor.

The Bank of Canada raised its policy rate by 25 basis points in July, surprising again in September and driving another leg of sell-off in Canadian rates. Governor Poloz later moderated their policy outlook to being data dependent, suggesting that these hikes were only reversing emergency cuts that followed the oil price slump in 2014. Noting uncertainty over NAFTA negotiations and given softness in Canadian data recently it was not surprising that the central bank adopted a more cautious tone and remained on hold in October at 1%.

## Portfolio review

The portfolio underperformed relative to benchmark over the review period. The Fund's long US 10-year position - which was initiated as hedge against the risk-off moves in September - was the biggest drag to performance as weather-related risks dissipated. This prompted a sharp selloff in government bonds, which continued as momentum gained behind Trump's tax reform plans. These losses were partially offset by an overweight to US shorter-dated bonds as the Fed indicated it would raise interest rates in December.

A long Canada position on spread versus Germany, the UK and the US detracted as the Bank of Canada validated its hawkish stance by raising interest rates twice, in July and September. These losses were partially offset by an overweight to Australia in outright duration and on spread versus the US. Inflation strategies were neutral for performance as gains from a long US breakeven were offset by a short European breakevens trade. In currencies, the fund's overweight to US dollar was a drag, particularly versus the euro, Chinese yuan and yen as global growth outside of the US firmed. These losses were partially offset by long euro trades versus the Israeli shekel and New Zealand dollar.

## Outlook

The Fund will merge into the Aberdeen Global – Global Government Bond Fund on 23rd March 2018.

## Global Macro Team

January 2018

# Global Government Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	208,724
Cash at bank		3,661
Amounts held at futures clearing houses and brokers		375
Interest receivable		746
Unrealised gains on forward currency exchange contracts	2.6	256
Unrealised gains on future contracts	2.7	303
<b>Total assets</b>		<b>214,065</b>
<b>Liabilities</b>		
Taxes and expenses payable		48
Redemptions payable		73
Unrealised losses on swap contracts	2.8	27
<b>Total liabilities</b>		<b>148</b>
<b>Net assets at the end of the period</b>		<b>213,917</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		146,468
Net gains from investments		780
Net realised losses		(536)
Net unrealised gains		3,645
Proceeds from shares issued		104,050
Payments for shares redeemed		(40,644)
Net equalisation received	10	154
<b>Net assets at the end of the period</b>		<b>213,917</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	1,032
Bank interest		8
<b>Total income</b>		<b>1,040</b>
<b>Expenses</b>		
Management fees	4.2	29
Operating, administrative and servicing fees	4.3	229
Other operational expenses		2
<b>Total expenses</b>		<b>260</b>
<b>Net gains from investments</b>		<b>780</b>
Realised losses on investments		(338)
Realised losses on forward currency exchange contracts		(16)
Realised losses on future contracts		(443)
Realised losses on swap contracts		(60)
Realised currency exchange gains		321
<b>Net realised losses</b>		<b>(536)</b>
Increase in unrealised appreciation on investments		3,163
Increase in unrealised appreciation on forward currency exchange contracts		218
Increase in unrealised appreciation on future contracts		176
Decrease in unrealised depreciation on swap contracts		90
Unrealised currency exchange losses		(2)
<b>Net unrealised gains</b>		<b>3,645</b>
<b>Net increase in assets as a result of operations</b>		<b>3,889</b>

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	D(GBP)-1	J-2	Z-2
Shares outstanding at the beginning of the period	266,971	878,705	8,250,989
Shares issued during the period	8,561	3,849,057	4,210,077
Shares redeemed during the period	(119,377)	(4,593,108)	(96,075)
<b>Shares outstanding at the end of the period</b>	<b>156,155</b>	<b>134,654</b>	<b>12,364,991</b>
<b>Net asset value per share</b>	<b>1.0575</b>	<b>8.5718</b>	<b>17.1888</b>

The accompanying notes form an integral part of these financial statements.

# Global Government Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market					97.18%
<b>Bonds 97.18%</b>					
<b>Corporate Bonds 6.59%</b>					
<b>Australia 0.46%</b>					
National Australia Bank	2.2500	16/03/21	1,000,000	992	0.46
<b>France 0.54%</b>					
Banque Federative du Credit Mutuel (EMTN)	2.0000	12/04/19	1,155,000	1,151	0.54
<b>Japan 0.66%</b>					
Sumitomo Mitsui Banking Corp	1.7620	19/10/18	1,420,000	1,418	0.66
<b>Netherlands 0.80%</b>					
ABN AMRO Bank	2.1000	18/01/19	1,308,000	1,308	0.61
ABN AMRO Bank (EMTN)	1.0000	30/06/20	300,000	405	0.19
				1,713	0.80
<b>Switzerland 0.46%</b>					
UBS London	2.4500	01/12/20	997,000	995	0.46
<b>United Kingdom 0.26%</b>					
Standard Chartered	2.1000	19/08/19	562,000	559	0.26
<b>United States 3.41%</b>					
AIG Global Funding	2.1500	02/07/20	336,000	333	0.16
Citibank	1.8500	18/09/19	1,640,000	1,629	0.76
Express Scripts	2.6000	30/11/20	1,252,000	1,252	0.59
Morgan Stanley	FRN	14/02/20	921,000	925	0.43
New York Life Global Funding	1.5000	24/10/19	971,000	958	0.45
Southern Power	1.9500	15/12/19	1,011,000	1,003	0.47
Toyota Motor Credit (MTN)	1.5500	18/10/19	913,000	905	0.42
United Technologies (STEP)	VAR	04/05/18	274,000	274	0.13
				7,279	3.41
<b>Total Corporate Bonds</b>				<b>14,107</b>	<b>6.59</b>
<b>Government Bonds 90.59%</b>					
<b>Australia 3.80%</b>					
Australia (Commonwealth of)	1.7500	21/11/20	10,513,000	8,136	3.80
<b>Belgium 1.45%</b>					
Belgium (Kingdom of)	0.8000	22/06/27	1,525,000	1,860	0.87
Belgium (Kingdom of)	3.7500	22/06/45	697,559	1,244	0.58
				3,104	1.45
<b>Canada 0.82%</b>					
Canada (Government of)	5.0000	01/06/37	1,525,000	1,748	0.82

# Global Government Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>China 0.39%</b>					
China Development Bank (EMTN)	0.3750	16/11/21	696,000	834	0.39
<b>France 8.59%</b>					
France (Government of)	-	25/05/21	7,218,259	8,759	4.10
France (Government of)	0.5000	25/05/25	3,305,845	4,034	1.89
France (Government of)	1.5000	25/05/31	2,989,000	3,794	1.77
France (Government of)	3.2500	25/05/45	1,098,000	1,780	0.83
				<b>18,367</b>	<b>8.59</b>
<b>Germany 7.89%</b>					
Germany (Federal Republic of)	-	08/10/21	6,264,586	7,634	3.56
Germany (Federal Republic of)	0.2500	15/02/27	4,081,000	4,855	2.27
Germany (Federal Republic of)	2.5000	15/08/46	1,609,000	2,537	1.19
Germany (Federal Republic of)	0.5000	15/02/25	610,000	753	0.35
Germany (Federal Republic of)	5.5000	04/01/31	361,000	695	0.33
Germany (Federal Republic of)	0.2500	16/10/20	330,000	405	0.19
				<b>16,879</b>	<b>7.89</b>
<b>Ireland 0.54%</b>					
Ireland (Republic of)	1.0000	15/05/26	941,000	1,161	0.54
<b>Italy 6.50%</b>					
Italy (Republic of)	1.2000	01/04/22	4,659,000	5,730	2.67
Italy (Republic of)	1.5000	01/06/25	3,515,000	4,205	1.97
Italy (Republic of)	1.6500	01/03/32	2,163,000	2,351	1.10
Italy (Republic of)	2.7000	01/03/47	1,479,000	1,618	0.76
				<b>13,904</b>	<b>6.50</b>
<b>Japan 21.57%</b>					
Japan (Government of)	1.1000	20/03/21	1,615,750,000	14,903	6.96
Japan (Government of)	2.1000	20/06/29	1,275,500,000	13,874	6.49
Japan (Government of)	0.4000	20/03/25	608,900,000	5,581	2.61
Japan (Government of)	2.4000	20/03/37	433,450,000	5,157	2.41
Japan (Government of)	1.5000	20/03/45	429,350,000	4,513	2.11
Japan (Government of) (INDX)	0.1000	10/03/24	220,200,000	2,115	0.99
				<b>46,143</b>	<b>21.57</b>
<b>Mexico 1.24%</b>					
Mexico (Government of)	10.0000	05/12/24	46,086,000	2,659	1.24
<b>Netherlands 1.04%</b>					
Netherlands (Kingdom of)	0.7500	15/07/27	1,169,000	1,433	0.67
Netherlands (Kingdom of)	2.7500	15/01/47	480,000	785	0.37
				<b>2,218</b>	<b>1.04</b>

# Global Government Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>Spain 4.63%</b>					
Spain (Kingdom of)	1.6000	30/04/25	6,165,000	7,752	3.62
Spain (Kingdom of)	0.7500	30/07/21	1,304,000	1,604	0.75
Spain (Kingdom of)	5.1500	31/10/44	317,000	555	0.26
				<b>9,911</b>	<b>4.63</b>
<b>Sweden 0.51%</b>					
Svensk Exportkredit (EMTN)	VAR	14/11/23	1,100,000	<b>1,097</b>	<b>0.51</b>
<b>United Kingdom 5.35%</b>					
UK Treasury	4.2500	07/12/49	2,027,000	4,439	2.07
UK Treasury	2.7500	07/09/24	1,421,000	2,150	1.01
UK Treasury	3.7500	07/09/21	1,400,000	2,113	0.99
UK Treasury	4.2500	07/06/32	910,000	1,668	0.78
UK Treasury	4.7500	07/12/38	515,230	1,069	0.50
				<b>11,439</b>	<b>5.35</b>
<b>United States 26.27%</b>					
US Treasury	1.7500	15/05/22	20,296,000	19,971	9.35
US Treasury	2.3750	15/05/27	11,698,000	11,666	5.46
US Treasury	2.5000	15/02/45	8,398,400	8,008	3.75
US Treasury	1.3750	30/09/20	6,568,700	6,470	3.02
US Treasury	1.0000	15/11/19	4,963,200	4,884	2.28
US Treasury	3.8750	15/08/40	2,884,000	3,476	1.62
US Treasury	1.2500	31/03/21	1,100,000	1,073	0.50
US Treasury	5.3750	15/02/31	472,000	627	0.29
				<b>56,175</b>	<b>26.27</b>
<b>Total Government Bonds</b>				<b>193,775</b>	<b>90.59</b>
<b>Total Bonds</b>				<b>207,882</b>	<b>97.18</b>
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				<b>207,882</b>	<b>97.18</b>
<b>Other transferable securities and money market instruments 0.39%</b>					
<b>Bonds 0.39%</b>					
<b>Corporate Bonds 0.39%</b>					
<b>Germany 0.39%</b>					
Daimler Finance North America	2.2000	30/10/21	857,000	<b>842</b>	<b>0.39</b>
<b>Total Corporate Bonds</b>				<b>842</b>	<b>0.39</b>
<b>Total Bonds</b>				<b>842</b>	<b>0.39</b>
<b>Total Other transferable securities and money market instruments</b>				<b>842</b>	<b>0.39</b>

# Global Government Bond

Derivatives 0.25%

Future contracts 0.14%

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US 10 Year Ultra	20/03/18	91	(10)	-
CBT US 5 Year Note	29/03/18	(105)	49	0.02
EUX Euro-Bund	08/03/18	19	(31)	(0.01)
EUX Euro-OAT	08/03/18	(31)	71	0.03
EUX Euro-BTP	08/03/18	(58)	218	0.10
OSE Japan 10 Year Bond	13/03/18	(7)	4	-
SGX 10 Year Mini JGB	12/03/18	(38)	2	-
Unrealised gains on future contracts			303	0.14

Forward currency exchange contracts 0.12%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays Capital	USD	JPY	10/01/18	1,418,494	158,360,000	12	0.01
BNP Paribas	CAD	USD	10/01/18	193,000	152,593	1	-
BNP Paribas	CAD	USD	10/01/18	128,000	99,847	2	-
BNP Paribas	DKK	USD	10/01/18	4,777,000	755,283	16	0.01
BNP Paribas	EUR	CZK	27/03/18	2,451,422	65,877,075	(151)	(0.07)
BNP Paribas	GBP	USD	10/01/18	173,000	228,538	6	-
BNP Paribas	GBP	USD	10/01/18	76,000	101,844	1	-
BNP Paribas	USD	EUR	10/01/18	19,397,612	16,322,000	(212)	(0.11)
BNP Paribas	USD	AUD	10/01/18	2,554,099	3,369,000	(81)	(0.04)
BNP Paribas	USD	JPY	10/01/18	964,057	108,029,000	5	-
BNP Paribas	USD	AUD	10/01/18	221,570	285,000	(1)	-
BNP Paribas	USD	JPY	10/01/18	157,820	17,560,000	2	-
BNP Paribas	USD	EUR	10/01/18	126,781	107,000	(2)	-
BNP Paribas	USD	EUR	10/01/18	75,947	65,000	(2)	-
Citigroup	AUD	USD	10/01/18	1,540,000	1,175,243	29	0.01
Citigroup	CAD	USD	10/01/18	1,326,000	1,054,238	4	-
Citigroup	CAD	USD	10/01/18	182,000	141,905	3	-
Citigroup	CAD	USD	10/01/18	92,000	73,826	-	-
Citigroup	CNH	USD	10/01/18	1,477,000	221,468	5	-
Citigroup	EUR	USD	10/01/18	14,834,000	17,486,979	335	0.15
Citigroup	GBP	USD	10/01/18	3,443,000	4,518,769	140	0.07
Citigroup	USD	CNH	10/01/18	1,664,324	11,133,000	(45)	(0.02)
Citigroup	USD	EUR	10/01/18	1,428,071	1,205,000	(20)	(0.01)
Citigroup	USD	JPY	10/01/18	1,337,039	151,690,000	(10)	-
Citigroup	USD	MXN	10/01/18	558,362	10,487,000	23	0.01
Citigroup	USD	AUD	10/01/18	282,752	369,000	(6)	-
Citigroup	USD	EUR	10/01/18	157,387	132,000	(1)	-
Citigroup	USD	PLN	10/01/18	74,065	267,000	(3)	-
Citigroup	USD	BRL	22/02/18	746,007	2,466,000	7	-
Deutsche Bank	EUR	USD	10/01/18	360,000	427,393	5	-
Goldman Sachs	AUD	USD	10/01/18	122,000	92,997	2	-
Goldman Sachs	CZK	USD	10/01/18	41,557,000	1,895,243	60	0.03
Goldman Sachs	JPY	USD	10/01/18	13,393,000	118,422	1	-
Goldman Sachs	SEK	USD	10/01/18	18,937,000	2,337,416	(23)	(0.01)

# Global Government Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Goldman Sachs	USD	EUR	10/01/18	2,087,437	1,767,000	(36)	(0.02)
Goldman Sachs	USD	EUR	10/01/18	1,741,226	1,462,000	(15)	(0.01)
Goldman Sachs	USD	MXN	10/01/18	1,232,616	23,864,000	15	0.01
Goldman Sachs	USD	GBP	10/01/18	393,447	297,000	(8)	-
Goldman Sachs	USD	CAD	10/01/18	156,411	195,000	1	-
Goldman Sachs	USD	SEK	10/01/18	142,339	1,184,000	(2)	-
HSBC	AUD	USD	10/01/18	119,000	91,138	2	-
HSBC	CAD	JPY	10/01/18	1,966,000	176,611,678	1	-
HSBC	CZK	USD	10/01/18	15,647,000	722,280	14	0.01
HSBC	DKK	USD	10/01/18	2,411,000	382,180	7	-
HSBC	EUR	USD	10/01/18	115,000	135,802	2	-
HSBC	JPY	USD	10/01/18	1,444,290,000	12,762,117	64	0.03
HSBC	JPY	USD	10/01/18	247,317,000	2,210,628	(14)	(0.01)
HSBC	JPY	USD	10/01/18	90,438,000	795,493	8	-
HSBC	JPY	USD	10/01/18	31,300,000	277,651	-	-
HSBC	USD	CNH	10/01/18	650,243	4,333,000	(15)	(0.01)
HSBC	USD	CAD	10/01/18	489,439	625,000	(9)	-
HSBC	USD	CZK	10/01/18	219,757	4,804,000	(6)	-
HSBC	USD	JPY	10/01/18	180,359	20,292,000	-	-
HSBC	USD	CAD	10/01/18	141,857	182,000	(3)	-
HSBC	ZAR	USD	10/01/18	9,630,000	691,504	85	0.04
JPM Chase	AUD	CAD	10/01/18	2,799,000	2,722,123	16	0.01
JPM Chase	CAD	AUD	10/01/18	2,735,595	2,775,000	13	0.01
JPM Chase	EUR	SEK	10/01/18	3,602,000	35,805,595	(48)	(0.02)
JPM Chase	GBP	USD	10/01/18	546,000	725,016	14	0.01
JPM Chase	PLN	USD	10/01/18	3,115,000	846,960	50	0.02
JPM Chase	SEK	EUR	10/01/18	12,198,206	1,255,000	(17)	(0.01)
JPM Chase	SGD	USD	10/01/18	633,000	463,831	10	-
JPM Chase	USD	GBP	10/01/18	3,276,866	2,487,000	(88)	(0.04)
JPM Chase	USD	EUR	10/01/18	1,636,214	1,403,000	(49)	(0.02)
JPM Chase	USD	JPY	10/01/18	1,138,225	128,710,000	(5)	-
JPM Chase	USD	SEK	10/01/18	148,788	1,215,000	-	-
Merrill Lynch	EUR	USD	10/01/18	2,081,000	2,461,463	39	0.02
Merrill Lynch	USD	EUR	10/01/18	609,153	515,000	(10)	-
Merrill Lynch	USD	CZK	10/01/18	142,475	3,131,000	(5)	-
Morgan Stanley	CHF	USD	10/01/18	259,000	266,051	-	-
Morgan Stanley	EUR	USD	10/01/18	1,185,000	1,384,199	40	0.02
Morgan Stanley	JPY	USD	10/01/18	275,847,000	2,442,529	7	-
Morgan Stanley	JPY	USD	10/01/18	24,536,000	218,181	-	-
Morgan Stanley	NOK	USD	10/01/18	2,833,000	354,262	(8)	-
Morgan Stanley	USD	EUR	10/01/18	1,193,343	1,012,000	(23)	(0.01)
Morgan Stanley	USD	JPY	10/01/18	495,044	55,400,000	3	-
Morgan Stanley	USD	EUR	10/01/18	427,814	366,000	(12)	(0.01)
Morgan Stanley	USD	GBP	10/01/18	212,163	161,000	(6)	-
Morgan Stanley	USD	BRL	22/02/18	289,265	966,000	-	-
Royal Bank of Canada	CZK	EUR	27/03/18	65,877,075	2,475,000	122	0.06
Royal Bank of Canada	EUR	GBP	10/01/18	1,808,000	1,594,258	15	0.01
Royal Bank of Canada	GBP	USD	10/01/18	1,117,000	1,464,009	47	0.02

# Global Government Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Royal Bank of Canada	MXN	USD	10/01/18	9,258,000	480,482	(8)	-
Royal Bank of Canada	MXN	USD	10/01/18	2,330,000	120,927	(2)	-
Royal Bank of Canada	NOK	USD	10/01/18	1,201,000	146,688	-	-
Royal Bank of Canada	SEK	USD	10/01/18	19,029,000	2,263,002	62	0.03
Royal Bank of Canada	SGD	USD	10/01/18	229,000	168,428	3	-
Royal Bank of Canada	USD	JPY	10/01/18	17,804,991	2,001,532,000	30	0.01
Royal Bank of Canada	USD	EUR	10/01/18	3,822,286	3,250,000	(82)	(0.04)
Royal Bank of Canada	USD	AUD	10/01/18	2,757,020	3,552,000	(21)	(0.01)
Royal Bank of Canada	USD	CZK	10/01/18	158,429	3,440,000	(3)	-
Royal Bank of Canada	USD	EUR	10/01/18	66,468	57,000	(2)	-
Royal Bank of Canada	ZAR	USD	10/01/18	2,742,000	188,647	33	0.02
State Street	CAD	USD	10/01/18	2,297,000	1,805,418	28	0.01
State Street	CAD	USD	10/01/18	287,000	230,349	(1)	-
State Street	EUR	USD	10/01/18	1,790,000	2,132,477	18	0.01
State Street	JPY	CAD	10/01/18	235,801,648	2,702,000	(63)	(0.03)
State Street	PLN	USD	10/01/18	915,000	253,671	10	-
State Street	SEK	EUR	10/01/18	17,708,524	1,790,000	13	0.01
State Street	SEK	EUR	10/01/18	12,703,683	1,326,000	(41)	(0.02)
State Street	USD	GBP	10/01/18	593,953	450,000	(15)	(0.01)
State Street	USD	CAD	10/01/18	296,764	375,000	(3)	-
State Street	USD	SEK	10/01/18	158,436	1,268,000	3	-
UBS	EUR	USD	10/01/18	83,000	98,741	1	-
UBS	GBP	USD	10/01/18	157,000	207,954	4	-
UBS	USD	GBP	10/01/18	355,542	269,000	(8)	-
UBS	USD	MXN	10/01/18	145,415	2,820,000	2	-
Unrealised gains on forward currency exchange contracts						256	0.12

## Swaps (0.01%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays	EUR	15/04/22	1,700,000	1.1100%	EUR CPI EX TOBACCO	41	0.02
Barclays	EUR	15/04/22	6,030,000	1.1100%	EUR CPI EX TOBACCO	144	0.07
Barclays	EUR	15/04/27	1,700,000	EUR CPI EX TOBACCO	1.3450%	(56)	(0.03)
Barclays	EUR	15/04/27	6,030,000	EUR CPI EX TOBACCO	1.3450%	(197)	(0.09)
Barclays	GBP	23/11/19	26,760,000	6 Month GBP LIBOR	0.8170%	29	0.01
Barclays	GBP	15/10/21	1,960,000	UK RPI	3.4580%	(91)	(0.04)
Barclays	GBP	15/10/21	5,050,000	UK RPI	3.4575%	51	0.02
Barclays	GBP	23/11/27	4,420,000	1.3220%	6 Month GBP LIBOR	(29)	(0.01)
Citigroup	EUR	15/04/22	10,170,000	1.1100%	EUR CPI EX TOBACCO	146	0.07
Citigroup	EUR	15/04/22	14,470,000	1.1100%	EUR CPI EX TOBACCO	345	0.16
Citigroup	EUR	15/04/27	10,170,000	EUR CPI EX TOBACCO	1.3450%	(215)	(0.10)
Citigroup	EUR	15/04/27	14,470,000	EU CPI	1.3450%	(473)	(0.22)
Deutsche Bank	AUD	17/12/19	71,040,000	3 Month AUD LIBOR	2.1110%	(28)	(0.01)

# Global Government Bond

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Goldman Sachs	USD	10/08/47	1,860,000	3 Month USD LIBOR	2.5310%	(4)	-
Goldman Sachs	USD	10/08/22	8,600,000	3 Month USD LIBOR	1.9030%	(122)	(0.06)
Goldman Sachs	USD	10/08/27	8,870,000	2.2350%	3 Month USD LIBOR	119	0.06
Merrill Lynch	USD	26/06/19	16,030,000	1.6850%	US CPI URBAN CON	113	0.05
UBS	GBP	24/09/19	11,810,000	6 Month GBP LIBOR	0.9890%	21	0.01
UBS	GBP	24/09/19	36,730,000	6 Month GBP LIBOR	0.9890%	66	0.03
UBS	GBP	15/10/21	2,070,000	UK RPI	3.4580%	21	0.01
UBS	GBP	22/09/22	2,700,000	1.0965%	6 Month GBP LIBOR	(15)	(0.01)
UBS	GBP	22/09/22	8,250,000	1.0965%	6 Month GBP LIBOR	(44)	(0.02)
UBS	USD	10/08/47	720,000	3 Month USD LIBOR	2.5310%	(2)	-
UBS	USD	24/04/19	16,800,000	1.8650%	US CPI URBAN CON	156	0.07
UBS	USD	10/08/22	3,550,000	3 Month USD LIBOR	1.9030%	(51)	(0.02)
UBS	USD	10/08/27	3,620,000	2.2350%	3 Month USD LIBOR	48	0.02
Unrealised losses on swap contracts						(27)	(0.01)
Unrealised gains on derivatives						532	0.25
Total investments						209,256	97.82
Other net assets						4,661	2.18
Total net assets						213,917	100.00

Currently forward positions are not collateralised.

# Global High Yield Bond

For the period ended 11 September 2017

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## Performance

For the reporting period of 1 July to 11 September 2017, the value of the Global High Yield Bond – A Income shares increased by 0.21% compared to an increase of 1.72% in the benchmark, Bank of America Merrill Lynch Global (BAML) High Yield Constrained Index.

Source: Aberdeen Asset Management, Lipper, and Merrill Lynch. Basis: total return, published Nav to Nav, Net of annual charges, gross income invested, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The global high-yield market performed strongly for the period of 1 July to 11 September 2017, buoyed by synchronised global economic growth and the low volatility of financial markets. There was little difference in terms of performance between United States dollar, emerging markets, euro or sterling high-yield performance. BB rated credits marginally outperformed B rated issues in the US market, but the performance was reversed in the European market. This was a typically quiet period for high-yield new-issue markets as primary issuance tends to stall during the summer months.

The basic industry, utility and energy sectors were the strongest performers within Bank of America Merrill Lynch Global (BAML) High Yield Constrained Index for the reporting period. The basic industry sector benefited from higher gold and silver prices, while the energy sector was buoyed by the rally in the Brent crude oil price, which rose more than 12% over the period. Conversely, the telecommunications and healthcare sectors were the primary market laggards.

## Portfolio review

The Fund underperformed its benchmark during the reporting period, as we sold the majority of the assets on 14 August 2017, thereby foregoing a month of capital gain and carry. The index returned 1.72% for the period.

Security selection in the consumer cyclical and media sectors weighed modestly on the Fund's performance for the period. On the positive side, the Fund's performance was bolstered by the allocation to sovereign debt, which is not represented in the benchmark index, as well as security selection in the telecommunications and energy sectors.

## Outlook

The fund closed on 11 September 2017.

## Global High Yield Team

January 2018

# Global High Yield Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Cash at bank		9
<b>Total assets</b>		<b>9</b>
<b>Liabilities</b>		
Other liabilities		9
<b>Total liabilities</b>		<b>9</b>
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		16,397
Net gains from investments		83
Net realised gains		21
Net unrealised losses		(15)
Proceeds from shares issued		14,252
Payments for shares redeemed		(30,654)
Net equalisation paid	10	(84)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 11 September 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	116
Bank interest		5
<b>Total income</b>		<b>121</b>
<b>Expenses</b>		
Management fees	4.2	29
Operating, administrative and servicing fees	4.3	9
<b>Total expenses</b>		<b>38</b>
<b>Net gains from investments</b>		<b>83</b>
Realised gains on investments		55
Realised losses on forward currency exchange contracts		(90)
Realised gains on swap contracts		76
Realised currency exchange losses		(20)
<b>Net realised gains</b>		<b>21</b>
Decrease in unrealised appreciation on investments		(54)
Decrease in unrealised depreciation on forward currency exchange contracts		109
Decrease in unrealised appreciation on swap contracts		(70)
<b>Net unrealised losses</b>		<b>(15)</b>
<b>Net increase in assets as a result of operations</b>		<b>89</b>

## Share Transactions

For the period from 1 July 2017 to 11 September 2017

	A-1 <sup>A</sup>	A-2 <sup>A</sup>	A(EUR)-1 <sup>AB</sup>	E(EUR)-1 <sup>A</sup>	E(EUR)-2 <sup>A</sup>	I-1 <sup>B</sup>
Shares outstanding at the beginning of the period	29,016	1,478	60,402	46,654	7,350	1,385,000
Shares issued during the period	1,736	1,321,966	-	-	-	-
Shares redeemed during the period	(30,752)	(1,323,444)	(60,402)	(46,654)	(7,350)	(1,385,000)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	I(EUR)-2 <sup>A</sup>	X-2 <sup>A</sup>	Z-2 <sup>B</sup>
Shares outstanding at the beginning of the period	95,421	4,800	800
Shares issued during the period	1,697	-	-
Shares redeemed during the period	(97,118)	(4,800)	(800)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 11 September 2017.

<sup>B</sup> Share class closed 14 July 2017.

<sup>A</sup> Base currency exposure share class.

The accompanying notes form an integral part of these financial statements.

# US Dollar Bond

For the six months ended 31 December 2017

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## Performance

For the six months ended 31 December 2017 of the value the US Dollar Bond – A Accumulation shares increased by 0.59% compared to an increase of 0.51% in the benchmark, JP Morgan Government Bond Index Traded USD.

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The US Federal Reserve (Fed) validated market expectations by raising the Fed funds rate by 25 basis points (bps) for a third time this year to 1.5% and signalled another three hikes in 2018. Jerome Powell was announced as the new US Federal Reserve (Fed) Chair; he will replace Janet Yellen in February. Of the potential candidates, he represents the most continuity from current Fed policy and has been a centrist on the committee during his existing tenure on the Federal Open Market Committee (FOMC).

In her last press conference, outgoing Fed chair Janet Yellen was fairly positive in her assessment of the economy. She noted that risks to growth are balanced with the threat of recession seemingly low. Most notably, she stated that a flattening yield curve was not a cause for concern as it reflects a combination of an unusually low term premium and tighter policy in a strong economy.

US treasury yields rose over the final quarter of the year while the yield curve flattened, amid growing momentum behind a tax reform bill which features \$1.5 trillion worth of cuts over the next decade. The plan will include a reduction in corporate tax rate to 21% beginning from 2018, and a top individual tax rate of 37%. Despite a solid economic backdrop, the US dollar weakened, reflecting positive growth surprises in other markets.

## Portfolio review

The Fund outperformed over the period. Spreads tightened across all sectors during the timeframe as the Fed continued to raise rates and the yield curve continued to flatten. The Fed also began to taper their purchases of Mortgage Backed Securities and Treasuries. The 2's-10's curve flattened 40 bps with front end rates jumping 50bps while 10-year rates only rose by 10bps. The long end of the yield curve was kept in check as inflation expectations remained muted during the time period. Corporates were the main driver of the outperformance with the corporate option adjusted spread tightening 16bps during the six months.

Within the portfolio, the corporate sector accounted for 0.64% of the outperformance. All other sectors also exhibited positive excess returns as well with the municipal sector contributing 0.17% and the securitised sector adding 0.10%.

## Outlook

The Fund will merge into the Aberdeen Global – US Dollar Credit Bond Fund on the 23rd February 2018.

## North American Fixed Income Team

January 2018

# US Dollar Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Investments in securities at market value	2.2	38,208
Cash at bank		218
Amounts held at futures clearing houses and brokers		19
Interest receivable		219
Subscriptions receivable		8
Receivable for investments sold		305
<b>Total assets</b>		<b>38,977</b>
<b>Liabilities</b>		
Payable for investments purchased		291
Taxes and expenses payable		39
Redemptions payable		50
Other liabilities		54
<b>Total liabilities</b>		<b>434</b>
<b>Net assets at the end of the period</b>		<b>38,543</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		42,373
Net gains from investments		280
Net realised gains		25
Net unrealised gains		46
Proceeds from shares issued		697
Payments for shares redeemed		(4,810)
Net equalisation paid	10	(14)
Dividends paid	5	(54)
<b>Net assets at the end of the period</b>		<b>38,543</b>

## Statement of Operations

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	522
Bank interest		3
<b>Total income</b>		<b>525</b>
<b>Expenses</b>		
Management fees	4.2	178
Operating, administrative and servicing fees	4.3	66
Other operational expenses		1
<b>Total expenses</b>		<b>245</b>
<b>Net gains from investments</b>		<b>280</b>
Realised gains on investments		25
<b>Net realised gains</b>		<b>25</b>
Increase in unrealised appreciation on investments		46
<b>Net unrealised gains</b>		<b>46</b>
<b>Net increase in assets as a result of operations</b>		<b>351</b>

## Share Transactions

For the period from 1 July 2017 to 31 December 2017

	A-1	A-2	J-2	X-2	Z-2 <sup>A</sup>
Shares outstanding at the beginning of the period	6,513	8,312	776	91,906	-
Shares issued during the period	161	120	-	1,902	650
Shares redeemed during the period	(805)	(867)	-	(43,960)	-
<b>Shares outstanding at the end of the period</b>	<b>5,869</b>	<b>7,565</b>	<b>776</b>	<b>49,848</b>	<b>650</b>
<b>Net asset value per share</b>	<b>1,357.3784</b>	<b>3,770.4848</b>	<b>1,950.3122</b>	<b>10.7278</b>	<b>10.0497</b>

<sup>A</sup> Share class launched 11 August 2017.

The accompanying notes form an integral part of these financial statements.

# US Dollar Bond

## Portfolio Statement

As at 31 December 2017

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market					99.13%
Bonds 99.13%					
Asset Backed Bonds / Mortgage Backed Bonds 10.59%					
United States 10.59%					
Bank of America Merrill Lynch Commercial Mortgage Securities Trust 2015-200P					
	VAR	14/04/33	200,000	203	0.53
COMM 2015-PC1 Mortgage Trust	3.9020	10/07/50	230,000	243	0.63
Commercial Mortgage Trust 2006-GG7	VAR	10/07/38	105,347	106	0.28
Fannie Mae REMICS	3.5000	25/07/41	317,961	327	0.85
Fannie Mae REMICS	3.0000	25/07/46	176,041	177	0.46
Freddie Mac REMICS	3.0000	15/11/45	675,100	680	1.75
Freddie Mac REMICS	3.0000	15/08/44	205,626	208	0.54
Freddie Mac REMICS	5.5000	15/03/37	27,572	30	0.08
FREMF 2011-K11 Mortgage Trust	VAR	25/12/48	260,000	271	0.70
FREMF 2011-K14 Mortgage Trust	VAR	25/02/47	170,000	183	0.47
Ginnie Mae 2015-57 AB	2.0000	20/04/45	149,824	145	0.38
Government National Mortgage Association	3.0000	20/05/43	237,386	240	0.62
JP Morgan Mortgage Trust 2014-IVR3	FRN	25/09/44	96,553	97	0.25
Structured Agency Credit Risk 2016-HQA2	FRN	25/11/28	250,000	257	0.67
Structured Agency Credit Risk 2016-HQA3	FRN	25/03/29	250,000	254	0.66
Synchrony Credit Card Master Note Trust	2.2200	15/01/22	500,000	501	1.30
WaMu Mortgage Pass-Through Certificates Series 2004-AR3 Trust	FRN	25/06/34	157,535	161	0.42
				4,083	10.59
Total Asset Backed Bonds / Mortgage Backed Bonds				4,083	10.59
Corporate Bonds 30.72%					
Australia 1.57%					
Australia & New Zealand Banking	2.2500	09/11/20	250,000	248	0.65
Commonwealth Bank of Australia (EMTN)	3.9000	12/07/47	80,000	82	0.21
Westpac Banking	VAR	23/11/31	145,000	150	0.39
Westpac Banking	2.7500	11/01/23	125,000	125	0.32
				605	1.57
Belgium 0.97%					
Anheuser-Busch InBev Finance	3.6500	01/02/26	290,000	300	0.78
Anheuser-Busch InBev Finance	4.9000	01/02/46	64,000	74	0.19
				374	0.97
Canada 0.97%					
Bank of Nova Scotia	VAR	PERP	174,000	172	0.45
Canadian Natural Resources	6.2500	15/03/38	90,000	113	0.29
Canadian Natural Resources	3.8000	15/04/24	86,000	89	0.23
				374	0.97

# US Dollar Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
<b>China 0.51%</b>					
State Grid Overseas Investment 2016 (EMTN)	2.2500	04/05/20	200,000	198	0.51
<b>Japan 0.93%</b>					
Mitsubishi UFJ Financial Group	2.6650	25/07/22	139,000	138	0.36
Sumitomo Mitsui Financial Group	2.7840	12/07/22	223,000	222	0.57
				360	0.93
<b>Switzerland 0.51%</b>					
UBS	VAR	15/08/23	200,000	198	0.51
<b>United Kingdom 2.33%</b>					
BAT International Finance	3.9500	15/06/25	185,000	193	0.50
BP Capital Markets	2.5200	19/09/22	410,000	408	1.06
Lloyds Banking	VAR	07/11/28	200,000	199	0.52
New England Power	3.8000	05/12/47	95,000	97	0.25
				897	2.33
<b>United States 22.93%</b>					
Altera	4.1000	15/11/23	80,000	86	0.22
Amazon.com	2.8000	22/08/24	106,000	106	0.27
Amazon.com	4.0500	22/08/47	78,000	84	0.22
American International	4.1250	15/02/24	80,000	85	0.22
Apple	2.8500	11/05/24	205,000	206	0.53
Apple	2.8500	06/05/21	145,000	147	0.38
Apple	2.9000	12/09/27	88,000	87	0.23
AT&T	5.2500	01/03/37	285,000	303	0.79
AT&T	5.1500	14/02/50	55,000	56	0.15
AutoNation	4.5000	01/10/25	255,000	267	0.69
Baker Hughes	4.0800	15/12/47	53,000	54	0.14
Bank of America	4.1000	24/07/23	135,000	143	0.37
Bank of America	VAR	21/07/28	110,000	112	0.29
BB&T (MTN)	2.8500	26/10/24	100,000	99	0.26
Brighthouse Financial	4.7000	22/06/47	92,000	94	0.24
Buckeye	4.3500	15/10/24	252,000	258	0.67
Capital One Financial	3.3000	30/10/24	108,000	108	0.28
Comcast	3.9990	01/11/49	90,000	92	0.24
Commonwealth Edison	3.7500	15/08/47	80,000	83	0.22
ConocoPhillips	5.9500	15/03/46	75,000	101	0.26
Crown Castle International	3.7000	15/06/26	100,000	100	0.26
Crown Castle Towers	6.1130	15/01/20	120,000	127	0.33
Energy Transfer Partners	4.0500	15/03/25	268,000	268	0.70
Entergy	5.1250	15/09/20	33,000	35	0.09
Entergy Louisiana Investment Recovery	2.0400	01/09/23	439,821	437	1.14
Fidelity National Information Services	5.0000	15/10/25	115,000	127	0.33
General Electric	4.5000	11/03/44	100,000	111	0.29
General Motors	6.2500	02/10/43	45,000	53	0.14
Georgia Power	4.3000	15/03/42	45,000	48	0.12

# US Dollar Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
Gilead Sciences	4.7500	01/03/46	110,000	128	0.33
Goldman Sachs	3.0000	26/04/22	50,000	50	0.13
HSBC Finance	6.6760	15/01/21	129,000	144	0.37
JPMorgan Chase	VAR	01/02/28	100,000	104	0.27
JPMorgan Chase	VAR	24/07/48	75,000	78	0.20
Kaiser Foundation Hospitals	4.1500	01/05/47	80,000	87	0.22
Kinder Morgan	5.0500	15/02/46	50,000	52	0.14
Kinder Morgan Energy	3.5000	01/09/23	187,000	188	0.49
Laboratory of America	3.6000	01/02/25	215,000	219	0.57
Monsanto	4.4000	15/07/44	100,000	107	0.28
Morgan Stanley	4.3750	22/01/47	58,000	64	0.17
Morgan Stanley (MTN)	4.3500	08/09/26	130,000	136	0.35
Oracle	2.9500	15/11/24	135,000	136	0.35
Pfizer	4.1250	15/12/46	70,000	78	0.20
Port Authority New York & New Jersey	6.0400	01/12/29	315,000	403	1.05
Progressive	4.1250	15/04/47	80,000	87	0.22
Public Service Company of New Hampshire	3.5000	01/11/23	162,000	167	0.43
Quest Diagnostics	4.7000	30/03/45	170,000	182	0.47
Raymond James Financial	5.6250	01/04/24	95,000	108	0.28
San Diego Gas & Electric	1.9140	01/02/22	66,214	65	0.17
Schlumberger	4.0000	21/12/25	117,000	123	0.32
Southwestern Electric Power	6.2000	15/03/40	125,000	167	0.43
Southwestern Public Service	3.7000	15/08/47	85,000	87	0.23
Synchrony Financial	4.2500	15/08/24	115,000	119	0.31
Synchrony Financial	3.9500	01/12/27	80,000	80	0.21
Texas Instruments	2.2500	01/05/23	140,000	137	0.36
Texas Instruments	2.6250	15/05/24	44,000	44	0.11
Time Warner Entertainment	8.3750	15/03/23	85,000	103	0.27
United Parcel Service	3.7500	15/11/47	100,000	104	0.27
United Technologies	3.7500	01/11/46	90,000	90	0.23
UnitedHealth	4.2500	15/04/47	86,000	95	0.25
Verizon Communications	5.5000	16/03/47	195,000	223	0.58
Verizon Communications	5.1500	15/09/23	140,000	156	0.40
Virginia Electric & Power	3.8000	15/09/47	85,000	88	0.23
Voya Financial	5.5000	15/07/22	87,000	96	0.25
Walt Disney (MTN)	7.5500	15/07/93	370,000	449	1.17
Wells Fargo (MTN)	VAR	22/05/28	80,000	82	0.21
21st Century Fox America	7.3000	30/04/28	102,000	132	0.34
				<b>8,835</b>	<b>22.93</b>
<b>Total Corporate Bonds</b>				<b>11,841</b>	<b>30.72</b>
<b>Government Bonds 55.81%</b>					
<b>United States 55.81%</b>					
Bay Area California Toll Authority	6.7930	01/04/30	325,000	402	1.04
US Treasury	1.7500	30/06/22	5,322,300	5,226	13.57
US Treasury	1.5000	15/06/20	3,570,000	3,535	9.18
US Treasury	1.2500	31/08/19	3,140,000	3,108	8.06

# US Dollar Bond

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value US\$'000	Total Net Assets %
US Treasury	1.5000	15/07/20	1,830,000	1,811	4.70
US Treasury	1.3750	15/09/20	1,470,000	1,449	3.76
US Treasury	4.2500	15/05/39	925,000	1,169	3.03
US Treasury	3.8750	15/08/40	950,000	1,145	2.97
US Treasury	2.7500	15/08/42	1,050,000	1,058	2.74
US Treasury	3.0000	15/02/47	847,200	891	2.31
US Treasury	2.3750	15/05/27	880,600	878	2.28
US Treasury	2.0000	30/04/24	851,800	837	2.17
				<b>21,509</b>	<b>55.81</b>
<b>Total Government Bonds</b>				<b>21,509</b>	<b>55.81</b>
<b>Municipal Bonds 2.01%</b>					
<b>United States 2.01%</b>					
Chicago Illinois Transit Authority	6.8990	01/12/40	405,000	551	1.43
New Jersey Transportation Trust Fund Authority	5.7540	15/12/28	120,000	138	0.36
State of Wisconsin	3.1540	01/05/27	85,000	86	0.22
				<b>775</b>	<b>2.01</b>
<b>Total Municipal Bonds</b>				<b>775</b>	<b>2.01</b>
<b>Total Bonds</b>				<b>38,208</b>	<b>99.13</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market</b>				<b>38,208</b>	<b>99.13</b>
<b>Total investments</b>				<b>38,208</b>	<b>99.13</b>
<b>Other net assets</b>				<b>335</b>	<b>0.87</b>
<b>Total net assets</b>				<b>38,543</b>	<b>100.00</b>

# US Dollar Credit Bond

For the period ended 7 December 2017

## Corporate activity

On 8 December 2017, Aberdeen Global II – US Dollar Credit Bond Fund merged its assets into Aberdeen Global – US Dollar Credit Bond Fund, resulting in a contribution in kind worth US\$17 million in investments and cash. Shareholders involved in the merger were given either A, I, X or Z shares in the Aberdeen Global – US Dollar Credit Bond Fund, for every 1 share previously held in the Aberdeen Global II – US Dollar Credit Bond Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind ('000)	Transfer Ratio
US Dollar Credit Bond Fund	A – 2	US Dollar Credit Bond Fund	A – 2	US\$ 2,230	1.000000
US Dollar Credit Bond Fund	I – 2	US Dollar Credit Bond Fund	I – 2	US\$ 2,248	1.000000
US Dollar Credit Bond Fund	I(EUR) – 1	US Dollar Credit Bond Fund	I(EUR) – 1	€ 7,109	1.000000
US Dollar Credit Bond Fund	X – 2	US Dollar Credit Bond Fund	X – 2	US\$ 2,246	1.000000
US Dollar Credit Bond Fund	Z – 2	US Dollar Credit Bond Fund	Z – 2	US\$ 2,265	1.000000

## Performance

For the period ended 7 December 2017, the value of the US Dollar Credit Bond Fund – A Accumulation shares increased by 2.30% compared to an increase of 1.97% for the benchmark Bloomberg Barclays U.S. Credit Index.

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The broader US fixed income market, as measured by the Bloomberg Barclays U.S. Aggregate Bond Index, recorded a modest gain for the period of 1 July to 7 December 2017. This was amid an environment of rising interest rates and generally positive US economic data reports. US Treasury yields moved higher in all but the 20- and 30-year segments of the curve. Yields on the two-, three- five- and ten-year notes rose by corresponding margins of 42, 37, 25 and 6 basis points (bps), ending the period at 1.80%, 1.92%, 2.14% and 2.37%, respectively. Consequently, the two- to five-year curve narrowed by 36 bps to 57 bps.

The US Federal Reserve (Fed) maintained its benchmark interest rate in a range of 1.00% to 1.25% over the reporting period. The minutes of the Fed's meeting of 19-20 September 2017, indicated that the Fed intends to continue to make "gradual adjustments in the stance of monetary policy." Additionally, the Fed noted that "the timing and size of future adjustments to the target range for the federal funds rate would depend on their assessment of realised and expected economic conditions relative to the [Fed's] objectives of maximum employment and 2 percent inflation."

In economic news, the US Department of Commerce reported that GDP grew by an annualised rate of 3.2% in the third quarter of 2017. The modest upturn from the 3.1% increase in the second quarter was attributable to gains in consumer spending, private inventory investment and nonresidential fixed investment. This offset declines in residential fixed investment, state and local government spending, as well as an increase in imports. US payrolls expanded by a monthly average of roughly 169,000 over the reporting period, and the unemployment rate dipped 0.2 percentage point to 4.1%. However, Hurricanes Harvey and Irma, which struck Texas and Florida in late August and early September, respectively, tempered employment growth in September. The economy added only 38,000 jobs over the month, with weakness in the food services sector, as tourism is a major contributor to the local economies in these two states.

## Portfolio review

Fund performance benefited mainly from security selection in the banking, consumer non-cyclical and electric utility sectors. Conversely, the Fund's underweight allocation to the consumer non-cyclical sector and the lack of exposure to sovereign bonds detracted modestly from performance for the period.

As of the end of the reporting period on 7 December 2017, the Fund was most overweight relative to the benchmark in US banks, where our holdings are concentrated in the senior unsecured portions of their capital structures. Bank fundamentals have continued to improve, driven by a strong regulatory environment and improving capital ratios. Additionally, the sector is less likely to experience event-driven credit risks which offer better downside protection. The Fund's largest underweight is in the government-related sectors, which offer less upside compared to the corporate sectors. The Fund ended the period with a duration of 7.25 years, in line with that of the benchmark. The Fund remained overweight to the seven- to ten-year segment of the yield curve and underweight to the zero- to five-year sector. Additionally, there was an overweight to A-rated securities and an underweight to BBB issues.

## Outlook

The Fund closed on 8 December 2017.

North American Fixed Income Team  
January 2018

# US Dollar Credit Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Cash at bank		114
<b>Total assets</b>		<b>114</b>
<b>Liabilities</b>		
Taxes and expenses payable		2
Other liabilities		112
<b>Total liabilities</b>		<b>114</b>
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		14,572
Net gains from investments		193
Net realised gains		782
Net unrealised losses		(434)
Proceeds from shares issued		2,338
Payments for shares redeemed		(17,369)
Net equalisation received	10	22
Dividends paid	5	(104)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 7 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	235
Bank interest		1
<b>Total income</b>		<b>236</b>
<b>Expenses</b>		
Management fees	4.2	27
Operating, administrative and servicing fees	4.3	16
<b>Total expenses</b>		<b>43</b>
<b>Net gains from investments</b>		<b>193</b>
Realised gains on investments		568
Realised gains on forward currency exchange contracts		174
Realised gains on future contracts		1
Realised currency exchange gains		39
<b>Net realised gains</b>		<b>782</b>
Decrease in unrealised appreciation on investments		(362)
Decrease in unrealised appreciation on forward currency exchange contracts		(74)
Decrease in unrealised depreciation on future contracts		2
<b>Net unrealised losses</b>		<b>(434)</b>
<b>Net increase in assets as a result of operations</b>		<b>541</b>

## Share Transactions

For the period from 1 July 2017 to 7 December 2017

	A-2 <sup>A</sup>	I-2 <sup>A</sup>	I(EUR)-1 <sup>^A</sup>	X-2 <sup>A</sup>	Z-2 <sup>A</sup>
Shares outstanding at the beginning of the period	200,000	200,000	495,860	200,000	200,000
Shares issued during the period	-	-	192,490	-	-
Shares redeemed during the period	(200,000)	(200,000)	(688,350)	(200,000)	(200,000)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 7 December 2017.

<sup>^</sup> Base currency exposure share class.

The accompanying notes form an integral part of these financial statements.

# US Dollar High Yield Bond

For the period ended 29 November 2017

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## Performance

For the period ended 29 November 2017, the value of the US Dollar High Yield Bond - I Accumulation shares increased by 0.50% compared to an increase of 2.11% for the benchmark Bank of America Merrill Lynch (BAML) US High Yield Master II Index.

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The US high-yield market, as measured by the benchmark BAML US High Yield Master II Index, gained 2.11% over the period of 1 July to 29 November 2017. The utility, energy and basic industry sectors were the strongest performers within the index for the period. Conversely, the healthcare and media sectors posted modestly negative returns and were the primary market laggards. US Treasury yields moved higher in all but the 30-year segment of the curve. Yields on the two-, three- five- and ten-year notes rose by corresponding margins of 40, 31, 20 and 6 basis points (bps), ending the period at 1.78%, 1.86%, 2.09% and 2.37%, respectively. Consequently, the two- to five-year curve narrowed by 34 bps to 51 bps.

The US Federal Reserve (Fed) maintained its benchmark interest rate in a range of 1.00% to 1.25% over the reporting period. The minutes of the Fed's meeting of 19-20 September 2017, indicated that the Fed intends to continue to make "gradual adjustments in the stance of monetary policy." Additionally, the Fed noted that "the timing and size of future adjustments to the target range for the federal funds rate would depend on their assessment of realised and expected economic conditions relative to the [Fed's] objectives of maximum employment and 2 percent inflation."

In economic news, the US Department of Commerce reported that GDP grew by an annualised rate of 3.3% in the third quarter of 2017. The modest upturn from the 3.1% increase in the second quarter was attributable to gains in consumer spending, private inventory investment and nonresidential fixed investment. This offset declines in residential fixed investment, state and local government spending, as well as an increase in imports. US payrolls expanded by a monthly average of roughly 169,000 over the reporting period, and the unemployment rate dipped 0.2 percentage point to 4.1%. However, Hurricanes Harvey and Irma, which struck Texas and Florida in late August and early September, respectively, tempered employment growth in September. The economy added only 38,000 jobs over the month, with weakness in the food services sector, as tourism is a major contributor to the local economies in these two states.

## Portfolio review

Fund performance was hindered by a heavy cash position (averaging roughly 18% of net assets) during the period. We maintained the above-average cash allocation in an effort to minimise trading costs given the lack of volatility in the US high-yield market over the quarter and because transaction costs are unavoidable. Security selection in the retail and healthcare sectors, and an underweight allocation to the energy sector, which performed well during the period, also weighed on fund performance. In contrast, fund performance for the period benefited mainly from an underweight to technology and electronics, as well as security selection in the media, energy and basic industry sectors.

## Outlook

The Fund closed on 29 November 2017.

## Global High Yield Team

January 2018

# US Dollar High Yield Bond

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		18,553
Net gains from investments		343
Net realised losses		(4,031)
Net unrealised gains		3,801
Proceeds from shares issued		5,488
Payments for shares redeemed		(23,812)
Net equalisation paid	10	(309)
Dividends paid	5	(33)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 29 November 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	414
Bank interest		14
<b>Total income</b>		<b>428</b>
<b>Expenses</b>		
Management fees	4.2	70
Operating, administrative and servicing fees	4.3	15
<b>Total expenses</b>		<b>85</b>
<b>Net gains from investments</b>		<b>343</b>
Realised losses on investments		(4,086)
Realised gains on forward currency exchange contracts		58
Realised losses on swap contracts		(4)
Realised currency exchange gains		1
<b>Net realised losses</b>		<b>(4,031)</b>
Decrease in unrealised depreciation on investments		3,800
Decrease in unrealised depreciation on forward currency exchange contracts		1
<b>Net unrealised gains</b>		<b>3,801</b>
<b>Net increase in assets as a result of operations</b>		<b>113</b>

## Share Transactions

For the period from 1 July 2017 to 29 November 2017

	A-1 <sup>A</sup>	A-2 <sup>A</sup>	A(EUR)-2 <sup>A</sup>	I-1 <sup>A</sup>	I-2 <sup>A</sup>	I(EUR)-2 <sup>A</sup>
Shares outstanding at the beginning of the period	201,182	413,699	59,352	40,878	325,167	25,553
Shares issued during the period	1,643	1,370	220,346	1,017	30,568	47,778
Shares redeemed during the period	(202,825)	(415,069)	(279,698)	(41,895)	(355,735)	(73,331)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	X-1 <sup>A</sup>	Z-2 <sup>B</sup>
Shares outstanding at the beginning of the period	75,569	21,427
Shares issued during the period	28	-
Shares redeemed during the period	(75,597)	(21,427)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 29 November 2017.

<sup>B</sup> Share class closed 10 October 2017.

<sup>A</sup> Base currency exposure share class.

The accompanying notes form an integral part of these financial statements.

# US Dollar Short Term Bond

For the period ended 7 December 2017

## Corporate activity

On 8 December 2017, Aberdeen Global II – US Dollar Short Term Bond Fund merged its assets into Aberdeen Global – US Dollar Short Term Bond Fund, resulting in a contribution in kind worth US\$ 70 million in investments and cash. Shareholders involved in the merger were given A shares in the Aberdeen Global – US Dollar Short Term Bond Fund, for every 1 share previously held in the Aberdeen Global II – US Dollar Short Term Bond Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind (US\$'000)	Transfer Ratio
US Dollar Short Term Bond Fund	A - 2	US Dollar Short Term Bond Fund	A - 2	4,576	1.000000
US Dollar Short Term Bond Fund	A - 2	US Dollar Short Term Bond Fund	A - 2	65,539	1.000000

## Performance

For the period ended 7 December 2017, the value of the US Dollar Short Term Bond - A Accumulation shares increased by 0.11% compared to a decrease of 0.02% in the benchmark, Citigroup US World Government Bond Index 1-3 Years.

Source: Aberdeen Asset Management and Lipper. Basis: total return, published NAV to NAV, net of annual charges, gross income reinvested, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

## Market review

The US Federal Reserve (Fed) validated market expectations by raising the fed funds rate by 25 basis points (bps) for a third time this year to 1.5% and signalled another three hikes in 2018. Jerome Powell was announced as the new US Federal Reserve (Fed) Chair; he will replace Janet Yellen in February. Of the potential candidates, he represents the most continuity from current Fed policy and has been a centrist on the committee during his existing tenure on the Federal Open Market Committee (FOMC).

US treasury yields rose over the final quarter, of the year while the yield curve flattened, amid growing momentum behind a tax reform bill which features \$1.5 trillion worth of cuts over the next decade. The plan will include a reduction in corporate tax rate to 21% beginning from 2018, and a top individual tax rate of 37%. Despite a solid economic backdrop, the US dollar weakened, reflecting positive growth surprises in other markets.

## Portfolio review

Two main themes dominated activity and positioning during the reporting period. Firstly, healthy corporate fundamentals reflecting a strong global backdrop, gave reason to maintain the Fund's overweight credit positioning. Our bias remains toward high quality names that provide high income return with low volatility, especially in light of the spread compression seen as we approached the later weeks of the year. Rotation between favoured names, primary, and secondary issuance added incremental returns to the portfolio.

The second theme was an underweight duration positioning versus the benchmark given the likelihood for a further rise in Fed Funds at the final FOMC meeting of 2017. The decision to increase the allocation to floating rate note debt added to returns during the period. This has also had established a strategic position for the start of 2018 where we expect further hikes starting in Q1 2018.

## Outlook

The Fund closed 8 December 2017.

## Money Markets Team

January 2018

# US Dollar Short Term Bond

## Statement of Net Assets

As at 31 December 2017

	Notes	US\$'000
<b>Assets</b>		
Cash at bank		42
<b>Total assets</b>		<b>42</b>
<b>Liabilities</b>		
Taxes and expenses payable		10
Other liabilities		32
<b>Total liabilities</b>		<b>42</b>
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Changes in Net Assets

For the period from 1 July 2017 to 31 December 2017

	Notes	US\$'000
Net assets at the beginning of the period		75,105
Net gains from investments		337
Net realised gains		6,522
Net unrealised losses		(6,760)
Proceeds from shares issued		3,069
Payments for shares redeemed		(78,238)
Net equalisation paid	10	(14)
Dividends paid	5	(21)
<b>Net assets at the end of the period</b>		<b>-</b>

## Statement of Operations

For the period from 1 July 2017 to 7 December 2017

	Notes	US\$'000
<b>Income</b>		
Investment income	2.3	575
Bank interest		1
<b>Total income</b>		<b>576</b>
<b>Expenses</b>		
Management fees	4.2	161
Operating, administrative and servicing fees	4.3	77
Other operational expenses		1
<b>Total expenses</b>		<b>239</b>
<b>Net gains from investments</b>		<b>337</b>
Realised gains on investments		6,598
Realised losses on future contracts		(76)
<b>Net realised gains</b>		<b>6,522</b>
Decrease in unrealised appreciation on investments		(6,775)
Decrease in unrealised depreciation on future contracts		15
<b>Net unrealised losses</b>		<b>(6,760)</b>
<b>Net increase in assets as a result of operations</b>		<b>99</b>

## Share Transactions

For the period from 1 July 2017 to 7 December 2017

	A-1 <sup>A</sup>	A-2 <sup>A</sup>
Shares outstanding at the beginning of the period	53,015	224,168
Shares issued during the period	258	9,799
Shares redeemed during the period	(53,273)	(233,967)
<b>Shares outstanding at the end of the period</b>	<b>-</b>	<b>-</b>
<b>Net asset value per share</b>	<b>-</b>	<b>-</b>

<sup>A</sup> Share class closed 7 December 2017.

The accompanying notes form an integral part of these financial statements.

# Notes to the Financial Statements

## 1 PRESENTATION OF THE FINANCIAL STATEMENTS

### 1.1 General

Aberdeen Global II ("the Company") was incorporated under the laws of the Grand Duchy of Luxembourg on 18 February 2008 as a société anonyme and qualifies as an open-ended société d'investissement à capital variable (a "SICAV") with UCITS status (an Undertaking for Collective Investment in Transferable Securities as defined in the European Union Directive 2009/65/EC of 13 July 2009). The Company comprises various classes of shares, each relating to a separate portfolio (a "Fund") consisting of securities, mutual funds, derivatives, cash and other sundry assets and liabilities.

The Company is authorised as a UCITS under part I of the law of 17 December 2010 on undertakings for collective investments, as amended.

At 31 December 2017, the Company comprises 8 separate active funds, providing shareholders with opportunities for investment in a wide variety of markets, securities and currencies.

### 1.2 Presentation of financial statements

The accompanying financial statements present the assets and liabilities of the individual Funds and of the Company taken as a whole. The financial statements of each individual Fund are expressed in the currency designated in the Prospectus for that particular Fund and the combined financial statements of the Company are expressed in United States Dollars ("US\$"). The financial statements have been prepared in accordance with the format prescribed by the Luxembourg authorities for Luxembourg investment companies.

As the financial statements are produced at a valuation point that is different from the daily Net Asset Values (NAV) calculated on 29 December 2017, the NAVs shown throughout the report may differ from those advertised on 29 December 2017 for dealing in these Funds. Those NAVs may include dividend declarations effective for the distribution on 29 December 2017 and certain accounting adjustments relating to the period ended 31 December 2017.

The combined statements were calculated on the basis of aggregation of individual Fund statements with no elimination of cross-investments if any. As of 31 December 2017, there are no cross-investments within the Company.

## 2 ACCOUNTING POLICIES

### 2.1 Accounting convention

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments.

### 2.2 Assets and portfolio securities valuation

The market value of investments has been calculated using the last available prices at close of business on 29 December 2017 quoted on stock exchanges or over-the-counter market or any other organised market on which these investments are traded or admitted for trading.

If such prices are not representative of their fair value, all such securities and all other permitted assets are valued at their fair value at which it is expected they may be resold as determined in good faith by or under the direction of the Directors.

Mortgage and other asset backed securities are independently priced using appropriate models and certain corporate bonds may be priced using indicative broker quotes.

#### Security Acronyms

CLN	Credit Linked Note	DIP	Default In Possession
EMTN	Euro Medium Term Note	FRESH	Floating Rate Equity Linked Subordinated Hybrid
FRN	Floating Rate Note	GMTN	Global Medium Term Note
INDX	Index Linked	PERP	Perpetual
PIK	Payment In Kind	PREF	Preference Bond
SINK	Sinking Bond	VAR	Variable Rate Note

### 2.3 Investment Income

Interest is accrued on a day-to-day basis. In the case of debt securities issued at discount or premium to maturity value, the total income arising on such securities, taking into account the amortisation of such discount or premium on an effective interest rate basis, is spread over the life of the security.

Interest income on bonds may be received either in cash or as a Payment in Kind ("PIK"). Where a PIK bond settles physically (either because it matures or it pays interest) the interest income is recognised as the lower of the market value and the nominal value of the settlement. In the event where there is no physical settlement, the factor change on that holding is recognised as interest income in the Statement of Operations at the point when the factor change occurs.

Dividends are accounted for on an ex-dividend basis. Interest income is stated net of irrecoverable withholding taxes, if any. Net interest received / paid on swap contracts are reflected in investment income in the Statement of Operations.

# Notes to the Financial Statements

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## 2.4 Foreign exchange

The cost of investments, income and expenses in currencies other than the Fund's relevant reporting currency have been recorded at the rate of exchange ruling at the time of the transaction. The market value of the investments and other assets and liabilities in currencies other than the relevant reporting currency has been converted at the rates of exchange ruling at 29 December 2017.

Realised and unrealised exchange differences on the revaluation of foreign currencies are taken to the Statement of Operations.

## 2.5 Realised gains and losses on investments

A realised investment gain and loss is the difference between the historical average cost of the investment and the sale proceeds.

## 2.6 Forward currency exchange contracts

Unsettled forward currency exchange contracts are valued using forward rates of exchange applicable at the balance sheet date for the remaining period until maturity. All unrealised gains and losses are recognised in the Statement of Operations. Currently forward positions are not collateralised.

## 2.7 Future contracts

Future contracts are valued at the exchange quoted price at close of business on 29 December 2017. Initial margin deposits are made in cash upon entering into future contracts. During the period the future contract is open, changes in the value of the contract are recognised as unrealised gains and losses by marking to market on a daily basis to reflect the market value of the contract at the end of each day's trading.

Variation margin payments are made or received, depending upon whether unrealised losses or gains are incurred. Variation margin payments are recorded in the futures margin account in the Statement of Net Assets and related movements on unrealised results are recorded in the Statement of Operations. When the contract is closed, the Fund records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the opening transaction.

## 2.8 Swap contracts

Funds may enter into swap agreements such as credit default swaps, interest rate swaps, swaptions, overnight index swaps and inflation-linked swaps. Gains or losses resulting from swap contracts are recognised in the Statement of Operations and Statement of Changes in Net Assets. Swaps are valued at fair value determined at close of business on 29 December 2017 using external independent third party supplied prices as determined in good faith, pursuant to procedures established by the Board of Directors.

## 3 SHARE CLASS INFORMATION

### 3.1 General

Within each Fund, the Company is entitled to create different share classes. These are distinguished by their distribution policy or by any other criteria stipulated by the Directors. Classes suffixed with a '1' are Distribution shares and classes suffixed with a '2' are Accumulation shares. Base currency exposure classes may be available. Please refer to the Prospectus for further details. For a list of current live share classes please visit [aberdeen-asset.com](http://aberdeen-asset.com)

The Fund's are valued at 13:00 hours Luxembourg time on each dealing day.

### 3.2 UK Reporting Fund Regime

UK Reporting Fund Regime Status is granted prospectively by the UK taxation authorities. It is the intention of the Board of Directors to continue to comply with the requirements of the Reporting Fund Regime for D, I, J, R, and Z shares.

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of Group 2 shares.

Annually and within six months of the year end, the Manager will publish the UK Reporting Regime Report to investors for all share classes granted reporting fund status on its website ([aberdeen-asset.com](http://aberdeen-asset.com)).

The UK Reporting Regime Report to investors for each share class can also be requested in writing by contacting Aberdeen Global Services S.A. at the Shareholder Service Centre as detailed on the back cover of this report by 31 December each year.

### 3.3 Switches

The following information applies to all Funds. Shares in one Fund may be exchanged or switched into Shares of the same or a different Class in another Fund or of a different Class in the same Fund, subject to the qualifications for investment being met, on any Dealing Day for the relevant Funds. Shares in the same Class may be switched between Accumulation and Distribution shares within the same Class. Investors may switch either a specific number of Shares or Shares of a specified value.

For full details on switching contact the Global Distributor, UK Distributor, Transfer Agent or [aberdeen.global@aberdeen-asset.com](mailto:aberdeen.global@aberdeen-asset.com)

# Notes to the Financial Statements

## 3.4 Dilution adjustment

Frequent subscriptions and redemptions can potentially have a dilutive effect on the Fund's NAV per share and be detrimental to the long term investors as a result of the transaction costs that are incurred by the Fund in relation to the trades undertaken by the Investment manager.

The Board of Directors' current policy through delegation to the Investment Managers' Investor Protection Committee (IPC) is normally to impose a dilution adjustment to the NAV of each Class of Shares. A dilution rate is applied whenever net subscriptions or net redemptions exceed a certain threshold determined by the Board of Directors (having considered prevailing market conditions).

The dilution adjustment is recorded in the relevant Fund's NAV and becomes part of the relevant Fund's dealing NAV.

The dilution adjustment is a percentage adjustment applied to each share class in a Fund on a dealing day determined on the basis of estimates of any dealing charges (including commission and/or other costs) and/or any bid/offer spread that the Board of Directors believes are appropriate to take into account in respect of that Fund. Such dealing charges will reflect costs and liabilities not included in the calculation of the NAV of the relevant share classes.

The net asset values as at 31 December 2017 disclosed in this report do not include any dilution adjustments and hence may differ from those published on 29 December 2017 for dealing into the Funds.

## 4 EXPENSES

### 4.1 Distribution fees

Class W shares are subject to an annual distributor fee of 1%. These fees are accrued daily and paid monthly in arrears.

### 4.2 Management fees

Aberdeen International Fund Managers Limited (the "Investment Manager") is entitled to receive management fees calculated on the Net Asset Value of the Funds, accrued daily.

Where a Fund invests in a collective investment which is operated or managed by the Investment Manager or an associate of the Investment Manager, no additional annual management charge will be incurred by the Fund on such an investment.

As at 31 December 2017 the following management fees were applicable:

Fund	Classes of shares (%)		
	A,C,D, E, and W	I,R,X, and Y	J
Asian Bond	1.20	0.70	0.50
Australian Dollar Bond	0.90	0.50	0.50
Canadian Dollar Bond	0.90	0.50	0.50
Emerging Markets Total Return Bond	1.50	0.75	0.75
Euro Corporate Bond	0.90	0.50	0.50
Global Bond	0.90	0.50	0.50
Global Government Bond	0.90	0.50	0.50
US Dollar Bond	0.90	0.50	0.50

Class Z shares are not subject to any investment management fee charge.

N/A indicates that the share class is not currently live.

### 4.3 Operating, Administrative and Servicing Expenses

Ordinary operating expenses incurred by the Aberdeen Global II will generally be paid out of the assets of the relevant Fund. To seek to protect the Shareholders from fluctuations in these expenses, the yearly total amount of these expenses to be borne by each Share Class (the "Operating, Administrative and Servicing Expenses"), is fixed at a maximum level of 0.60% of the Net Asset Value in respect of all Share Classes except Base Currency Exposure Share Classes in respect of which a fee of up to 0.10% may be charged in addition by the Investment Manager for providing currency exposure services. The level of effective Operating, Administrative and Servicing Expenses below these maximum levels may vary at the Board of Directors' discretion, as agreed with the Management Company, and different rates may apply across

# Notes to the Financial Statements

the Funds and Share Classes. The Board of Directors may amend the maximum fixed level of the Operating, Administrative and Servicing Expenses applicable to each Share Class at any time at their discretion upon prior notice to relevant Shareholders.

In order to pass on economies of scales achieved by those Funds reaching significant levels of assets, the following discounts to the Operating, Administrative and Servicing Expenses will be applied:

In respect of all Share Classes of a Fund reaching a level of assets of at least (USD or the equivalent in another currency):	Discount to be applied to the Operating, Administrative and Servicing Expenses (per annum):
Below 2,000,000,000	0.00%
2,000,000,000	0.01%
4,000,000,000	0.02%
6,000,000,000	0.03%
8,000,000,000	0.04%
10,000,000,000	0.05%

Provided the relevant level of asset value is reached by a Fund on the last Business Day of each month, the relevant discount will apply and be paid to that Fund in relation to that month.

Operating, Administrative and Servicing Expenses (OASE) are paid through a bank account ("the OASE account") opened at the Fund's Depositary Bank in the Fund's name. Each sub-fund pays its fixed OASE to the OASE account which in turn is used to pay actual invoices. The balance of the OASE account is not reflected in the daily NAV of the Fund or in the financial statements.

Full details can be found in the Prospectus.

## 5 DIVIDENDS (DISTRIBUTION CLASS)

The Directors declared quarterly dividends for the Funds as listed below, for the six months 1 July 2017 to 31 December 2017 to all shareholders on record on the last day of the relevant quarter (expressed in USD unless otherwise stated).

### Asia Pacific Multi Asset

Date	A-1	W-1
September 2017	0.058326	0.038383
November 2017 <sup>A</sup>	0.006579	-

<sup>A</sup> Final distribution declared 23 November 2017 at the discretion of Board of Directors.

### Asian Bond

Date	A-1
September 2017	0.942441
December 2017	0.956235

### Australian Dollar Bond (expressed in AUD)

Date	A-1	X-1
September 2017	4.235661	0.045062
December 2017	4.556199	0.047580

### Emerging Markets Total Return Bond

Date	I-1	I(GBP)-1 <sup>A</sup>
September 2017	0.019507	0.003098
December 2017	0.016795	0.089394

### US Dollar High Yield Bond<sup>B</sup>

Date	A-1	I-1	X-1
September 2017	0.110062	0.122083	0.116197

<sup>B</sup> Fund closed 29 November 2017.

The Directors declared six monthly dividends for the Funds as listed below, for the six months 1 July 2017 to 31 December 2017 to all shareholders on record on the last day of December 2017 (expressed in USD unless otherwise stated).

# Notes to the Financial Statements

## Canadian Dollar Bond (expressed in CAD)

Date	A-1	X-1
December 2017	4.510393	0.053423

## Euro Corporate Bond (expressed in EUR)

Date	A-1	X-1
December 2017		0.052636

## Euro Government Bond (expressed in EUR)

Date	A-1	X-1
December 2017 <sup>c</sup>	-	-

## Euro Short Term Bond (expressed in EUR)

Date	A-1	X-1
December 2017 <sup>c</sup>	-	-

## European Convertibles Bond (expressed in EUR)

Date	I-1
December 2017 <sup>c</sup>	0.052878

## Global Government Bond

Date	D(GBP)-1
December 2017	-

## US Dollar Bond

Date	A-1
December 2017	9.258530

## US Dollar Credit Bond

Date	I(EUR)-1 <sup>^</sup>
December 2017 <sup>c</sup>	0.127909

## US Dollar Short Term Bond

Date	A-1
December 2017 <sup>c</sup>	0.476512

<sup>c</sup> Final distribution declared 7 December 2017 at the discretion of Board of Directors.

<sup>^</sup> Base currency exposure share class.

## 6 DIRECTORS' INTERESTS

None of the Directors were materially interested in any contracts of significance subsisting with the Company either during the year or at 31 December 2017.

None of the Directors have service contracts with the Company.

## 7 CHANGES IN INVESTMENT PORTFOLIO

The schedule of changes in the investment portfolio is available on request from the Registered Office in Luxembourg and from the local agents listed under Management and Administration and in the Prospectus.

# Notes to the Financial Statements

## 8 TRANSACTIONS WITH CONNECTED PERSONS

### 8.1 Cross Trades

During the year the Investment Manager/Adviser undertook certain sale and purchase transactions between:

- i) the Funds' portfolios; and
- ii) a) the Investment Manager; or
  - b) the Investment Adviser; or
  - c) a Standard Life Aberdeen plc group company; or
  - d) other funds or portfolios managed by the Investment Manager/Adviser or any Standard Life Aberdeen plc group company.

Such transaction were carried out on an arm's length basis and were consistent with the best interests of the Company.

Transactions with connected persons outlined in the previous notes (4.1 to 4.3) have been entered into in the on normal commercial terms.

### 8.2 Other transactions

As at 31 December 2017, other Aberdeen Funds/Trust and mandates managed by Aberdeen Asset Management PLC held investments in the company valued at US\$1,323,964,235.

## 9 SOFT COMMISSION/COMMISSION SHARING

The Investment Manager has entered into soft commission/commission sharing arrangements with brokers in respect of which certain goods and services used to support investment decision making were received. The Investment Manager does not make direct payment for these services but transacts an agreed amount of business with the brokers on behalf of the Company and commission is paid on these transactions. The goods and services utilised for the Fund include research and advisory services; economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis data and quotation services; computer hardware and software incidental to the above goods and services and investment related publications.

## 10 EQUALISATION ON THE ISSUE AND REDEMPTION OF SHARES

Equalisation is operated in connection with the issue and redemption of shares. It represents the income element included in the price for the issue and redemption of shares.

## 11 OVERDRAFT FACILITY

The Company has a US\$20 million intra-day uncommitted and unsecured credit line facility with Bank of America to finance short-term timing differences arising from subscriptions and redemptions. Any liability arising on this account will be recoverable from subscribers to the Company and is therefore not reflected in the financial statements of the Company.

## 12 PROVISIONS FOR CHINESE TAXES

There is currently uncertainty as to whether the People's Republic of China (PRC) tax authorities will impose a capital gains tax on realised gains from dealing in fixed income securities as well as in domestic shares. In light of this uncertainty and in line with current market practice, the Fund provides for a 10% contingency on realised gains from disposing or holding fixed income securities as well as domestic shares for the period between 17 November 2009, and 16 November 2014 as the Fund may be subject to withholding and other taxes imposed in the PRC. The PRC tax authorities have clarified that income tax and other tax categories are payable on capital gains arising from securities trading of QFIs on or after 17 November 2014. Any unclaimed provisions or over provision made on realised gains may later be released to form part of the relevant Fund's assets.

Any changes to the market practice or interpretation or clarification of PRC tax rules may impact this provision and may result in this provision being higher or lower than required, or deemed not to be required. The Board of Directors therefore reserves the right to amend its practice in this regard and/or this policy without prior notice at any time.

The following provisions have been recorded within Other liabilities caption of the Statement of Net Assets.

Fund Name	Currency	Provision for Realised Gain on CNY holdings
Asian Bond	USD	11,764

# Notes to the Financial Statements

## 13 PROVISION FOR INDONESIAN TAXES

Indonesian Corporate and Government bonds issued in the domestic market, and Indonesian Corporate bonds issued in foreign markets, are subject to a 20% capital gains tax.

The following provisions have been recorded within Other liabilities caption of the Statement of Net Assets.

Fund Name	Currency	Provision For Unrealised Gain on Indonesian Holdings
Asian Bond	USD	78,638
Emerging Markets Total Return Bond	USD	8,150

## 14 TRANSACTION CHARGES

For the six months ended 31 December 2017, the Funds incurred transaction costs which have been defined as commissions and tax relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets as follows:

Fund	Currency	Commissions '000	Taxes '000	Total '000
Asia Pacific Multi Asset	USD	14	10	24
Asian Bond	USD	1	-	1
Australian Dollar Bond	AUD	-	-	-
Canadian Dollar Bond	CAD	-	-	-
Emerging Markets Total Return Bond	USD	-	-	-
Euro Corporate Bond	EUR	-	-	-
Euro Government Bond	EUR	3	-	3
Euro Short Term Bond	EUR	-	-	-
European Convertibles Bond	EUR	-	-	-
Global Bond	USD	54	-	54
Global Government Bond	USD	4	-	4
Global High Yield Bond	USD	-	-	-
US Dollar Bond	USD	-	-	-
US Dollar Credit Bond	USD	1	-	1
US Dollar High Yield Bond	USD	-	-	-
US Dollar Short Term Bond	USD	-	-	-

## 15 WITHHOLDING TAX RECLAIMS

Withholding tax reclaims have been filed for specific countries in respect of the withholding tax applied on dividends paid during the recent years.

The decision for claiming is taken by the Board of Directors based on the analysis of costs to be borne and maximum potential amount refunded. The costs for pursuing the reclaims are borne only by the Funds potentially entitled to the refunds and recorded under Operational Expenses.

It is not possible to assess the likelihood of success of these reclaiming actions. Consequently no receivables with respect to the potential refunded amounts are booked until they are virtually certain.

Any proceeds received from these reclaiming actions will be booked in the respective Fund's net asset values.

## 16 FUTURE EXPOSURE

The following Funds have open future contracts with total commitments as follows:

Fund	Currency	Fund Exposure '000
Asian Bond	USD	(8,958)
Global Bond	USD	(61,340)
Global Government Bond	USD	(26,071)

# Notes to the Financial Statements

## 17 UNDERLYING EXPOSURE OBTAINED THROUGH OTC FINANCIAL DERIVATIVE TRANSACTIONS

Several Funds entered in OTC financial derivatives transactions as part of the investment management process.

The underlying exposure obtained through these OTC financial derivative transactions, and through which the Funds gain an exposure to an asset, is detailed hereafter, together with the identity of the counterparties:

### Emerging Markets Total Return Bond

Counterparty	CCY	Termination	Notional	Fund Pays	Fund Receives	Instruments	Exposure US\$'000
Barclays Capital	USD	20/12/19	1,900,000	1.00%	Colombia Government International Bond	Credit Default Swaps	3,002
Citigroup	USD	20/12/22	1,400,000	1.00%	Colombia Government International Bond	Credit Default Swaps	1,781

The Company paid/received cash collateral from the counterparties to the above OTC financial derivative instruments in order to reduce the counterparty exposure, as detailed below:

### Emerging Markets Total Return Bond

Counterparty	Instrument Type	2017 US\$'000
Deutsche Bank	Interest Rate Swaps	(100)

### Global Bond

Counterparty	Instrument Type	2017 US\$'000
Barclays	Inflation Index Swaps	(380)
Citigroup	Inflation Index Swaps	830
Deutsche Bank	Interest Rate Swaps	270
Goldman Sachs	Interest Rate Swaps	(30)
Merrill Lynch	Inflation Index Swaps	(220)
UBS	Interest Rate Swaps / Inflation Index Swaps	150

### Global Government Bond

Counterparty	Instrument Type	2017 US\$'000
Barclays Capital	Interest Rate Swaps / Inflation Index Swaps	50
Citigroup	Inflation Index Swaps	190
Deutsche Bank	Interest Rate Swaps	40
Goldman Sachs	Interest Rate Swaps	10
Merrill Lynch	Inflation Index Swaps	(100)
UBS	Interest Rate Swaps / Inflation Index Swaps	70

## 18 CORPORATE GOVERNANCE

The Board of Directors has adopted the principles of the ALFI Code of Conduct dated June 2013 ("the Code"), which sets out a framework of high level principles and best practice recommendations for the governance of Luxembourg investment funds.

The Board considers that it has been in compliance with the principles of the Code in all material respects for the period ended 31 December 2017.

The Board meets regularly to consider the activities of the Company and receives reports on various activities, including compliance controls and risk management.

The Board of Directors has established an Audit Committee which is charged with reviewing the financial statements and the external audit process (including the appointment and remuneration of the external Auditor, subject to Shareholders approval), and reviewing and monitoring the internal audit matters.

The Board of Directors has also established a Risk Committee which has oversight of the Risk Management Framework of the Company and specifically the effectiveness of risk management, governance and compliance activity.

The collective remuneration of the Board of Directors charged to the Company amounts to USD 66,743 for the period ended 31 December 2017.

# Notes to the Financial Statements

## 19 SUBSEQUENT EVENTS

As disclosed in the Chairman's statement, since the year end, the Board of Directors has informed the relevant shareholders that the following mergers into and within the Company will be taking place:

Effective Date	Merging Fund	Receiving Fund	New / Existing
23 February 2018	Aberdeen Global II – Canadian Dollar Bond Fund	Aberdeen Global – US Dollar Credit Bond Fund	Existing
23 February 2018	Aberdeen Global II – US Bond Fund	Aberdeen Global – US Dollar Credit Bond Fund	Existing
23 March 2018	Aberdeen Global II - Global Bond Fund	Aberdeen Global - Global Bond Fund	New
23 March 2018	Aberdeen Global II - Global Government Bond Fund	Aberdeen Global - Global Government Bond Fund	New
23 March 2018	Aberdeen Global II - Australian Dollar Bond Fund	Aberdeen Global – Australian Dollar Government Bond Fund	New
23 March 2018	Aberdeen Global II - Emerging Markets Total Return Bond Fund	Aberdeen Global - Emerging Markets Total Return Bond Fund	New

The Euro Corporate Bond Fund will close on 5 March 2018.

Further fund rationalisations from the Aberdeen Global II umbrella, are planned for the financial year ending 30 June 2018.

# Management and Administration

## Investment Advisers

Aberdeen Asset Managers Limited, (AAM Limited)  
10 Queen’s Terrace, Aberdeen, AB10 1YG, United Kingdom.  
Authorised and regulated by the Financial Conduct Authority.

Aberdeen Asset Management Asia Limited, (AAM Asia)  
21 Church Street, #01-01 Capital Square Two, Singapore 049480  
Regulated by the Monetary Authority of Singapore.

Aberdeen Asset Management Inc., (AAM Inc)  
1735 Market Street, 32nd Floor, Philadelphia, PA19103  
Authorised by the Securities and Exchange Commission of the  
United States of America.

Fund	Managed by:
Asian Bond	AAM Asia and AAM Inc
Australian Dollar Bond	AAM Limited and AAM Asia
Canadian Dollar Bond	AAM Limited and AAM Inc
Emerging Markets Total Return Bond	AAM Limited and AAM Inc
Euro Corporate Bond	AAM Limited and AAM Inc
Global Bond	AAM Limited and AAM Inc
Global Government Bond	AAM Limited and AAM Inc
US Dollar Bond	AAM Inc and AAM Limited

# Management and Administration

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## Chairman

**Christopher G Little**  
Aberdeen Global II  
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L-1855 Luxembourg  
Grand Duchy of Luxembourg

## Directors

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Singapore 049480

**Soraya Hashimzai**  
Aberdeen Global Services S.A.  
35a, avenue John F. Kennedy  
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**Lynn Birdsong**  
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**Roger Barker**  
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**Wendy Mayall (From 24 November 2017)**  
to Aberdeen Global II  
35a, avenue John F. Kennedy  
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**Andrey Berzins (From 24 November 2017)**  
to Aberdeen Global II  
35a, avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

# Management and Administration

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## **Registered Office**

Aberdeen Global II  
35a, avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

## **Management Company, Domiciliary, Registrar and Transfer Agent and Listing Agent.**

Aberdeen Global Services S.A  
35a, avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

## **Depository and Administrator**

BNP Paribas Securities Services  
Luxembourg Branch  
60, avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

## **Paying Agent**

State Street Bank Luxembourg S.C.A.,  
49 Avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

## **Global Distributor and Investment Manager**

Aberdeen International Fund Managers Limited  
Suites 1601 and 1609-1610  
Chater House  
8 Connaught Road,  
Central Hong Kong

## **UK Distributor and Data Processing Agent**

Aberdeen Asset Managers Limited  
10 Queen's Terrace  
Aberdeen AB10 1YG  
United Kingdom

## **Auditors**

KPMG Luxembourg  
Société Coopérative  
39, Avenue John F. Kennedy  
L-1855 Luxembourg

## **Legal Advisors as to matters of Luxembourg Law**

Elvinger Hoss Prussen  
2 Place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

## **German Paying Agent**

Marcard, Stein & Co AG  
Ballindamm 36  
20095 Hamburg  
Germany

## **Austrian Paying and Information Agent**

Raiffeisen Bank International  
Am Stadtpark 9  
1030 Vienna  
Austria

## **Swedish Paying Agent**

SKANDINAVISKA ENSKILDA BANKEN AB  
Rissneleden 110  
SE-106 40 Stockholm  
Sweden

## **Irish Facilities Agent**

Maples Secretaries Limited  
40 Upper Mount Street  
Dublin 2

## **Swiss Paying Agent and Representative**

BNP Paribas Securities Services  
Selnaustrasse 16  
CH-8002 Zurich  
Switzerland

## **Financial and Centralising Correspondent Agent in France**

BNP Paribas Securities Services  
3 rue d'Antin  
75002 Paris  
France

## **Spanish Distributor**

Allfunds Bank SA  
Calle Estafeta 6  
Complejo Plaza de la Fuente  
Edificio 3 (La Moraleja)  
C.P. 28109 Alcobendas  
Madrid  
Spain

## **Italian Paying Agents**

BNP Paribas Securities Services  
Piazza Lina Bo Bardi no.3  
20124 Milan  
Italy

Banca Sella Holding S.P.A  
Piazza Gaudenzio Sella 1  
13900 Biella  
Italy

State Street Bank S.p.A  
Via Ferrante Aporti 10  
20125 Milan  
Italy

Allfunds Bank S.A.  
Italian Branch  
Via Santa Margherita 7  
20121 Milan  
Italy

Société Générale Securities Services S.p.A  
Via Benigno Crespi 19A - MAC 2 20159  
Milano  
Italy

## **Liechtenstein Paying Agent**

LGT Bank in Liechtenstein AG  
Herrengass 12  
FL-9490 Vaduz  
Liechtenstein

## **Financial agent in Belgium**

BNP Paribas Securities Services acting from its  
Brussels branch at Rue de Loos 25,  
1000 Brussels

## **Danish Paying Agent**

Nordea Bank Danmark A/S  
Strandgade 3  
DK-0900 Copenhagen C  
Denmark

# General Information

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Further Information on Aberdeen Global II can be obtained from:

**Aberdeen Asset Managers Limited**

(UK Distributor)

10 Queens Terrace

Aberdeen

AB10 1YG

United Kingdom

[aberdeen-asset.com](http://aberdeen-asset.com)

**Aberdeen International Fund Managers Limited**

(Global Distributor and Investment Manager)

Suites 1601 and 1609-1610

Chater House

8 Connaught Road

Central Hong Kong

Telephone: **+852 2103 4700**

Fax: **+852 2103 4788**

**Additional information for investors in Germany**

Marcard Stein & Co AG, Ballindamm 36, D-20095 Hamburg, has undertaken the function of Paying and Information Agent for the Company in the Federal Republic of Germany (the "German Paying and Information Agent").

Applications for the subscriptions, redemptions, and conversion of shares may be sent to the German Paying and Information Agent.

All payments to investors, including redemption proceeds and potential distributions, may, upon request, be paid through the German Paying and Information Agent.

The full prospectus, Key Investor Information Documents ("KIIDs"), the Articles of Incorporation of the Company and the annual and semi-annual reports may be obtained, free of charge, at the office of the German Paying and Information Agent during normal opening hours. The statement of changes in the composition of the investment portfolio is also free of charge upon request at the office of the German Paying and Information Agent available.

Issue, redemption and conversion prices of the shares, and any other information to the shareholders, are also available from the German Paying and Information Agent.

The issue and redemption prices will be published in "Börsen-Zeitung". Any other information to the shareholders will be published in Germany in the electronic version Federal Gazette ([www.bundesanzeiger.de](http://www.bundesanzeiger.de)).

With effect from 1 January 2018 the German Investment Tax Act 2018 ("GITA") significantly overhauled the existing taxation regime for certain German taxpayers. From 1 January the Company will be treated as opaque for German tax purposes as opposed to being transparent, as was the case under the former regime. From this date certain investors / shareholders in the Company will generally be subject to tax on actually distributions as opposed to deemed distributions. There will no longer be a requirement to publish a daily German tax rate for each share class. Alternatively, the GITA regulations requires the upload of a daily equity ratio to WM Daten.

**Supplementary information for investors in Switzerland**

Conditions for shares marketed in Switzerland or from a base in Switzerland.

For shares marketed in Switzerland or from a base in Switzerland, the following is applicable in addition to the Prospectus and the Key Investor Information Documents ("KIIDs"), conditions:

**Swiss Representative and Paying Agent:**

BNP Paribas Securities Services,  
Paris, Succursale de Zurich  
Selnaustrasse 16  
CH-8002 Zurich  
Switzerland

**Place of distribution for relevant documents**

The constitution documents, Prospectus, KIIDs, articles of association, the annual and half-yearly reports and a schedule of purchases and sales for the Fund can be obtained free of charge from the representative's Zurich branch.

**Publications**

- a. Required publications concerning foreign collective investments are published by the Swiss representative on the electronic platform of fundinfo AG Zurich ([www.fundinfo.com](http://www.fundinfo.com)).
- b. The Share issue price together with the redemption price and the Net Asset Value with indication of "commissions not included" are published when subscriptions and redemptions occur. Prices are published every working day on the electronic platform of fundinfo AG Zurich ([www.fundinfo.com](http://www.fundinfo.com)).
- c. All Shareholder notices will be published on the electronic platform of fundinfo AG Zurich ([www.fundinfo.com](http://www.fundinfo.com)).

## Further Information

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### **Aberdeen Global II**

Aberdeen Global II is an open-ended investment company incorporated with limited liability under the laws of the Grand Duchy of Luxembourg and organised as a société d'investissement à capital variable (a "SICAV") with UCITS status (an Undertaking for Collective Investment in Transferable Securities as defined in the European Union Directive 201/91/EU of 23 July 2014).

Aberdeen Global II aims to provide investors with a broad international range of diversified actively-managed Funds. There are 8 active Funds in total, each with its own specific investment objectives and individual portfolios, offering investors the opportunity of exposure to selected areas or to conveniently build a diversified global bond portfolio to meet specific investment goals. The overall strategy of Aberdeen Global II and the separate Funds is to seek diversification through investment primarily in transferable securities.

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**Shareholder Service Centre**  
Aberdeen Global Services S.A,  
c/o State Street Bank Luxembourg S.C.A  
49, Avenue J. F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

For more information on Aberdeen Global II,  
please contact:

Tel **+44 1224 425255** (UK Shareholders)

Tel **+352 46 40 10 820** (Outside UK)

Fax **+352 24 52 90 56**

**Aberdeen Asset Managers Limited  
(UK Distributor)**

10 Queens Terrace, Aberdeen

AB10 1YG

Authorised and regulated by The Financial Conduct  
Authority in the United Kingdom

Member of the Aberdeen Asset Management Group  
of Companies

**Aberdeen International Fund Managers Limited  
(Global Distributor and Investment Manager)**

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Regulated by The Securities and Futures

Commission of Hong Kong

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