

Aberdeen Global II

Interim Report and Accounts

For the six months ending 31 December 2016



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Incorporation

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 2016, the Company has issued shares in the following Funds:

Asia Pacific Multi Asset

Asian Bond

Australian Dollar Bond

Canadian Dollar Bond

Emerging Markets Total Return Bond

Euro Absolute Return Bond

Euro Corporate Bond

Euro Government Bond

Euro Short Term Bond

European Convertibles Bond

Global Bond

Global Government Bond

Global High Yield Bond

US Dollar Bond

US Dollar Credit Bond

US Dollar High Yield Bond

US Dollar Short Term 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.

Chairman's Statement

For the first six months of the current fiscal year, the assets under management ('AUM') of the Company decreased from US\$2 billion to US\$1.4 billion. The Company has been affected by the continued rationalisation of the fund ranges initiated already in the previous fiscal year and the decline in AUM of some of the largest funds.

Subsequent to the mergers of the Euro High Yield Bond Fund and Emerging Europe Bond Fund into another Aberdeen Group fund range, there were 17 funds in the umbrella.

The Global Bond Fund experienced the biggest decrease in AUM with a decline of US\$ 147 million over the first six months of the fiscal year. Global Government Bond Fund suffered as well with AUM decline of more than 48% at US\$ 131 million. Those decreases were mainly due to large redemptions from one institutional shareholder.

In December 2016, an updated prospectus was published to reflect changes in the investment objective and policy of Asian Bond Fund and Asia Pacific Multi Asset Fund to increase the ability of those funds to invest in Mainland China. There were also administrative changes to the range as set out in the letter to shareholders.

The Board and Aberdeen Group continue to review the entire fund range to determine the best way to meet investor need. Additional fund changes are expected to take place in the next months and will be communicated to shareholders.

CG Little

February 2017

Investment Manager's Review

Investment review

Donald Trump dominated the headlines in the second half of 2016. The outspoken Donald Trump surprised markets as he beat early favourite Hillary Clinton in the race to the White House. Elsewhere in the US, the Federal Reserve (Fed) hiked interest rates for the first time in a year. China's economy continues to grow, with monetary and fiscal policies remaining accommodative. Lingering concerns over debt levels remain, however, and there are fears that Trump's protectionist policies could lead to a trade war between the two economic powerhouses.

The UK has done well to combat uncertainty around Brexit, posting generally strong economic data. GDP growth revised up to 0.6% in the previous period. Household expenditure continued to grow while fixed investment rose, albeit at a slower pace. The dominant service sector was once again the chief driver of economic growth. This trend is likely to continue through 2017. Growth in business investment fell to 0.4% however, suggesting that firms are wary of the challenges ahead. Net external demand contributed negatively, leading to a sense of fragility as Brexit questions remain unanswered. The average forecast for UK growth in 2017 is now just 1.3%, according to Consensus Forecasts. This figure is down notably from 2% last year, and 2.2% in 2015.

The US economy continued to improve over the review period with third quarter GDP growth revised upwards to 3.5% quarter-on-quarter annualised, detailing a marked acceleration of growth since the second quarter. September 2016 had been earmarked for an interest rate rise but a disappointing employment report was enough to dissuade the Fed from hiking. Victory for Donald Trump in the Presidential elections was a surprise to many, with most polls showing early favourite Hillary Clinton well ahead in the lead up to Election Day. The economy is likely to see a shake-up in policy, with Trump pledging to boost infrastructure spending and cut taxes.

In December, the Federal Open Market Committee (FOMC) raised interest rates by 25 basis points (bps) to a target range of 0.5-0.75% for Fed Funds. The notable hawkish tilt in the accompanying communication came as a slight surprise; the median dot for 2017 moved up from two hikes to three while the statement noted a "considerable" pick-up in inflation expectations. There was little effort by Fed chair Janet Yellen to soften the hawkish message at the press conference in December and she seemed to explicitly talk down both the need for fiscal stimulus and any intention to "run the economy hot". The fall in the unemployment rate to a level the Fed believes is below full-employment is clearly weighing on policy makers' thinking.

The build-up to the US elections dictated market play, revealing the importance of politics in today's world. After a brief dip, US equities were given a boost on the back of Trump's victory. Plans to cut taxes, increase infrastructure spending and reduce regulations were seen as positive for domestic growth. It was the opposite story for government bonds. While they benefitted in the immediate aftermath of the election result as investors sought relative safety, yields soon rose as investors seemingly turned bearish on the outlook for government debt.

In Europe, political risk remained at the fore. Matteo Renzi lost the Italian constitutional reform referendum by a wide margin of 59% to 41% before announcing his resignation as Italy's prime minister.

The European Central Bank's (ECB) move to reduce the monthly run rate of asset purchases was perceived as the start of the tapering process by investors. However, Draghi made an explicit point of saying this did not constitute tapering as the total stock of bonds purchased

will be greater due to the additional length of the programme. Historically though, the market has viewed the flow (rate of monthly purchases) as the key driver of suppressed yields so 30-year European bonds sold off aggressively and periphery spreads widened on fears that this marks the beginning of a gradual wind down of ECB support. Coupled with this, Draghi also announced the ECB would increase its universe of eligible bonds to include one-year to 30-year bonds (previously it had been two-year to 30-year) and that it would now purchase bonds yielding less than the deposit rate. This sent front-end European yields and the euro lower as the reporting period came to an end.

European equity markets performed relatively well over the backend of summer, despite the poor health of the region's banking sector. Performance was then flat before rebounding strongly in December, outpacing most of their developed market peers. At the sector level, oil & gas and telecoms did particularly well. By contrast, consumer services and healthcare lagged behind.

Emerging markets lost some steam over the second half of the year. Trump's victory caused an understandable stir but it's important to note that Trump won't break these economies; they continue to exhibit strong levels of growth while manufacturing indices are much improved. Still, until we know what a Trump presidency will actually look like, and which of his policies he's genuinely serious about, it's difficult to gauge what the future holds.

Japanese equity markets performed well, rising in line with the majority of other developed markets. The gains came despite news that Japan's economy expanded at a slower pace than initially estimated, as global uncertainties and slow wage growth continued to act as a drag. The economy grew at an annualised pace of 1.3% in the July to September quarter.

After five years of losses, the commodity sector rallied to finish off a successful period. The nonferrous metals sector was up 3.1% in the three months to 31 December, taking the yearly figure to an impressive 26.8%. Copper, zinc and iron ore were the biggest winners over the six months. The supply and demand scenario should continue to tighten, and prices are expected to remain on their upward trajectory over the near-term.

Oil prices experienced a rollercoaster ride amid concerns that OPEC members would fail to come to an agreement on production quotas. A deal was struck, however, and prices finished the period at nearly US\$57 – more than double the January lows of \$27.88. The big story for 2017 is whether OPEC cuts will force the inventory rebalancing of the oil market.

In foreign exchange, the US dollar was the top performing G10 currency. Sterling saw very high levels of volatility post the Brexit vote, although stabilised in July. The pound then sunk in October before recovering some of its losses. 'Hard' Brexit concerns have been the root cause of volatility, a trend that is likely to continue for the foreseeable future. Elsewhere, the Swedish krone fell amid weak inflation data, while EM currencies generally weakened amid mounting concerns surrounding Trump's protectionist policies. Despite this, the Brazilian real strengthened notably against the US dollar.

Aberdeen Asset Managers Limited

January 2017

Net Asset Value History

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

Fund	Share Class	NAV per Share	NAV per Share	NAV per Share	NAV per Share	Ongoing Charges % [†]	OASE % [*]
		31.12.16	30.06.16	30.06.15	30.06.14	As at 31.12.16	as at 31.12.16
Asia Pacific Multi Asset	A-1	8.9021	9.1669	9.6605	-	1.87	0.35
	A-2	169.4491	173.3066	179.2744	181.6209	1.87	0.35
	A(CHF)-2 [^]	133.3635	138.0397	145.2263	148.4971	1.96	0.44
	A(EUR)-2 [^]	148.6976	153.4785	160.0942	162.8514	1.96	0.44
	E(EUR)-2	12.3494	11.9916	12.3688	10.1977	1.87	0.35
	W-1	10.3067	10.6143	-	-	2.87	0.34
	W-2	10.3818	10.6715	-	-	2.87	0.34
	X-2	9.8013	9.9864	10.2520	10.3151	1.12	0.35
Y(EUR)-2	12.1491	11.7526	12.0321	9.8402	1.12	0.35	
Asian Bond	A-1	111.6499	118.1189	118.1310	123.8921	1.61	0.38
	A-2	148.4933	155.1293	150.8861	153.9689	1.61	0.38
	A(EUR)-2 [^]	139.3162	146.9484	144.3868	148.1649	1.75	0.52
	D(GBP)-2 [^]	10.3304	10.8396	10.5763	10.7975	1.75	0.52
	I-2	1,516.0195	1,579.4113	1,527.9438	1,550.8416	1.07	0.34
	X-1	-	-	-	9.2895	-	-
	X-2	9.6804	10.0873	-	9.7796	1.11	0.38
	Y(EUR)-1	-	-	-	8.8491	-	-
	Y(EUR)-2	-	-	-	9.3151	-	-
Z-2	1,097.2431	1,139.1125	1,094.2584	1,102.9020	0.37	0.34	
Australian Dollar Bond	A(AUD)-1	1,272.4561	1,331.5485	1,253.9824	1,220.3754	1.17	0.27
	A(AUD)-2	4,424.5743	4,606.2804	4,280.9466	4,090.2545	1.17	0.27
	X(AUD)-1	10.3515	10.8323	10.2009	9.9275	0.77	0.27
	X(AUD)-2	11.3359	11.7772	10.9011	10.3739	0.77	0.27
Canadian Dollar Bond	A(CAD)-1	1,353.2936	1,409.5539	1,365.0359	1,315.2675	1.18	0.28
	A(CAD)-2	3,677.0463	3,818.9483	3,664.1375	3,494.9960	1.18	0.28
	X(CAD)-1	10.0440	10.4622	10.1328	9.7680	0.78	0.28
	X(CAD)-2	-	-	-	10.0389	-	-
Emerging Europe Bond ^A	A(EUR)-2	-	222.6340	219.1268	233.9208	-	-
	X(EUR)-2	-	9.3781	9.1848	9.7580	-	-
Emerging Markets Total Return Bond	A-2	9.7089	-	-	-	1.78	0.28
	A(EUR)-2 [^]	9.6679	-	-	-	1.84	0.34
	I-1	1.7203	1.7521	1.7609	1.8380	0.99	0.24
	I-2	9.7300	-	-	-	0.99	0.24
	X-2	9.7278	-	-	-	1.03	0.28
	X(CHF)-2 [^]	9.6749	-	-	-	1.09	0.34
	X(EUR)-2 [^]	9.6859	-	-	-	1.09	0.34
	Z-1	-	9.5272	9.5751	-	0.24	0.24
Z-2	16.9507	16.7953	15.9302	15.8697	0.24	0.24	
Euro Absolute Return Bond	A(EUR)-2	9.9571	9.8499	-	-	1.34	0.34
	I(EUR)-2	1.0598	1.0455	1.0775	-	0.80	0.30
	X(EUR)-2	10.0141	9.8814	-	-	0.84	0.34
	Z(EUR)-2	10.0762	9.9156	-	-	0.30	0.30
Euro Bond ^B	I(EUR)-1	-	-	10.4683	10.2200	-	-
	Z(EUR)-2	-	-	18.8812	18.1605	-	-

Net Asset Value History

Fund	Share Class	NAV per Share	NAV per Share	NAV per Share	NAV per Share	Ongoing Charges % [†]	OASE % [*]
		31.12.16	30.06.16	30.06.15	30.06.14	As at 31.12.16	as at 31.12.16
Euro Corporate Bond	A(EUR)-1	10.9563	10.9726	10.6136	10.5332	1.18	0.28
	A(EUR)-2	11.2226	11.2227	10.7937	10.6241	1.18	0.28
	A(CZK)-2 [^]	109.3590	109.9624	106.5555	105.3087	1.32	0.42
	I(EUR)-2	13.6759	13.6462	13.0603	12.8135	0.74	0.24
	Z(EUR)-2	16.9503	16.8703	16.0775	15.6763	0.24	0.24
Euro Government Bond	A(EUR)-1	137.7508	142.9048	131.6746	128.7340	0.98	0.23
	A(EUR)-2	517.8503	537.2271	495.0089	482.5853	0.98	0.23
	J(EUR)-2	2,022.3398	2,093.8815	1,920.8976	1,864.4991	0.59	0.19
	X(EUR)-1	11.3429	11.7465	10.7862	10.5368	0.63	0.23
	X(EUR)-2	11.8309	12.2518	11.2450	10.9003	0.63	0.23
	Z(EUR)-2	10.2209	10.5619	-	-	0.19	0.19
Euro High Yield Bond ^A	A(EUR)-2	-	139.0927	135.1630	134.2691	-	-
	I(EUR)-2	-	1,458.4363	1406.8061	1,387.3550	-	-
	X(EUR)-2	-	12.4017	11.9924	11.8540	-	-
Euro Short Term Bond	A(EUR)-1	51.0159	51.0945	50.6817	50.6566	0.73	0.23
	A(EUR)-2	148.2932	148.5283	147.3281	147.2143	0.73	0.23
	J(EUR)-2	1,248.1167	1,248.2379	1,234.7411	1,229.5036	0.44	0.19
	X(EUR)-1	10.0753	10.0787	9.9770	9.9784	0.48	0.23
	X(EUR)-2	10.1970	10.2002	10.0893	10.0554	0.48	0.23
European Convertibles Bond	A(EUR)-2	17.4547	16.7024	17.3889	16.0328	1.45	0.25
	I(EUR)-1	12.0881	11.5979	12.1323	11.3135	0.91	0.21
	I(EUR)-2	1,945.8133	1,856.9043	1,922.9174	1,763.4223	0.91	0.21
	X(EUR)-2	12.4427	11.8764	12.3032	11.2879	0.95	0.25
	Z(EUR)-2	10.2768	-	-	-	0.21	0.21
Global Bond	J-2	14.7398	15.7705	14.6460	15.8092	0.71	0.21
	X-2	-	-	-	10.1659	-	-
	Z-2	15.7713	16.8317	15.5536	16.7049	0.21	0.21
Global Government Bond	D(GBP)-1	1.0931	1.1101	0.8611	0.8828	1.21	0.31
	J-2	8.0592	8.8405	8.0219	8.8662	0.77	0.27
	R(GBP)-1	-	-	-	9.0991	-	-
	Z-2	16.0768	17.5806	15.8723	17.4547	0.27	0.27
Global High Yield Bond	A-1	9.6622	9.4267	10.0434	11.2143	1.29	0.29
	A-2	10.3227	9.8392	9.9562	10.5847	1.29	0.29
	A(EUR)-1 [^]	8.5297	8.3841	8.9794	10.0930	1.29	0.29
	E(EUR)-1	11.9215	11.0427	11.7313	10.6580	1.29	0.29
	E(EUR)-2	13.3949	12.1219	12.2306	10.5799	1.29	0.29
	I-1	9.6598	9.4242	10.0419	11.2109	0.75	0.25
	I-2	-	-	-	10.6240	-	-
	I(EUR)-2 [^]	9.9516	9.5296	9.6487	10.2599	0.75	0.25
	X-1	-	-	-	10.4145	-	-
	X-2	10.5392	10.0204	10.0875	10.6632	0.79	0.29
	Y(EUR)-1	-	-	-	9.8072	-	-
	Z-2	10.7221	10.1668	10.1753	10.6766	0.25	0.25

Net Asset Value History

Fund	Share Class	NAV per Share	NAV per Share	NAV per Share	NAV per Share	Ongoing Charges % [†]	OASE % [*]
		31.12.16	30.06.16	30.06.15	30.06.14	As at 31.12.16	as at 31.12.16
Sterling Bond ^c	A(GBP)-1	-	-	645.8116	616.3885	-	-
	A(GBP)-2	-	-	2,306.8900	2,168.1612	-	-
	I(GBP)-2	-	-	1.7937	1.6784	-	-
	J(GBP)-2	-	-	17.2860	16.1750	-	-
	K(GBP)-2	-	-	1.9634	1.8344	-	-
	X(GBP)-1	-	-	-	9.5483	-	-
	X(GBP)-2	-	-	10.6862	10.0031	-	-
	Z(GBP)-1	-	-	1.1078	1.0573	-	-
Z(GBP)-2	-	-	17.3939	16.1955	-	-	
Sterling Credit Bond ^c	I(GBP)-1	-	-	1.0824	1.0557	-	-
	I(GBP)-2	-	-	2.1195	2.0066	-	-
	K(GBP)-1	-	-	1.2193	1.1893	-	-
	K(GBP)-2	-	-	-	2.0808	-	-
	Z(GBP)-1	-	-	10.2633	-	-	-
	Z(GBP)-2	-	-	1.9777	1.8632	-	-
Sterling Government Bond ^c	D(GBP)-1	-	-	1.1602	1.0700	-	-
	D(GBP)-2	-	-	1.5857	1.4443	-	-
	J(GBP)-2	-	-	2.9919	2.7138	-	-
	R(GBP)-1	-	-	10.0957	9.3110	-	-
	R(GBP)-2	-	-	10.6816	9.6937	-	-
	Z(GBP)-1	-	-	1.3608	1.2549	-	-
	Z(GBP)-2	-	-	2.2676	2.0465	-	-
Sterling Index Linked Bond ^c	I(GBP)-2	-	-	2.5302	2.2157	-	-
	J(GBP)-2	-	-	3.7965	3.3247	-	-
	K(GBP)-2	-	-	2.6186	2.2898	-	-
	Z(GBP)-2	-	-	3.5626	3.1044	-	-
Sterling Long Dated Credit Bond ^c	K(GBP)-2	-	-	2.5774	2.3952	-	-
	Z(GBP)-2	-	-	2.2151	2.0513	-	-
Sterling Long Dated Government Bond ^c	I(GBP)-2	-	-	2.3490	2.0625	-	-
	K(GBP)-2	-	-	2.3947	2.0971	-	-
	Z(GBP)-2	-	-	1.8807	1.6413	-	-
US Dollar Bond	A-1	1,337.9457	1,397.1895	1,341.4452	1,346.2439	1.23	0.33
	A-2	3,665.8600	3,808.5464	3,613.5317	3,581.3092	1.23	0.33
	J-2	1,887.8807	1,957.0002	1,848.5805	1,824.1680	0.79	0.29
	X-1	-	-	-	9.7675	-	-
	X-2	10.3887	10.7712	10.1785	10.0481	0.83	0.33
US Dollar Credit Bond ^p	A-2	10.4891	10.6622	-	-	1.04	0.24
	I-2	10.5325	10.6829	-	-	0.60	0.20
	I(EUR)-1 [^]	10.1181	10.4963	-	-	0.66	0.26
	X-2	10.5285	10.6811	-	-	0.64	0.24
	Z-2	10.5725	10.7019	-	-	0.20	0.20

Net Asset Value History

Fund	Share Class	NAV per Share	NAV per Share	NAV per Share	NAV per Share	Ongoing Charges % [†]	OASE % [*]
		31.12.16	30.06.16	30.06.15	30.06.14	As at 31.12.16	as at 31.12.16
US Dollar High Yield Bond	A-1	9.1915	8.8700	9.5707	10.9492	1.51	0.26
	A-2	9.7541	9.2279	9.4386	10.2332	1.51	0.26
	A(EUR)-2 [^]	9.9731	9.5091	9.8055	10.6801	1.60	0.35
	I-1	8.8715	8.5611	9.2380	10.5700	0.83	0.13
	I-2	27.8042	26.2173	26.6339	28.6863	0.83	0.13
	I(EUR)-2 [^]	31.9911	30.4018	31.1275	33.6937	0.83	0.13
	X-1	8.6617	8.3585	9.0192	10.3202	0.96	0.26
	Z-2	11.0920	10.4218	-	18.4076	0.14	0.14
US Dollar Short Term Bond	A-1	103.2835	103.9677	103.5627	103.9242	0.74	0.24
	A-2	308.5221	309.4697	306.6089	306.7206	0.74	0.24
	X-2	-	-	-	10.0793	-	-

[†] 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 in the period, annualised, 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 changes.

^{*} Operating, Administrative and Servicing Expenses (OASE) Gross Rate.

[^] Base currency exposure share class.

[^] Fund closed on 23 September 2016.

[^] Fund closed 24 October 2015.

[^] Fund closed 12 May 2016.

[^] First net asset value calculated 19 January 2016.

Exchange Rates	31.12.16	30.06.16	30.06.15	30.06.14
£ - US\$	1.235650	1.336800	1.572700	1.709850
£ - €	1.171500	1.203300	1.411500	1.248850
€ - US\$	1.054759	1.110945	1.114205	1.369140
£ - AU\$	1.706450	1.795350	2.046200	1.811550
£ - CA\$	1.657050	1.736100	1.963450	1.821250

Summary of Historic Information

Fund	Base Currency	Net Asset Value	Net Asset Value	Net Asset Value	Net Asset Value
		31.12.16 ('000)	30.06.16 ('000)	30.06.15 ('000)	30.06.14 ('000)
Asia Pacific Multi Asset	US Dollars	84,271	98,976	138,332	162,128
Asian Bond	US Dollars	73,427	78,869	100,036	129,500
Australian Dollar Bond	Australian Dollars	91,681	121,971	108,148	152,184
Canadian Dollar Bond	Canadian Dollars	65,506	82,807	89,250	147,037
Emerging Europe Bond ^A	Euro	-	15,153	19,509	54,295
Emerging Markets Total Return Bond	US Dollars	30,734	59,088	94,497	84,417
Euro Absolute Return Bond	Euro	8,511	8,398	8,656	-
Euro Bond ^B	Euro	-	-	9,920	12,748
Euro Corporate Bond	Euro	68,825	68,488	78,118	155,399
Euro Government Bond	Euro	211,959	250,174	273,634	316,291
Euro High Yield Bond ^A	Euro	-	40,458	42,339	57,296
Euro Short Term Bond	Euro	114,588	121,865	132,047	229,375
European Convertibles Bond	Euro	126,858	155,860	175,124	209,406
Global Bond	US Dollars	297,610	444,501	428,133	439,047
Global Government Bond	US Dollars	131,160	254,938	101,911	116,548
Global High Yield Bond	US Dollars	15,956	15,587	16,673	18,546
Sterling Bond	Sterling	-	-	277,749	232,728
Sterling Credit Bond ^C	Sterling	-	-	169,786	144,798
Sterling Government Bond ^C	Sterling	-	-	42,375	83,504
Sterling Index Linked Bond ^C	Sterling	-	-	114,423	101,818
Sterling Long Dated Credit Bond ^C	Sterling	-	-	21,240	21,493
Sterling Long Dated Government Bond ^C	Sterling	-	-	41,850	37,537
US Dollar Bond	US Dollars	45,695	56,502	70,832	88,011
US Dollar Credit Bond ^D	US Dollars	13,716	10,878	-	-
US Dollar High Yield Bond	US Dollars	29,630	46,105	220,321	429,466
US Dollar Short Term Bond	US Dollars	83,855	107,501	115,476	150,951
Combined Total	US Dollars	1,481,092	2,061,189	3,314,261	4,397,734

^A Fund closed on 23 September 2016.

^B Fund closed 24 October 2015.

^C Fund closed 12 May 2016.

^D First net asset value calculated 19 January 2016.

Performance History

Fund	Base Currency	31.12.16 %	30.06.16 %	30.06.15 %	30.06.14 %	30.06.13 %
Asia Pacific Multi Asset - A Accumulation Shares	USD	(2.37)	(3.42)	(1.17)	4.77	3.12
Benchmark: 60% Market iBoxx Asian Local Bond Index and 40% MSCI AC Asia Pacific Index ^A	USD	(0.78)	(1.14)	0.66	7.79	7.14
Asian Bond - A Accumulation Shares	USD	(4.40)	2.76	(1.94)	2.49	(0.23)
Benchmark: Market iBoxx Asian Local Bond Index ^B	USD	(5.19)	4.38	(1.04)	3.32	2.33
Australian Dollar Bond - A Accumulation Shares	AUD	(3.95)	7.60	4.70	4.60	(1.38)
Benchmark: JP Morgan Government Bond Index Traded AUD	AUD	(3.27)	8.36	6.27	5.36	0.08
Canadian Dollar Bond - A Accumulation Shares	CAD	(3.64)	4.46	4.52	2.85	(2.81)
Benchmark: JP Morgan Government Bond Index Traded CAD	CAD	(3.53)	5.22	5.72	3.71	(1.94)
Emerging Europe Bond - A Accumulation Shares ^C	EUR	0.97	0.99	(6.78)	1.15	3.94
Benchmark: JP Morgan Global Bond Index Emerging Markets Global Diversified Europe Index	EUR	1.78	3.58	(3.90)	1.48	4.58
Emerging Markets Total Return Bond - Z Accumulation Shares	USD	1.05	5.69	0.63	6.68	6.55
Benchmark: Citigroup World Government Bond Index USA	USD	(4.09)	6.17	2.26	1.97	(1.56)
Euro Absolute Return Bond Fund - I Accumulation Shares	EUR	1.35	(2.95)	1.34	-	-
Benchmark: 3 Month EURIBOR Index	EUR	(0.15)	(0.14)	-	-	-
Euro Bond - Z Accumulation Shares	EUR	-	2.60	4.28	9.14	6.23
Benchmark: Barclays Capital Euro Aggregate Index	EUR	-	2.19	3.50	8.20	6.74
Euro Corporate Bond - Z Accumulation Shares	EUR	0.59	5.18	2.76	7.74	7.58
Benchmark: Barclays Capital Euro Aggregate Corporate Index	EUR	0.63	5.15	1.79	7.20	7.54
Euro Government Bond - A Accumulation Shares	EUR	(3.40)	8.55	2.29	8.05	6.20
Benchmark: Barclays Capital Euro Aggregate Treasury Index	EUR	(2.32)	8.88	4.33	9.28	6.84
Euro High Yield Bond - A Accumulation Shares ^C	EUR	4.12	2.66	0.64	13.18	15.47
Benchmark: Bank of America Merrill Lynch Euro High Yield Constrained Index	EUR	3.66	2.45	1.81	13.56	16.52
Euro Short Term Bond - A Accumulation Shares	EUR	(0.14)	0.90	(0.02)	0.27	0.57
Benchmark: Citigroup EMU Government Bond Index 1-3 Years (ex.BBB)	EUR	(0.02)	0.51	0.44	0.86	0.43
European Convertibles Bond - A Accumulation Shares	EUR	4.52	(4.44)	8.56	8.77	11.43
Benchmark: Thomson Reuters Europe Convertible Index	EUR	5.51	(4.21)	9.36	13.01	11.40
Global Bond - Z Accumulation Shares	USD	(6.19)	8.43	(6.71)	8.66	(1.33)
Benchmark: Barclays Capital Global Aggregate Bond Index	USD	(6.31)	8.87	(7.09)	7.39	(2.18)
Global Government Bond - J Accumulation Shares	USD	(8.48)	11.51	(8.82)	8.06	(4.30)
Benchmark: Citigroup World Government Bond Index	USD	(8.26)	11.26	(9.02)	6.85	(4.50)

Performance is calculated at 30 June each year unless otherwise stated.

Past performance is no indication of current or future performance. These performance data do not take account of the commissions and costs incurred on the issue and redemption of shares

Performance History

Fund	Base Currency	31.12.16 %	30.06.16 %	30.06.15 %	30.06.14 %	30.06.13 %
Global High Yield Bond - A Income Shares	USD	5.11	(1.41)	(5.93)	12.80	12.04
Benchmark: Bank of America Merrill Lynch Global High Yield Constrained Hedged Index ^D	USD	7.00	2.88	(3.95)	13.66	11.24
Sterling Bond - Z Accumulation Shares	GBP	-	6.40	7.61	4.21	0.88
Benchmark: Bank of America Merrill Lynch Sterling Broad Market Index	GBP	-	6.97	8.36	3.90	0.36
Sterling Credit Bond - Z Accumulation Shares	GBP	-	5.91	6.37	6.83	6.91
Benchmark: Bank of America Merrill Lynch Sterling Non-Gilts Index	GBP	-	5.81	6.52	6.89	6.49
Sterling Government Bond - Z Accumulation Shares	GBP	-	8.91	11.07	3.26	(3.08)
Benchmark: FTSE - A British Government Fixed > 5 Year Index	GBP	-	9.48	12.19	3.37	(3.42)
Sterling Index Linked Bond - Z Accumulation Shares	GBP	-	4.13	14.99	4.42	2.71
Benchmark: FTSE - A British Government Index Linked > 5 Year Index	GBP	-	3.58	15.75	4.31	2.71
Sterling Long Dated Credit Bond - Z Accumulation Shares	GBP	-	7.70	8.42	8.69	7.14
Benchmark: Bank of America Merrill Lynch Sterling Non-Gilts > 10 Year Index	GBP	-	7.89	8.68	8.99	5.55
Sterling Long Dated Government Bond - Z Accumulation Shares	GBP	-	11.38	14.94	5.31	(4.61)
Benchmark: FTSE - A British Government > 15 Year Index	GBP	-	11.37	16.25	5.32	(4.64)
US Dollar Bond - A Accumulation Shares	USD	(4.00)	5.38	1.06	3.39	(1.85)
Benchmark: JP Morgan Government Bond Index Traded USD	USD	(4.37)	6.79	2.61	2.34	(2.04)
US Dollar Credit Bond - A Accumulation Shares	USD	(1.86)	6.62	-	-	-
Benchmark: Barclays Capital US Credit Index	USD	(1.78)	7.13	-	-	-
US Dollar High Yield Bond - I Accumulation Shares	USD	6.49	(0.75)	(6.39)	12.95	12.86
Benchmark: Bank of America Merrill Lynch US High Yield Master II Index	USD	7.47	1.71	(0.55)	11.80	9.57
US Dollar Short Term Bond - A Accumulation Shares	USD	(0.29)	0.93	(0.07)	0.53	0.66
Benchmark: Citigroup US World Government Bond Index 1-3 Years	USD	(0.53)	1.25	0.87	0.73	0.35

^A 60% HSBC Asian Local Bond Index (ALBI) and 40% MSCI AC Asia Pacific Index to 31 March 2016 then 60% iBoxx Asian Local Bond Index and 40% MSCI AC Asia Pacific Index thereafter.

^B HSBC Asian Local Bond Index (ALBI) to 31 March 2016 then Market iBoxx Asian Local Bond Index thereafter.

^C Fund closed 23 September 2015.

^D Bank of America Merrill Lynch Global High Yield Index to 30 September 2015 then Bank of America Merrill Lynch Global High Yield Constrained Hedged Index.

Performance is calculated at 30 June each year unless otherwise stated.

Past performance is no indication of current or future performance. These performance data do not take account of the commissions and costs incurred on the issue and redemption of shares

Aberdeen Global II - Combined Statements

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	1,437,634
Cash at bank		38,177
Amounts held at futures clearing houses and brokers		2,500
Interest and dividends receivable		10,055
Subscriptions receivable		393
Receivable for investments sold		4,535
Unrealised gains on forward currency exchange contracts	2.6	227
Unrealised gains on future contracts	2.7	411
Unrealised gains on swap contracts	2.8	782
Other assets		23
Total assets		1,494,737
Liabilities		
Payable for investments purchased		7,012
Taxes and expenses payable		997
Redemptions payable		1,982
Unrealised losses on forward currency exchange contracts	2.6	1,989
Unrealised losses on future contracts	2.7	2
Unrealised losses on swap contracts	2.8	351
Other liabilities		1,312
Total liabilities		13,645
Net assets at the end of the period		1,481,092

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		2,061,189
Exchange rate effect on opening net assets		(41,617)
Net gains from investments		10,030
Net realised losses		(5,747)
Net unrealised losses		(49,584)
Proceeds from shares issued		197,416
Payments for shares redeemed		(687,726)
Net equalisation paid	10	(1,399)
Dividends paid	5	(1,470)
Net assets at the end of the period		1,481,092

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	16,845
Bank interest		39
Other income		6
Total income		16,890
Expenses		
Management fees	4.2	4,669
Operating, administrative and servicing fees	4.3	2,156
Other operational expenses		31
Bank interest		4
Total expenses		6,860
Net gains from investments		10,030
Realised gains on investments		2,016
Realised losses on forward currency exchange contracts		(6,296)
Realised losses on future contracts		(3,004)
Realised gains on swap contracts		27
Realised currency exchange gains		1,510
Net realised losses		(5,747)
Decrease in unrealised appreciation on investments		(49,910)
Increase in unrealised depreciation on forward foreign exchange contracts		(892)
Decrease in unrealised depreciation on future contracts		507
Decrease in unrealised depreciation on swap contracts		560
Unrealised currency exchange gains		151
Net unrealised losses		(49,584)
Net decrease in assets as a result of operations		(45,301)

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

Asia Pacific Multi Asset

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Asia Pacific Multi Asset A accumulation shares decreased by 2.37% compared to a decrease of 0.78% in the composite benchmark being 60% Markit iBoxx ALBI and 40% MSCI AC Asia Pacific.

Source: Aberdeen Asset Management, Rimes, Lipper, 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 rose in the six months under review amid improving fundamentals in emerging economies and reform momentum across the region, whereas fixed-income markets were volatile. Sentiment was buoyant initially as Brexit-related concerns faded. However, risk appetite weakened as uncertainty swirled ahead of the US presidential race and the Federal Reserve's (Fed) next move. Trump's shock win in November threw global markets into disarray, with a knee-jerk sell-off in both equities and bonds. Subsequently, sentiment improved after OPEC cut a deal to trim output, which pushed oil prices higher. Investors were also buoyed by hopes that the new US administration would increase infrastructure spending, although bonds corrected amid speculation that such fiscal expansion would fuel inflation. This was further tempered by the Fed's more hawkish outlook for 2017 after raising rates in December.

Regional currencies weakened on the back of the US dollar's rally. Among equity markets, Japan led in local currency terms but closed flat in US dollar terms, supported by expectations that a weak yen would boost revenues of export-oriented companies. Australian equities benefited from a rally in commodities. In contrast, Philippine stocks fell the most, as Trump's protectionist rhetoric increased concerns over the impact on trade.

In government bonds, the Philippines were also the main underperformer. Bucking the regional trend was the Indian bond market which rallied on a succession of upbeat news, including the approval of the long-awaited goods-and-services tax bill by the upper house; the formation of the new monetary policy committee; and the demonetisation policy aimed at weeding out black money and corruption. In regional credit markets, spreads generally narrowed, with the high-yield sector outperforming investment-grade. But this was overshadowed by higher US Treasury yields which led to market declines on a total-return basis. At the sector level, the oil price rebound helped pare early losses in energy-related credits. In financials, the Fed's rate hike bolstered prospects of improving bank profits.

Portfolio review

During the period under review, the Fund fell by 1.15% (before fees) compared to our benchmark which declined 0.78%. The Equity holdings generated a positive return of 2.6%, but underperformed their benchmark. Although the fixed income holdings generated a negative return of 3.65%, it outperformed its benchmark, with significant contributions from interest-rate strategies. Towards the end of the review period, we shifted some exposure from fundamental equities to quant equities to provide further diversification within the portfolio.

In equities, the biggest detractor was the underweight and stock selection in Japan, although our holdings posted mostly satisfactory earnings despite the yen's fluctuations. Among the laggards was Chugai Pharmaceutical, owing to mixed views on its haemophilia drug in late-stage clinical trials. Seven & i also lagged despite continued sales growth in its mainstay convenience store business, while its on-going restructuring was less intensive than some had expected. Japan Tobacco's international operations faced currency headwinds, but demand remained resilient in local currency terms. Unicharm saw a recovery in the pet care business, but this was overshadowed by stiffer competition in its diaper business in markets, such as Indonesia. Nippon Paint's share price fell sharply as the company indicated it would consider equity financing to fund acquisitions. The company announced it had acquired US-based decorative coatings maker Dunn-Edwards Corporation to complement its US automotive paint business. Dunn-Edwards recorded sales close to 8% of Nippon Paint's in the most recent financial year.

Our overweight to Philippine equities cost the Fund, as the local benchmark sold off sharply after a prolonged rally over the year. Stock selection was also negative as our holding, Ayala Land, underperformed the market. We are comfortable holding the company as its fundamentals remain intact and valuations are attractive.

Our overweight to Indian equities also hurt performance, as the local benchmark reeled from the demonetisation policy that has hurt consumption and economic activity. While a positive over the long term, short-term ramifications may have been underestimated, with expectations of a recovery pushed back further.

While our overweight to Hong Kong detracted, this was mitigated by good stock selection, where holdings Jardine Strategic and HSBC outperformed their peers. Jardine continued to benefit from positive sentiment surrounding its Indonesia subsidiary Astra International, which saw a recovery in automobile sales. HSBC was a key beneficiary of rising interest rates, which should be positive for net interest margins. The bank's sustained share buybacks underscore its commitment to return value to shareholders. We also have less exposure to pure Hong Kong residential developers, which lagged after the government unexpectedly raised the stamp duty as part of its attempt to curb rising property prices. These companies, which are key constituents in the Hong Kong index, weighed on overall market performance.

In fixed income, contributing to relative performance was the underweight to both Korean and Singapore bonds, as well as their currencies. The underweight to Philippine and Hong Kong bonds was also positive. Another key contributor was the overweight to Indian bonds albeit gains were pared by rupee weakness. In contrast, the main detractor was the overweight to Malaysian bonds and the ringgit. The position in Thailand was also negative. In Asian US-dollar credit, notable contributors included security selection in both high-yield and investment-grade quasi-sovereigns, as well as financials. The lack of exposure to high-yield industrial credits was also positive.

Asia Pacific Multi Asset

Outlook

Going forward, the detailing of Trump's exact policy mix and the Fed response will be crucial. The Trump administration has recently focused more on its pro-growth fiscal agenda than on a broad-based protectionist and anti-immigration platform. The likelihood of tax cuts and deregulation also point to an improvement in business investment, while steady employment growth and faster wage growth support consumer spending. Against this backdrop, the Fed is expected to raise interest rates at least twice in 2017 and three times in 2018. The degree to which the Fed responds to Trump's exact policy mix and the US-dollar strength will be key determinants of US economic performance over the next few years.

On aggregate, emerging market growth looks set to rise in response to the recovering global economy. However, the US rate rise signals a bumpy ride ahead for some emerging markets that are exposed to capital outflows or dollar-denominated debts.

While we're cautious about 2017, given Trump's policy unpredictability, US dollar strength and volatile oil prices, our portfolio is fundamentally solid and well-positioned. While Asia faces significant worries, it is not all gloom. Asian economies are healthier, with governments focused on righting structural imbalances that impede growth. Our companies have been prudent, cutting costs to safeguard margins and taking care to avoid overstretching their finances at a time when demand is still weak. We remain focused on quality and value – capitalising on market volatility to pare our holdings on strength, add to them on weakness or initiate new names with compelling valuations and intact long-term growth drivers.

Aberdeen Multi-Asset Team

January 2017

Asia Pacific Multi Asset

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	78,032
Cash at bank		4,803
Amounts held at futures clearing houses and brokers		517
Interest and dividends receivable		551
Subscriptions receivable		16
Receivable for investments sold		964
Unrealised gains on future contracts	2.7	21
Other assets		1
Total assets		84,905
Liabilities		
Taxes and expenses payable		134
Redemptions payable		123
Unrealised losses on forward currency exchange contracts	2.6	314
Other liabilities		63
Total liabilities		634
Net assets at the end of the period		84,271

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		98,976
Net gains from investments		645
Net realised losses		(3,287)
Net unrealised losses		(739)
Proceeds from shares issued		4,688
Payments for shares redeemed		(15,923)
Net equalisation paid	10	(39)
Dividends paid	5	(50)
Net assets at the end of the period		84,271

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	1,521
Bank interest		5
Other income		6
Total income		1,532
Expenses		
Management fees	4.2	706
Operating, administrative and servicing fees	4.3	179
Other operational expenses		2
Total expenses		887
Net gains from investments		645
Realised losses on investments		(900)
Realised gains on future contracts		97
Realised losses on forward currency exchange contracts		(2,306)
Realised currency exchange losses		(178)
Net realised losses		(3,287)
Decrease in unrealised appreciation on investments		(974)
Decrease in unrealised depreciation on future contracts		92
Decrease in unrealised depreciation on forward currency exchange contracts		165
Unrealised currency exchange losses		(22)
Net unrealised losses		(739)
Net decrease in assets as a result of operations		(3,381)

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

Asia Pacific Multi Asset

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	A(CHF)-2^	A(EUR)-2^	E(EUR)-2
Shares outstanding at the beginning of the period	834,805	237,527	91,681	91,583	1,456,290
Shares issued during the period	1,097	2,700	844	15,660	99,973
Shares redeemed during the period	(92,286)	(49,902)	(5,581)	(31,081)	(26,404)
Shares outstanding at the end of the period	743,616	190,325	86,944	76,162	1,529,859
Net asset value per share	8.9021	169.4491	133.3635	148.6976	12.3494

	W-1	W-2	X-2	Y(EUR)-2
Shares outstanding at the beginning of the period	790	790	208,394	4,108
Shares issued during the period	-	-	271	452
Shares redeemed during the period	-	-	-	-
Shares outstanding at the end of the period	790	790	208,665	4,560
Net asset value per share	10.3067	10.3818	9.8013	12.1491

^ Base currency exposure share class.

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

Asia Pacific Multi Asset

Portfolio Statement

As at 31 December 2016

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 87.04%					
Bonds 49.79%					
Corporate Bonds 16.86%					
Australia 0.16%					
Transurban Finance	3.3750	22/03/27	139,000	132	0.16
China 3.26%					
Agile	8.3750	18/02/19	200,000	209	0.25
China Resources Gas (EMTN)	4.5000	05/04/22	292,000	306	0.36
CNOOC Nexen Finance 2014 ULC	4.2500	30/04/24	385,000	394	0.46
CNPC General Capital	3.4000	16/04/23	200,000	199	0.24
FUXIANG Investment Management (EMTN)	3.6250	30/11/19	200,000	200	0.24
Logan Property	11.2500	04/06/19	200,000	217	0.26
Proven Honour Capital	4.1250	06/05/26	350,000	349	0.41
Rail Transit International Investment	2.8750	13/05/21	235,000	229	0.27
Sinopec Group Overseas Development 2012	3.9000	17/05/22	253,000	261	0.31
Sinopec Group Overseas Development 2015	4.1000	28/04/45	197,000	185	0.22
SPIC	3.8750	06/12/26	200,000	200	0.24
				2,749	3.26
Hong Kong 1.36%					
Champion (EMTN)	3.7500	17/01/23	228,000	228	0.27
FPC Treasury	4.5000	16/04/23	230,000	227	0.27
HLP Finance (EMTN)	4.7500	25/06/22	202,000	211	0.25
Hongkong Electric Finance (EMTN)	2.8750	03/05/26	230,000	216	0.26
Hutchison Whampoa Finance	7.5000	01/08/27	200,000	261	0.31
				1,143	1.36
India 4.14%					
Axis Bank	8.8500	05/12/24	50,000,000	802	0.95
Bharat Petroleum (EMTN)	4.0000	08/05/25	250,000	245	0.29
Housing Development Finance	8.6500	18/09/20	100,000,000	1,513	1.81
NTPC (EMTN)	5.6250	14/07/21	150,000	164	0.19
ONGC Videsh	4.6250	15/07/24	229,000	237	0.28
Reliance Industries	4.1250	28/01/25	300,000	300	0.36
UPL	3.2500	13/10/21	227,000	221	0.26
				3,482	4.14
Indonesia 2.39%					
Bank OCBC NISP	9.4000	10/02/17	7,000,000,000	520	0.62
Lembaga Pembiayaan Ekspor Indonesia	9.5000	13/03/20	20,000,000,000	1,497	1.77
				2,017	2.39

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Malaysia 1.28%					
Danga Capital	3.0350	01/03/21	200,000	198	0.24
Petronas Global Sukuk	2.7070	18/03/20	230,000	230	0.27
RHB Bank (EMTN)	2.5030	06/10/21	200,000	192	0.23
TNB Global Ventures Capital (EMTN)	3.2440	19/10/26	200,000	187	0.22
Wakala Global Sukuk	4.6460	06/07/21	250,000	268	0.32
				1,075	1.28
Philippines 0.49%					
ICTSI Treasury (EMTN)	5.8750	17/09/25	200,000	210	0.25
Philippine Long Distance Telephone (EMTN)	8.3500	06/03/17	202,000	204	0.24
				414	0.49
Singapore 0.89%					
Global Logistic Properties (EMTN)	3.8750	04/06/25	360,000	352	0.41
HPHT Finance 15	2.8750	17/03/20	200,000	200	0.24
United Overseas Bank (EMTN)	VAR	16/09/26	200,000	198	0.24
				750	0.89
South Korea 1.30%					
Busan Bank (GMTN)	3.6250	25/07/26	400,000	369	0.43
Doosan Power System	VAR	03/12/45	300,000	300	0.36
Hyundai Capital Services (EMTN)	2.6250	29/09/20	230,000	228	0.27
Korea Hydro & Nuclear Power	3.0000	19/09/22	199,000	200	0.24
				1,097	1.30
Thailand 0.81%					
Bangkok Bank PUB (HK)	3.8750	27/09/22	100,000	104	0.12
Bangkok Bank PUB (HK)	9.0250	15/03/29	50,000	70	0.08
Kasikornbank (EMTN)	2.3750	06/04/22	255,000	244	0.29
Krung Thai Bank Cayman (EMTN)	VAR	26/12/24	256,000	265	0.32
				683	0.81
United Kingdom 0.78%					
HSBC (PERP)	VAR	29/12/49	267,000	267	0.31
Standard Chartered	4.0500	12/04/26	200,000	199	0.24
Standard Chartered	3.9500	11/01/23	200,000	195	0.23
				661	0.78
Total Corporate Bonds				14,203	16.86
Government Bonds 32.93%					
China 5.38%					
China (Peoples Republic of)	3.6400	09/04/25	13,000,000	1,955	2.33
China (Peoples Republic of)	4.0800	22/08/23	10,000,000	1,533	1.82
China (Peoples Republic of)	2.8500	28/01/26	5,000,000	709	0.84
China (Peoples Republic of)	3.4600	11/07/20	1,000,000	147	0.17
Export-Import Bank of China	2.8750	26/04/26	200,000	189	0.22
				4,533	5.38

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
India 4.80%					
Export-Import Bank of India	3.3750	05/08/26	200,000	187	0.22
India (Government of)	8.1700	01/12/44	149,000,000	2,445	2.91
India (Government of)	8.0700	15/01/17	80,000,000	1,180	1.40
India (Government of)	8.4000	28/07/24	11,720,000	189	0.22
India (Government of)	8.0800	02/08/22	2,370,000	37	0.04
India (Government of)	8.2700	09/06/20	490,000	8	0.01
				4,046	4.80
Indonesia 5.77%					
Indonesia (Republic of)	7.0000	15/05/27	30,000,000,000	2,110	2.49
Indonesia (Republic of)	9.0000	15/03/29	10,400,000,000	819	0.97
Indonesia (Republic of)	8.3750	15/03/34	9,315,000,000	698	0.83
Indonesia (Republic of)	7.0000	15/05/22	9,000,000,000	654	0.78
Indonesia (Republic of)	8.3750	15/09/26	3,500,000,000	268	0.32
Indonesia (Republic of)	8.2500	15/05/36	1,600,000,000	120	0.14
Indonesia (Republic of)	4.3500	08/01/27	200,000	201	0.24
				4,870	5.77
Malaysia 8.79%					
Malaysia (Government of)	4.2540	31/05/35	13,243,000	2,801	3.33
Malaysia (Government of)	3.9000	30/11/26	9,600,000	2,089	2.48
Malaysia (Government of)	4.7360	15/03/46	9,157,000	2,092	2.48
Malaysia (Government of)	4.2320	30/06/31	2,000,000	426	0.50
				7,408	8.79
Philippines 0.15%					
Philippines (Republic of)	3.2500	15/08/23	7,000,000	128	0.15
Singapore 0.25%					
Singapore (Government of)	2.8750	01/09/30	300,000	211	0.25
South Korea 3.38%					
Korea Monetary Stabilization Bond	1.4800	09/11/17	200,000,000	165	0.20
Korea (Republic of)	3.7500	10/12/33	1,900,000,000	1,948	2.32
Korea (Republic of)	3.5000	10/03/24	550,000,000	501	0.59
Korea (Republic of)	1.5000	10/06/19	280,000,000	231	0.27
				2,845	3.38
Sri Lanka 2.00%					
Sri Lanka (Republic of)	10.7500	01/03/21	90,000,000	576	0.69
Sri Lanka (Republic of)	8.0000	15/11/18	90,000,000	568	0.67
Sri Lanka (Republic of)	11.4000	01/01/24	85,000,000	542	0.64
				1,686	2.00

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Thailand 2.41%					
Thailand (Kingdom of)	4.8750	22/06/29	40,000,000	1,335	1.59
Thailand (Kingdom of)	3.4000	17/06/36	15,000,000	429	0.51
Thailand (Kingdom of)	3.6500	20/06/31	9,000,000	264	0.31
				2,028	2.41
Total Government Bonds				27,755	32.93
Total Bonds				41,958	49.79
Equities 37.25%					
Australia 1.18%					
AGL Energy			7,948	127	0.15
CIMIC			3,560	90	0.11
Coca-Cola Amatil			19,369	141	0.17
CSL			5,488	400	0.47
Fortescue Metals			18,871	81	0.10
Harvey Norman			18,952	70	0.08
Lendlease			1,813	19	0.02
Qantas Airways			19,380	47	0.06
Vicinity Centres (REIT)			7,683	17	0.02
				992	1.18
China 1.80%					
Agricultural Bank of China			296,000	123	0.15
Air China 'H'			28,000	18	0.02
Anhui Conch Cement			48,500	133	0.17
Bank of China 'H'			232,000	103	0.12
Bank of Communications 'H'			161,000	117	0.14
Belle International			28,000	16	0.02
China CITIC Bank 'H'			29,000	18	0.02
China Communications Services 'H'			96,000	61	0.07
China Everbright Bank 'H'			119,000	54	0.06
Cosco Shipping Ports			62,000	62	0.07
Dongfeng Motor 'H'			104,000	101	0.12
Guangzhou Automobile 'H'			72,000	87	0.10
Huaneng Power International			130,000	86	0.10
ICBC China			72,000	43	0.05
NetEase ADR			500	108	0.13
New Oriental Education & Technology ADR			2,600	110	0.13
PetroChina			94,000	70	0.08
Shanghai Industrial			6,000	16	0.02
Sina			200	12	0.01
Sinopec Engineering 'H'			48,500	40	0.05
Sinopec Shanghai Petrochemical 'H'			128,000	69	0.08
TAL Education ADR			200	14	0.02
YY ADR			1,100	43	0.05
Zhejiang Expressway 'H'			16,000	15	0.02
				1,519	1.80

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Hong Kong 5.31%					
AIA			133,600	754	0.89
China Mobile			58,000	615	0.73
CLP			1,500	14	0.02
Hang Lung			51,000	177	0.21
Hang Lung Properties			86,440	183	0.22
HKT Trust and HKT			90,000	110	0.13
Hong Kong Exchanges & Clearing			12,387	293	0.35
Jardine Strategic			35,900	1,190	1.40
MTR			26,299	128	0.15
Nine Dragons Paper			18,000	16	0.02
Swire Pacific 'A'			34,000	325	0.39
Swire Properties			181,400	502	0.60
WH			70,500	57	0.07
Wheellock			3,000	17	0.02
Yue Yuen Industrial			25,500	93	0.11
				4,474	5.31
India 0.44%					
GAIL India			2,886	19	0.02
Hindustan Petroleum			2,482	16	0.02
Indiabulls Housing Finance			10,062	95	0.12
Maruti Suzuki India			699	55	0.07
NTPC			8,197	20	0.02
Oil & Natural Gas			6,877	19	0.02
Power Finance			21,587	39	0.05
Tata Power			44,714	50	0.06
Tech Mahindra			2,899	21	0.02
Vedanta			4,594	15	0.02
WIPRO			2,831	20	0.02
				369	0.44
Indonesia 1.06%					
Adaro Energy			132,600	17	0.02
Astra International			206,000	126	0.15
Bank Central Asia			444,200	509	0.61
Bank Danamon			68,000	19	0.02
Indofood CBP Sukses Makmur			28,000	18	0.02
Telekomunikasi Indonesia Persero			62,200	18	0.02
Unilever Indonesia			64,000	185	0.22
				892	1.06
Japan 12.27%					
Alfresa Holdings Corp			1,100	18	0.02
Amada Co			1,600	18	0.02
Bandai Namco Holdings			600	17	0.02
Benesse Holdings Inc			600	17	0.02
Bridgestone Corp			3,700	134	0.16

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Calbee Inc			8,500	267	0.32
Chubu Electric Power Co			6,800	95	0.11
Chugai Pharmaceutical Co			16,800	483	0.57
Daiichi Sankyo Co			800	16	0.02
Daikin Industries Ltd			3,000	276	0.33
Daito Trust Construction Co			700	105	0.13
Daiwa House Industry Co			600	16	0.02
East Japan Railway Co			6,200	537	0.64
FANUC Corp			3,600	612	0.73
Fuji Heavy Industries			3,000	123	0.15
Fujifilm Holdings Corp			400	15	0.02
Hakuhodo DY Holdings			1,500	19	0.02
Honda Motor Co			15,000	439	0.52
Idemitsu Kosan Co			2,700	72	0.09
Iida Group Holdings Co			1,000	19	0.02
ITOCHU Corporation			8,700	116	0.14
Japan Airlines Co			4,100	120	0.14
Japan Tobacco Inc			22,900	755	0.90
Kajima Corp			2,000	14	0.02
Kansai Electric Power Co			1,900	21	0.02
KDDI Corp			16,200	411	0.49
Keyence Corp			1,000	687	0.82
Konami Holdings Corp			400	16	0.02
Mazda Motor Corp			7,600	124	0.15
Mitsubishi Chemical Holdings Corp			2,500	16	0.02
Mitsubishi Gas Chemical			1,100	19	0.02
Mitsubishi Tanabe Pharma Corp			7,100	140	0.17
Mixi			1,400	51	0.06
NH Foods			1,000	27	0.03
Nippon Paint Holdings Co			13,000	355	0.42
Nomura Real Estate Master Fund			12	18	0.02
NTT			3,400	143	0.17
NTT Docomo Inc			6,100	139	0.17
Obayashi Corp			13,000	124	0.15
Osaka Gas Co			35,000	135	0.16
Sankyo Co			1,800	58	0.07
Sega Sammy Holdings			1,100	16	0.02
Seven & i Holdings Co			20,400	778	0.91
Shimamura Co			100	13	0.01
Shimizu Corp			2,000	18	0.02
Shin-Etsu Chemical Co			9,900	769	0.91
Sumitomo Corp			10,100	119	0.14
Sumitomo Rubber Industries			1,100	17	0.02
Suzuki Motor Corp			500	18	0.02
Sysmex Corp			7,300	424	0.50
Taisei Corp			16,000	112	0.13
Tohoku Electric Power Co			1,500	19	0.02
Tokyo Electric Power Co			4,900	20	0.02

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Tokyo Gas Co			4,000	18	0.02
Toppa Printing Co			2,000	19	0.02
Toyoda Gosei Co			800	19	0.02
Toyota Motor Corp			5,400	318	0.38
Unicharm Corp			13,000	285	0.34
Yahoo Japan Corp			120,300	463	0.55
Yamada Denki Co			17,700	96	0.11
Yamazaki Baking Co			800	15	0.02
				10,343	12.27
Malaysia 0.70%					
AirAsia			51,100	26	0.03
Berjaya Sports Toto			26,700	18	0.02
IOI			18,500	18	0.02
Kuala Lumpur Kepong			3,100	17	0.02
MISC			42,400	69	0.08
Petronas Dagangan			3,400	18	0.02
Public Bank			47,200	207	0.25
Tenaga Nasional			42,800	133	0.16
YTL			170,700	59	0.07
YTL Power International			81,700	27	0.03
				592	0.70
New Zealand 0.02%					
Contact Energy			5,922	19	0.02
Philippines 0.76%					
Ayala Land			505,000	324	0.38
Bank of the Philippine Islands			167,996	300	0.36
Energy Development			152,700	16	0.02
				640	0.76
Singapore 4.10%					
City Developments			101,400	582	0.69
DBS			33,512	402	0.48
Keppel			94,900	381	0.45
Oversea-Chinese Banking			121,236	749	0.88
Singapore Technologies Engineering			221,200	493	0.59
Singapore Telecommunications			197,400	498	0.59
United Overseas Bank			25,009	353	0.42
				3,458	4.10
South Korea 3.09%					
Amorepacific			338	37	0.04
Amorepacific (PREF)			1,811	309	0.37
DGB Financial			2,260	18	0.02
GS Retail			1,052	41	0.05
Hana Financial			629	16	0.02

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Hyundai Development			460	17	0.02
Kangwon Land			592	18	0.02
Kia Motors			3,744	122	0.14
Korea Electric Power			3,185	116	0.14
KT&G			210	18	0.02
LG Uplus			7,289	69	0.08
Naver			455	292	0.35
POSCO			524	112	0.13
Samsung Electronics			13	19	0.02
Samsung Electronics (PREF)			782	927	1.11
SK Hynix			3,213	119	0.14
SK Innovation			1,017	124	0.15
SK Telecom			633	117	0.14
Woori Bank			10,364	109	0.13
				2,600	3.09
Taiwan 2.80%					
Catcher Technology			2,000	14	0.02
First Financial			230,000	123	0.15
Formosa Chemicals & Fibre			6,000	18	0.02
Formosa Petrochemical			35,000	122	0.14
Foxconn Technology			7,000	18	0.02
Hon Hai Precision Industry			47,000	123	0.15
Lite-On Technology			72,000	109	0.13
Pegatron			24,000	57	0.07
Powertech Technology			27,000	73	0.09
Quanta Computer			67,000	125	0.15
Taishin Financial			209,000	76	0.09
Taishin Financial (Rights)			1,973	-	-
Taiwan Cooperative Financial			43,000	19	0.02
Taiwan Mobile			145,700	469	0.56
TSMC			134,000	754	0.88
Uni-President Enterprises			72,000	119	0.14
Wistron			97,000	75	0.09
WPG			58,000	68	0.08
				2,362	2.80
Thailand 1.05%					
Charoen Pokphand Foods (Alien)			21,400	18	0.02
Glow Energy			19,700	44	0.05
IRPC (Alien)			134,700	18	0.02
Krung Thai Bank (Alien)			138,200	68	0.08
PTT (Alien)			1,600	17	0.02
PTT Exploration & Production (Alien)			8,000	21	0.03
Siam Cement (Alien)			42,500	591	0.71
Thai Oil (Alien)			31,300	63	0.07
Thai Union (Alien)			74,800	44	0.05
				884	1.05

Asia Pacific Multi Asset

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
United Kingdom 2.27%					
BHP Billiton			23,050	372	0.44
HSBC			61,656	495	0.59
Rio Tinto			16,192	632	0.75
Standard Chartered			50,590	415	0.49
				1,914	2.27
United States 0.40%					
Yum China			12,840	335	0.40
Total Equities				31,393	37.25
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				73,351	87.04
Open Ended Investment Funds 5.56%					
Aberdeen Global - Asian Credit Bond Fund Z-2 [†]			178,880	1,932	2.29
Aberdeen Global - China A Share Equity Fund Z-2 [†]			56,693	516	0.61
Aberdeen Global - Indian Equity Fund Z-2 [†]			141,185	2,233	2.66
				4,681	5.56
Total Open Ended Investment Funds				4,681	5.56
Derivatives (0.35%)					
Future contracts 0.03%					
Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %	
CBT US Long Bond	22/03/17	7	(8)	(0.01)	
CBT US 10 Year Note	22/03/17	(5)	7	0.01	
CBT US 2 Year Note	31/03/17	14	(3)	-	
CBT US 5 Year Note	31/03/17	(77)	40	0.05	
HKG Hang Seng Index	26/01/17	(3)	(9)	(0.01)	
KFE Korea 10 Year Bond	21/03/17	14	11	0.01	
OSE TOPIX Index	09/03/17	(13)	(51)	(0.07)	
SFE Australia 10 Year Bond	15/03/17	18	7	0.01	
SGX MSCI Singapore Index	27/01/17	19	(2)	-	
SGX S&P CNX Nifty	25/01/17	106	29	0.04	
TEF SET50	30/03/17	80	-	-	
Unrealised gains on future contracts			21	0.03	

Asia Pacific Multi Asset

Forward currency exchange contracts (0.38%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
BNP Paribas	CHF	USD	15/03/17	11,671,878	11,672,485	(136)	(0.16)
BNP Paribas	CHF	USD	15/03/17	77,351	75,510	1	-
BNP Paribas	EUR	USD	15/03/17	11,760,213	12,746,483	(298)	(0.35)
BNP Paribas	EUR	USD	15/03/17	53,779	56,244	1	-
BNP Paribas	EUR	USD	15/03/17	36,107	38,616	-	-
BNP Paribas	EUR	USD	15/03/17	5,461	5,729	-	-
BNP Paribas	EUR	USD	15/03/17	2,874	3,046	-	-
BNP Paribas	EUR	USD	15/03/17	2,679	2,812	-	-
BNP Paribas	KRW	USD	24/03/17	2,336,700,000	2,000,000	(60)	(0.07)
BNP Paribas	KRW	USD	24/03/17	2,219,865,000	1,900,000	(57)	(0.07)
BNP Paribas	MYR	USD	20/01/17	2,529,600	600,000	(37)	(0.04)
BNP Paribas	USD	KRW	13/01/17	6,415,000	7,170,109,650	475	0.56
BNP Paribas	USD	MYR	20/01/17	400,000	1,676,200	27	0.03
BNP Paribas	USD	CNH	06/03/17	300,000	2,088,000	6	0.01
BNP Paribas	USD	EUR	15/03/17	117,999	113,194	(2)	-
BNP Paribas	USD	EUR	15/03/17	100,356	94,187	1	-
BNP Paribas	USD	EUR	15/03/17	93,604	89,571	(1)	-
BNP Paribas	USD	EUR	15/03/17	84,905	81,245	(1)	-
BNP Paribas	USD	EUR	15/03/17	66,873	63,743	(1)	-
BNP Paribas	USD	CHF	15/03/17	37,786	37,833	-	-
BNP Paribas	USD	CHF	15/03/17	37,669	38,446	-	-
BNP Paribas	USD	EUR	15/03/17	30,197	28,344	-	-
BNP Paribas	USD	CHF	15/03/17	9,797	10,006	-	-
Credit Suisse	CNH	USD	13/01/17	41,205,600	5,900,000	(10)	(0.01)
Credit Suisse	INR	USD	13/01/17	121,869,990	1,767,000	26	0.03
Credit Suisse	KRW	USD	24/03/17	351,300,000	300,000	(8)	(0.01)
Credit Suisse	KRW	USD	24/03/17	351,300,000	300,000	(8)	(0.01)
Credit Suisse	MYR	USD	20/01/17	5,811,820	1,400,000	(106)	(0.13)
Credit Suisse	TWD	USD	13/01/17	57,632,000	1,810,619	(25)	(0.03)
Credit Suisse	USD	MYR	20/01/17	5,000,000	20,756,500	376	0.45
Goldman Sachs	CNH	USD	17/02/17	3,528,000	500,000	(1)	-
Goldman Sachs	CNH	USD	17/02/17	1,411,200	200,000	-	-
Goldman Sachs	INR	USD	13/01/17	122,451,000	1,785,000	17	0.02
Goldman Sachs	JPY	USD	13/01/17	98,480,000	901,854	(57)	(0.07)
Goldman Sachs	KRW	USD	24/03/17	234,340,000	200,000	(5)	(0.01)
Goldman Sachs	MYR	USD	13/01/17	2,446,728	551,065	(6)	(0.01)
Goldman Sachs	PHP	USD	16/02/17	123,492,500	2,500,000	(23)	(0.03)
Goldman Sachs	PHP	USD	16/02/17	54,336,700	1,100,000	(10)	(0.01)
Goldman Sachs	SGD	USD	10/03/17	6,268,900	4,400,000	(62)	(0.07)
Goldman Sachs	SGD	USD	10/03/17	2,422,075	1,700,000	(24)	(0.03)
Goldman Sachs	THB	USD	17/03/17	57,088,000	1,600,000	(6)	(0.01)
Goldman Sachs	THB	USD	17/03/17	21,375,000	600,000	(3)	-
Goldman Sachs	THB	USD	17/03/17	17,840,000	500,000	(2)	-
Goldman Sachs	USD	INR	13/01/17	5,738,000	391,618,500	(25)	(0.03)
Goldman Sachs	USD	GBP	13/01/17	910,800	730,000	8	0.01
Goldman Sachs	USD	INR	13/01/17	815,000	55,116,005	4	-
Goldman Sachs	USD	MYR	13/01/17	582,000	2,446,728	37	0.04
Goldman Sachs	USD	HKD	13/03/17	1,800,000	13,969,930	(2)	-

Asia Pacific Multi Asset

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Goldman Sachs	USD	HKD	13/03/17	700,000	5,432,751	(1)	-
Goldman Sachs	USD	THB	17/03/17	800,000	28,500,000	4	0.01
Merrill Lynch	INR	USD	13/01/17	183,587,000	2,685,984	15	0.02
Royal Bank of Canada	CNH	USD	06/03/17	14,376,600	2,100,000	(74)	(0.09)
Royal Bank of Canada	INR	USD	01/03/17	115,429,072	1,685,000	5	0.01
Royal Bank of Canada	KRW	USD	13/01/17	4,290,296,800	3,778,000	(225)	(0.27)
Royal Bank of Canada	KRW	USD	02/03/17	2,442,373,800	2,022,000	6	0.01
Royal Bank of Canada	MYR	USD	20/01/17	4,758,132	1,140,000	(80)	(0.10)
Royal Bank of Canada	MYR	USD	20/01/17	2,045,162	490,000	(34)	(0.04)
Royal Bank of Canada	SGD	USD	01/03/17	1,220,433	843,000	2	-
Royal Bank of Canada	SGD	USD	01/03/17	133,138	91,939	-	-
Royal Bank of Canada	USD	HKD	13/01/17	4,417,000	34,251,839	(1)	-
Royal Bank of Canada	USD	TWD	13/01/17	1,688,000	53,104,480	43	0.05
Standard Chartered	AUD	USD	01/03/17	3,091,414	2,237,000	(2)	-
Standard Chartered	HKD	USD	13/01/17	39,718,194	5,124,000	(1)	-
Standard Chartered	HKD	USD	13/01/17	2,300,000	296,419	-	-
Standard Chartered	JPY	USD	13/01/17	98,846,980	892,000	(44)	(0.05)
Standard Chartered	KRW	USD	13/01/17	3,174,243,000	2,710,711	(81)	(0.10)
Standard Chartered	KRW	USD	24/03/17	350,760,000	300,000	(9)	(0.01)
Standard Chartered	PHP	USD	01/03/17	42,191,307	843,000	2	-
Standard Chartered	THB	USD	01/03/17	30,326,925	843,000	4	-
Standard Chartered	USD	CNH	13/01/17	5,124,000	34,754,719	156	0.18
Standard Chartered	USD	THB	13/01/17	747,000	26,339,220	12	0.01
Standard Chartered	USD	HKD	01/03/17	3,736,000	28,970,506	(2)	-
Standard Chartered	USD	TWD	01/03/17	2,500,000	80,730,000	6	0.01
Standard Chartered	USD	IDR	01/03/17	883,000	12,264,870,000	(18)	(0.02)
Unrealised losses on forward currency exchange contracts						(314)	(0.38)
Unrealised losses on derivatives						(293)	(0.35)
Total investments						77,739	92.25
Other net assets						6,532	7.75
Total net assets						84,271	100.00

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

Asian Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Asian Bond - A Accumulation shares decreased by 4.40% compared to a decrease of 5.19% in the benchmark being the iBoxx ALBI 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

Asian fixed-income markets endured a volatile six months, correcting on the back of heightened risk aversion. Sentiment was buoyant initially as Brexit-related concerns faded with a swift leadership transition in the UK and the Bank of England's first interest rate cut in seven years. However, investors started unwinding positions as the tussle between Hillary Clinton and Donald Trump grew more fractious ahead of the US presidential election. Trump's shock win in November sent global bond yields soaring. Markets continued to correct in December amid speculation that the new US administration would increase fiscal spending and fuel inflation expectations. The Federal Reserve (Fed) echoed these expectations when it hiked rates and revealed a more hawkish outlook for 2017, despite a lack of details concerning Trump's position.

Regional currencies weakened on the back of the US dollar's rally. The ringgit was one of the worst performers, with its 10% decline exacerbated by Malaysia's restrictions on hedging in the non-deliverable forward market. The yuan lost 4.3% amid rising concerns over fund outflows and stricter capital controls in China. The Indian rupee proved more resilient, declining by only 0.6% amid steady inflows.

In local-government bond markets, the Philippines was the main underperformer as worries over slowing worker remittances growth were compounded by president Duterte's belligerence against Western powers. Sentiment was further depressed by fears that the outsourcing sector would be hurt by rising US protectionism under Trump. Bond yields in Hong Kong and Singapore tracked US Treasuries higher. Markets in Korea were roiled by the widening political scandal involving president Park Geun-hye. In Thailand, King Bhumibol's death pushed yields lower but profit-taking later ensued. Malaysian yields fell following the central bank's first rate cut in seven years and the inclusion of Islamic bonds in JP Morgan's emerging-market indices but Trump's victory reversed those gains. In Indonesia, outflows were exacerbated by substantial foreign-investor holdings but the modest success of the tax amnesty bill pared losses. Yields also rose in China as officials' tightened liquidity to stave off potential bubbles, causing short-term rates to spike sharply at the period-end.

Bucking the regional trend was Indian bonds, which rallied on a succession of upbeat news, including the approval of the long-awaited goods-and-services tax bill by the upper house; the formation of the new monetary policy committee with its inflation-targeting framework; and crucially the demonetisation policy aimed at weeding out black money and corruption.

Spreads in regional credit markets narrowed over the reporting period, with the high-yield sector outperforming investment-grade. But this was overshadowed by higher US Treasury yields, which led to market declines on a total-return basis. At the sector level, the oil price rebound helped pare early losses in energy-related credits. In the financial sector, the Fed's rate hike bolstered prospects of improving bank profits, which helped soothe initial fears over rising non-performing loans. However, amid the global hunt for yield, valuations became increasingly stretched in certain sectors, notably Chinese property, which resulted in the mispricing of several issues.

Portfolio review

The Fund outperformed the benchmark, driven by our non-benchmark allocation to Asian US-dollar credit and, in particular, our interest-rate strategies. Total currency management was largely neutral.

Contributing to relative performance was the underweight to both Korean and Singapore bonds, as well as their currencies. The underweight to Philippine and Hong Kong bonds were also positive. Another key contributor was the overweight to Indian bonds albeit pared by rupee weakness. In contrast, the main detractor was the overweight to Malaysian bonds and the ringgit.

In Asian US-dollar credit, notable contributors included security selection in both high-yield and investment-grade quasi-sovereigns, as well as financials. The lack of exposure to high-yield industrial credits was also positive.

Outlook

A foremost concern is how US trade policy will shape up after Donald Trump takes office in late January. A more isolationist stance would renew market volatility in the short term and in the longer run hurt global trade and economic recovery. In Europe, upcoming elections will be closely watched to see how far populism will run its course. In China, continued yuan weakness might spark competitive devaluations. We won't be surprised if Beijing tightens capital controls further to mitigate outflows but their efforts could prove futile if the US dollar's strength persists and investors continue to rotate their assets offshore. Meanwhile, it remains to be seen if Saudi Arabia and Russia will follow through with oil output cuts after their historic deal. Any backpedalling could push crude oil below US\$50 a barrel again amid a supply glut.

Against this backdrop, bond and currency markets could correct further on renewed risk aversion. But we think major central banks won't be tightening monetary policy any time soon, given the uncertain global backdrop. In Asia, there is still room to cut rates and improving fundamentals mean regional economies are on a sound footing to absorb any global shocks. As for the Fed, we believe it will move gradually, despite pencilling in three hikes this year. There is a limit to how much bond yields can rise as higher borrowing costs tend to hurt economic recovery and dollar strength would erode US companies' repatriated earnings. We will maintain a cautious stance but any mispricing of risk would present opportunities to build up favoured trades.

Aberdeen Asian Fixed Income Team
January 2017

Asian Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	66,766
Cash at bank		6,377
Amounts held at futures clearing houses and brokers		128
Interest receivable		742
Subscriptions receivable		5
Unrealised gains on future contracts	2.7	69
Total assets		74,087
Liabilities		
Taxes and expenses payable		64
Redemptions payable		15
Unrealised losses on forward currency exchange contracts	2.6	501
Other liabilities		80
Total liabilities		660
Net assets at the end of the period		73,427

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		78,869
Net gains from investments		1,204
Net realised losses		(2,426)
Net unrealised losses		(2,307)
Proceeds from shares issued		8,811
Payments for shares redeemed		(10,663)
Net equalisation paid	10	(23)
Dividends paid	5	(38)
Net assets at the end of the period		73,427

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	1,610
Bank interest		7
Total income		1,617
Expenses		
Management fees	4.2	266
Operating, administrative and servicing fees	4.3	146
Other operational expenses		1
Total expenses		413
Net gains from investments		1,204
Realised losses on investments		(1,358)
Realised gains on future contracts		137
Realised losses on forward currency exchange contracts		(1,104)
Realised currency exchange losses		(101)
Net realised losses		(2,426)
Decrease in unrealised appreciation on investments		(2,106)
Decrease in unrealised depreciation on future contracts		133
Increase in unrealised depreciation on forward currency exchange contracts		(306)
Unrealised currency exchange losses		(28)
Net unrealised losses		(2,307)
Net decrease in assets as a result of operations		(3,529)

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

Asian Bond

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	A(EUR)-2 [^]	D(GBP)-2 [^]	I-2
Shares outstanding at the beginning of the period	22,201	96,180	46,345	14,312	20,774
Shares issued during the period	4,100	1,537	1,781	4	4,871
Shares redeemed during the period	(929)	(25,890)	(5,564)	-	(3,499)
Shares outstanding at the end of the period	25,372	71,827	42,562	14,316	22,146
Net asset value per share	111.6499	148.4933	139.3162	10.3304	1,516.0195

	X-2	Z-2
Shares outstanding at the beginning of the period	52,701	17,742
Shares issued during the period	-	-
Shares redeemed during the period	-	(55)
Shares outstanding at the end of the period	52,701	17,687
Net asset value per share	9.6804	1,097.2431

[^] Base currency exposure share class.

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

Asian Bond

Portfolio Statement

As at 31 December 2016

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 81.29%					81.29%
Bonds 81.29%					
Corporate Bonds 28.22%					
Australia 0.26%					
Transurban Finance	3.3750	22/03/27	199,000	188	0.26
China 4.68%					
Agile	8.3750	18/02/19	200,000	209	0.28
China Railway Resources	3.8500	05/02/23	248,000	250	0.34
China Resources Gas (EMTN)	4.5000	05/04/22	250,000	262	0.36
CNOOC Nexen Finance 2014 ULC	4.2500	30/04/24	395,000	406	0.54
CNPC General Capital	3.4000	16/04/23	300,000	299	0.41
FUXIANG Investment Management (EMTN)	3.6250	30/11/19	200,000	200	0.27
Logan Property	11.2500	04/06/19	200,000	217	0.30
Proven Honour Capital	4.1250	06/05/26	350,000	349	0.48
Rail Transit International Investment	2.8750	13/05/21	375,000	366	0.50
Sinopec Capital 2013	3.1250	24/04/23	400,000	391	0.53
Sinopec Group Overseas Development 2013	4.3750	17/10/23	250,000	262	0.36
SPIC	3.8750	06/12/26	225,000	225	0.31
				3,436	4.68
Hong Kong 2.58%					
Champion (EMTN)	3.7500	17/01/23	252,000	252	0.34
FPC Treasury	4.5000	16/04/23	350,000	345	0.47
HLP Finance (EMTN)	4.7500	25/06/22	423,000	443	0.60
Hongkong Electric Finance (EMTN)	2.8750	03/05/26	350,000	329	0.45
Hutchison Whampoa Finance	7.5000	01/08/27	260,000	339	0.46
Hutchison Whampoa International 09	7.6250	09/04/19	170,000	190	0.26
				1,898	2.58
India 7.03%					
Axis Bank	8.8500	05/12/24	80,000,000	1,283	1.75
Bharat Petroleum (EMTN)	4.0000	08/05/25	450,000	442	0.60
Housing Development Finance	8.7500	13/01/20	100,000,000	1,513	2.05
Indiabulls Housing Finance	9.0000	29/04/26	50,000,000	720	0.98
Reliance Industries	4.1250	28/01/25	350,000	350	0.48
Rural Electrification	9.3500	15/06/22	20,000,000	323	0.44
State Bank of India (London)	3.6220	17/04/19	200,000	205	0.28
UPL	3.2500	13/10/21	340,000	331	0.45
				5,167	7.03
Indonesia 6.01%					
Bank OCBC NISP	9.4000	10/02/17	10,000,000,000	743	1.01
Lembaga Pembiayaan Ekspor Indonesia	9.5000	13/03/20	46,000,000,000	3,444	4.68
Pertamina Persero	6.4500	30/05/44	232,000	236	0.32
				4,423	6.01

Asian Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Malaysia 1.92%					
Danga Capital	3.0350	01/03/21	400,000	397	0.55
Petronas Global Sukuk	2.7070	18/03/20	260,000	260	0.35
RHB Bank (EMTN)	2.5030	06/10/21	304,000	291	0.40
TNB Global Ventures Capital (EMTN)	3.2440	19/10/26	200,000	187	0.25
Wakala Global Sukuk	4.6460	06/07/21	250,000	268	0.37
				1,403	1.92
Philippines 1.20%					
ICTSI Treasury (EMTN)	5.8750	17/09/25	200,000	210	0.29
Philippine Long Distance Telephone (EMTN)	8.3500	06/03/17	376,000	379	0.51
Rizal Commercial Banking (EMTN)	3.4500	02/02/21	287,000	291	0.40
				880	1.20
Singapore 1.48%					
Global Logistic Properties (EMTN)	3.8750	04/06/25	500,000	488	0.67
HPHT Finance 15	2.8750	17/03/20	200,000	200	0.27
United Overseas Bank (EMTN)	VAR	16/09/26	400,000	397	0.54
				1,085	1.48
South Korea 1.34%					
Busan Bank (GMTN)	3.6250	25/07/26	500,000	462	0.63
Doosan Power System	VAR	03/12/45	221,000	221	0.30
Hyundai Capital Services (EMTN)	2.6250	29/09/20	200,000	198	0.27
Korea Gas	2.2500	25/07/17	100,000	100	0.14
				981	1.34
Thailand 0.59%					
Krung Thai Bank Cayman (EMTN)	VAR	26/12/24	386,000	401	0.55
Thai Oil	3.6250	23/01/23	29,000	29	0.04
				430	0.59
United Kingdom 1.13%					
HSBC (PERP)	VAR	29/12/49	335,000	334	0.45
Standard Chartered	4.0500	12/04/26	300,000	299	0.41
Standard Chartered	3.9500	11/01/23	200,000	195	0.27
				828	1.13
Total Corporate Bonds				20,719	28.22
Government Bonds 53.07%					
China 7.87%					
China (Peoples Republic of)	3.6400	09/04/25	13,000,000	1,955	2.66
China (Peoples Republic of)	4.1300	18/09/24	10,000,000	1,550	2.11
China (Peoples Republic of)	3.3600	24/05/22	10,000,000	1,468	2.00
China (Peoples Republic of)	2.8500	28/01/26	2,000,000	284	0.39
China (Peoples Republic of)	3.5700	17/11/21	1,000,000	148	0.20
Export-Import Bank of China	2.8750	26/04/26	400,000	377	0.51
				5,782	7.87

Asian Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
India 7.89%					
Export-Import Bank of India	3.3750	05/08/26	200,000	187	0.26
India (Government of)	8.1700	01/12/44	152,440,000	2,502	3.40
India (Government of)	8.2400	10/11/33	104,000,000	1,695	2.31
India (Government of)	8.2700	09/06/20	90,000,000	1,400	1.91
India (Government of)	9.2000	30/09/30	270,000	5	0.01
				5,789	7.89
Indonesia 9.20%					
Indonesia (Republic of)	9.0000	15/03/29	20,900,000,000	1,645	2.25
Indonesia (Republic of)	8.7500	15/05/31	14,900,000,000	1,162	1.58
Indonesia (Republic of)	8.2500	15/05/36	12,000,000,000	900	1.23
Indonesia (Republic of)	8.3750	15/09/26	10,000,000,000	765	1.04
Indonesia (Republic of)	8.3750	15/03/34	10,000,000,000	749	1.02
Indonesia (Republic of)	7.0000	15/05/22	10,000,000,000	727	0.99
Indonesia (Republic of)	5.2500	08/01/47	280,000	281	0.38
Indonesia (Republic of)	4.3500	08/01/27	282,000	283	0.39
Perusahaan Penerbit SBSN Indonesia III	4.3500	10/09/24	234,000	235	0.32
				6,747	9.20
Malaysia 15.18%					
Malaysia (Government of)	3.9000	30/11/26	14,400,000	3,133	4.27
Malaysia (Government of)	4.2540	31/05/35	15,662,000	3,314	4.50
Malaysia (Government of)	4.7360	15/03/46	13,138,000	3,002	4.09
Malaysia (Government of)	4.2320	30/06/31	8,000,000	1,702	2.32
				11,151	15.18
Singapore 0.48%					
Singapore (Government of)	2.8750	01/09/30	500,000	352	0.48
South Korea 3.73%					
Korea Monetary Stabilization Bond	1.4800	09/11/17	1,300,000,000	1,076	1.46
Korea (Republic of)	3.7500	10/12/33	900,000,000	922	1.26
Korea (Republic of)	3.3750	10/09/23	430,000,000	387	0.53
Korea (Republic of)	1.5000	10/06/19	430,000,000	355	0.48
				2,740	3.73
Sri Lanka 3.25%					
Sri Lanka (Republic of)	10.7500	01/03/21	130,000,000	832	1.14
Sri Lanka (Republic of)	8.0000	15/11/18	126,000,000	795	1.08
Sri Lanka (Republic of)	11.4000	01/01/24	119,000,000	758	1.03
				2,385	3.25
Thailand 5.47%					
Thailand (Kingdom of)	4.8750	22/06/29	90,000,000	3,004	4.09
Thailand (Kingdom of)	3.6500	20/06/31	34,600,000	1,016	1.38
				4,020	5.47
Total Government Bonds				38,966	53.07

Asian Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Total Bonds				59,685	81.29
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				59,685	81.29
Open Ended Investment Funds 9.64%					
Aberdeen Global - Asian Credit Bond Fund Z-2†			655,538	7,081	9.64
Total Open Ended Investment Funds				7,081	9.64

Derivatives (0.59%)

Future contracts 0.09%

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US Long Bond	22/03/17	8	(8)	(0.01)
CBT US 10 Year Note	22/03/17	(82)	53	0.06
CBT US 2 Year Note	31/03/17	14	(3)	-
CBT US 5 Year Note	31/03/17	(11)	6	0.01
KFE Korea 10 Year Bond	21/03/17	26	21	0.03
Unrealised gains on future contracts			69	0.09

Forward currency exchange contracts (0.68%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
BNP Paribas	EUR	USD	15/03/17	5,840,559	6,330,377	(148)	(0.20)
BNP Paribas	EUR	USD	15/03/17	200,050	209,952	2	-
BNP Paribas	EUR	USD	15/03/17	4,848	5,151	-	-
BNP Paribas	GBP	USD	15/03/17	148,596	188,692	(5)	(0.01)
BNP Paribas	GBP	USD	15/03/17	1,819	2,284	-	-
BNP Paribas	KRW	USD	24/03/17	5,608,080,000	4,800,000	(144)	(0.20)
BNP Paribas	KRW	USD	24/03/17	3,388,215,000	2,900,000	(87)	(0.12)
BNP Paribas	MYR	USD	20/01/17	2,951,200	700,000	(43)	(0.06)
BNP Paribas	MYR	USD	20/01/17	2,108,000	500,000	(31)	(0.04)
BNP Paribas	USD	CNH	06/03/17	300,000	2,088,000	6	0.01
BNP Paribas	USD	EUR	15/03/17	78,656	75,132	(1)	-
BNP Paribas	USD	EUR	15/03/17	35,207	33,496	-	-
BNP Paribas	USD	EUR	15/03/17	30,598	28,246	1	-
BNP Paribas	USD	EUR	15/03/17	7,294	6,953	-	-
BNP Paribas	USD	EUR	15/03/17	4,529	4,334	-	-
BNP Paribas	USD	GBP	15/03/17	2,729	2,193	-	-
Credit Suisse	KRW	USD	24/03/17	936,800,000	800,000	(22)	(0.03)
Credit Suisse	KRW	USD	24/03/17	702,600,000	600,000	(17)	(0.02)
Credit Suisse	MYR	USD	20/01/17	7,472,340	1,800,000	(136)	(0.18)
Credit Suisse	USD	MYR	20/01/17	8,200,000	34,040,660	617	0.83
Goldman Sachs	CNH	USD	17/02/17	7,056,000	1,000,000	(2)	-
Goldman Sachs	CNH	USD	17/02/17	1,411,200	200,000	-	-
Goldman Sachs	PHP	USD	16/02/17	197,588,000	4,000,000	(37)	(0.05)
Goldman Sachs	PHP	USD	16/02/17	79,035,200	1,600,000	(15)	(0.02)
Goldman Sachs	SGD	USD	10/03/17	9,403,350	6,600,000	(93)	(0.13)

Asian Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Goldman Sachs	SGD	USD	10/03/17	3,846,825	2,700,000	(38)	(0.05)
Goldman Sachs	THB	USD	17/03/17	89,200,000	2,500,000	(10)	(0.01)
Goldman Sachs	THB	USD	17/03/17	32,062,500	900,000	(5)	(0.01)
Goldman Sachs	THB	USD	17/03/17	28,544,000	800,000	(3)	-
Goldman Sachs	USD	HKD	13/03/17	2,700,000	20,954,895	(4)	-
Goldman Sachs	USD	HKD	13/03/17	1,000,000	7,761,072	(1)	-
Goldman Sachs	USD	THB	17/03/17	2,300,000	81,937,500	13	0.02
Goldman Sachs	USD	KRW	24/03/17	800,000	935,151,904	24	0.03
Royal Bank of Canada	CNH	USD	06/03/17	20,538,000	3,000,000	(105)	(0.14)
Royal Bank of Canada	CNH	USD	06/03/17	9,584,400	1,400,000	(49)	(0.07)
Royal Bank of Canada	MYR	USD	20/01/17	7,304,150	1,750,000	(123)	(0.17)
Royal Bank of Canada	MYR	USD	20/01/17	2,671,232	640,000	(45)	(0.06)
Unrealised losses on forward currency exchange contracts						(501)	(0.68)
Unrealised losses on derivatives						(432)	(0.59)
Total investments						66,334	90.34
Other net assets						7,093	9.66
Total net assets						73,427	100.00

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

Australian Dollar Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Australian Dollar Bond - A Accumulation shares decreased by 3.95% compared to a decrease of 3.27% in the benchmark, JP Morgan 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

Bond yields were relatively stable in the initial few months of the period with the most notable adjustment being an increase in short dated treasury yields to reflect the likelihood of more near term monetary tightening from the Federal Reserve (Fed). As the period progressed financial markets also re-assessed the likely trajectory of the cash rate in Australia. After they cut the cash rate to 1.5% in August the Reserve Bank of Australia (RBA) adopted a more neutral stance in their communications and emphasised the importance of financial stability concerns. This put upward pressure on Australian yields at a time when markets were re-pricing break even inflation in the US higher, and as a result Treasury yields were rising more quickly. This momentum was then given a boost by the surprising Trump victory at the US Presidential election and the selloff in bond yields turned violent in November before losing steam in the last month of the year. Over the six month period Australian ten year yields rose by 78 basis points (bp) to 2.8% and ten year US treasury yields were up 97 bp to end the year at 2.4%. As such Australian bonds outperformed US treasuries. The AUD was resilient until the US election results which pushed the USD higher against most currencies and over the period the AUD depreciated by 3.3% against the USD to end the year at 72 cents against the USD.

Australia lost momentum in economic activity as GDP dropped from 2.1% in the June quarter to -1.9% in the September quarter (annualised quarterly rate). Employment growth slowed and is particularly weak in full time jobs but the unemployment rate has remained stable, in part because of falling participation in the labour market. Business investment remains lacklustre and the support to the economy from residential construction appears to be peaking. Nevertheless the sentiment surveys suggest there is a level of resilience that should keep growth stable. Against this backdrop inflation pressures have remained muted, both in wages and in core consumer prices, which remain below the RBA's target range of 2% to 3%.

Portfolio review

Following a strong first half of 2016 Australian bonds yields rose in the second half of the year and we assess that they now possess very good value. As such we hold a long duration position in Australian bonds (reflecting a preference for bonds over cash). Over the reporting period this position has detracted from relative performance modestly. We maintain conviction in the view though, and expect it provide protection during times of market turbulence. As risks have risen in recent months we believe this protection is worthwhile, even though in the short term it has detracted.

Semi-government and SSA lines had a negligible impact on performance over the period. We foresee continued spread compression between AA and AAA-rated semi-government bonds, and we view the excess carry from SSA holdings as attractive over the medium-term, with potential for tighter spreads if the Australian sovereign rating is downgraded below AAA.

Outlook

We expect the RBA to leave the cash rate unchanged at 1.5%, even though we forecast underlying inflation to remain below the RBA's target of 2% to 3% in the months ahead. While the shortfall in inflation relative to the RBA's target has been the key reason behind the earlier decisions to reduce the cash rate from 2% to 1.5%, low inflation alone is unlikely to see the RBA cut again. The flexibility that the RBA's mandate affords, coupled with financial stability risks posed by burgeoning residential apartment supply, are considerations that will carry a heavy weight for the RBA. In contrast, we expect the Fed to continue lifting the funds rate in 2017. Following the European Central Bank's recent announcement, its asset purchase program will continue to put a lid on bond yields in the domestic markets but we are past the point of maximum stimulus from monetary policy. In the US we expect 2017 growth to step up and rate hikes to be a little more frequent, in part because the underlying trend is pointing in that direction already and in part because the likelihood of fiscal stimulus, predominantly via tax cuts, is now high enough to be included in our central case.

Following the outcome of the US election we see greater-than-usual risks around our central case. On the downside there is the possibility of trade battles, if not full blown trade wars. Also, further surprises from the European political scene that threatens the Eurozone project seem today, where populism is on the rise, more possible too. Equally on the upside there is a good chance that US GDP-growth-enhancing policies are implemented, and the rest of the world is pulled along. These risks are very wide apart with respect to their implications for growth, monetary policy and bond yields, more so than we have anticipated for a very long time.

We view the election of Donald Trump as positive for risk assets, as the deflation narrative should usurp the 'lower for longer' theme that was very long in the tooth. Given hitherto fund flows out of equities, risk-asset positioning remains relatively light with scope for further inflows as investors exit the crowded bond trade. Increased growth and higher yields are generally associated with tighter credit spreads. We see the capacity for a material selloff in yields – from this point – as low, given global growth dynamics that will not change overnight. This should sustain the search for the incremental income on offer in credit compared with government bonds. Furthermore, the funded status of global pension funds means that any incremental yield/spread should be pounced upon when opportunities present themselves.

Aberdeen Australian Fixed Income Team

January 2017

Australian Dollar Bond

Statement of Net Assets

As at 31 December 2016

	Notes	AU\$'000
Assets		
Investments in securities at market value	2.2	90,227
Cash at bank		2,155
Interest receivable		638
Subscriptions receivable		59
Receivable for investments sold		1,026
Total assets		94,105
Liabilities		
Payable for investments purchased		1,992
Taxes and expenses payable		93
Redemptions payable		206
Other liabilities		133
Total liabilities		2,424
Net assets at the end of the period		91,681

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	AU\$'000
Net assets at the beginning of the period		121,971
Net gains from investments		620
Net realised losses		(150)
Net unrealised losses		(4,773)
Proceeds from shares issued		24,310
Payments for shares redeemed		(49,935)
Net equalisation paid	10	(93)
Dividends paid	5	(269)
Net assets at the end of the period		91,681

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	AU\$'000
Income		
Investment income	2.3	1,236
Bank interest		26
Total income		1,262
Expenses		
Management fees	4.2	486
Operating, administrative and servicing fees	4.3	154
Operational expenses		2
Total expenses		642
Net gains from investments		620
Realised losses on investments		(150)
Net realised losses		(150)
Decrease in unrealised appreciation on investments		(4,773)
Net unrealised losses		(4,773)
Net decrease in assets as a result of operations		(4,303)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	X-1	X-2
Shares outstanding at the beginning of the period	28,555	15,175	1,114,138	168,117
Shares issued during the period	3,475	3,665	186,789	65,989
Shares redeemed during the period	(5,487)	(8,581)	(342,594)	(5,255)
Shares outstanding at the end of the period	26,543	10,259	958,333	228,851
Net asset value per share	1,272.4561	4,424.5743	10.3515	11.3359

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

Australian Dollar Bond

Portfolio Statement

As at 31 December 2016

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					97.35%
Bonds 97.35%					
Government Bonds 97.35%					
Australia 87.27%					
Australia (Commonwealth of)	5.5000	21/04/23	12,480,000	14,709	16.03
Australia (Commonwealth of)	2.7500	21/04/24	14,500,000	14,674	16.00
Australia (Commonwealth of)	5.7500	15/05/21	9,000,000	10,338	11.28
Australia (Commonwealth of)	1.7500	21/11/20	10,100,000	9,964	10.87
Australia (Commonwealth of)	2.7500	21/11/27	6,000,000	5,956	6.50
Australia (Commonwealth of)	3.0000	21/03/47	6,284,000	5,414	5.91
Australia (Commonwealth of)	3.2500	21/04/29	4,700,000	4,832	5.27
Australia (Commonwealth of)	4.2500	21/04/26	2,800,000	3,154	3.44
Australia (Commonwealth of)	3.2500	21/04/25	2,600,000	2,713	2.96
Australia (Commonwealth of)	4.5000	21/04/33	1,800,000	2,090	2.28
Australia (Commonwealth of)	2.7500	21/06/35	2,050,000	1,866	2.03
Australia (Commonwealth of)	3.2500	21/06/39	900,000	852	0.93
Queensland Treasury	5.5000	21/06/21	1,900,000	2,141	2.34
Western Australian Treasury	7.0000	15/07/21	1,100,000	1,309	1.43
				80,012	87.27
Germany 5.10%					
Landwirtschaftliche Rentenbank (MTN)	5.5000	09/03/20	4,300,000	4,679	5.10
Norway 4.98%					
Kommunalbanken (MTN)	6.5000	12/04/21	4,000,000	4,561	4.98
Total Government Bonds				89,252	97.35
Total Bonds				89,252	97.35
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				89,252	97.35
Other transferable securities and money market instruments 1.06%					
Bonds 1.06%					
Corporate Bonds 1.06%					
Australia 1.06%					
Commonwealth Bank of Australia	2.7500	17/11/21	1,000,000	975	1.06
Total Corporate Bonds				975	1.06
Total Bonds				975	1.06
Total Other transferable securities and money market instruments				975	1.06
Total investments				90,227	98.41
Other net assets				1,454	1.59
Total net assets				91,681	100.00

Canadian Dollar Bond

For the six months ending 31 December 2016

Performance

For the period ended 31 December 2015, the value of Canadian Dollar Bond - A Accumulation shares decreased by 3.64% compared to a decrease of 3.53% in the benchmark, JP Morgan 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 second half of 2016 began with a financial markets rebound following the volatility that arose from the Brexit vote, as central banks lent support. Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the 'reflation' theme. This had started in the third quarter, with an equity sector rotation out of rate-sensitives (e.g. real estate, utilities, healthcare) and into more growth-oriented cyclicals (e.g. basic resources, construction, financials), as government bond yields started to price in less monetary and more fiscal policy stimulus. The oil sector, meanwhile, benefitted from agreements on production cuts. December saw broad strength for equities and credit, breaking out from ranges that had contained markets for several months, as investors shrugged off the Italian constitutional referendum as well as policy actions from the Federal Open Market Committee (FOMC) (hiked, as expected) and European Central Bank (ECB) lowered monthly bond purchases but extended their timeframe.

In Canada, economic data has been mixed. Total retail sales declined 0.1% month-on-month in August, repeating the decline in July and the fourth consecutive monthly decline. A 0.5% drop in motor vehicle sales led the drop in retail activity. Seven of the 11 sales categories reported reduced sales over the backend of summer, although the August employment report showed growth of 26,200 jobs. Full-time employment rose 52,000 in September, public sector employment rose 57,000, while declines in part-time and self-employment were offsets.

The Bank of Canada's (BoC) last policy update saw the overnight rate remain unchanged at 0.5% on 19 October. Following a real GDP decline of 0.3% month over month in October, the figures for the final two months of 2016 are likely to reflect the varied data. The BoC lowered its forecast for 2017 and 2018 growth to 1.1% and 2.0% respectively, down from the previous estimates of 1.3% and 2.2%. It also lowered its forecast for Core inflation to 1.7% by the end of 2017, before reaching 2.0% at the end of 2018.

Canada's GDP shrank unexpectedly in October as factories suffered their worst month in nearly three years. Manufacturing output fell 2%, the biggest decline since 2013, with durable and non-durable goods down 2.1% and 2%, respectively. Services grew 0.1% in October, led by real estate and rentals, which were up 0.4%. Agent and broker activity increased 3.6% after declining for five consecutive months.

November Consumer Price Index (CPI) reported a deceleration to -0.4% year-on-year, with a seasonally adjusted basis decline of 0.2% month-over-month. In a sign that exchange rate pass through has begun to roll off, core goods prices weakened significantly in November. However, services inflation grew 2% compared to a year ago after three straight months at 1.8% annual growth.

Full-time positions rose 81,300 in December from the previous month, the biggest gain in almost 5 years. Even after taking away 27,600 part-time jobs, the total employment gains of 53,700 surpassed forecasts of a modest decline. The jobs gain made the fourth quarter the best since 2010 and turned 2016 into a standout year. The trade surplus means struggling energy and manufacturing companies may contribute to growth, aided by debt-fuelled consumer spending on houses and cars.

Total retail sales increased 1.1% in October compared to a year ago. Strong sales were derived from gasoline station (with growth of +3.8% month over month) as well as in general merchandise stores. Excluding price changes, real retail sales were up 0.6% month over month in October, stronger than market expectations. Gains were widespread; sales of clothing and accessories stores grew 1.6% month-over-month and miscellaneous store retailers 2.4%. Sales at new car dealers partially offset the gains, as sales were flat in October following a strong +3% month-over-month growth in September.

Portfolio review

The Fund underperformed its benchmark over the six month period ended 31 December 2016 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 ½ 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. August was the sole losing month in the period which was negatively impacted from widening credit spreads in the month.

Outlook

Headline economic data in Canada is expected to remain muted in the near term. The BoC recently left their policy unchanged at 0.5% with governing council concerns about downside risks. In addition, the recent CPI print helped confirm the central bank's assessment of material excess capacity in the economy with the headline figure of 0.2% below the consensus at 1.5% year over year. As a result, a 2017 rate cut may be on the table should negative developments in the data flow continue. The uncertainty surrounding future US trade policy will likely weigh on the exchange rates of the Canadian Dollar. In the Canadian housing market, existing home sales finished 2016 with a small rebound. However, recent policy changes aimed at cooling the market will likely result in a drag on this year's sales.

Aberdeen North American Fixed Income Team
January 2017

Canadian Dollar Bond

Statement of Net Assets

As at 31 December 2016

	Notes	CA\$'000
Assets		
Investments in securities at market value	2.2	64,854
Cash at bank		551
Interest receivable		250
Subscriptions receivable		29
Total assets		65,684
Liabilities		
Taxes and expenses payable		62
Redemptions payable		63
Other liabilities		53
Total liabilities		178
Net assets at the end of the period		65,506

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	CA\$'000
Net assets at the beginning of the period		82,807
Net gains from investments		212
Net realised gains		1,101
Net unrealised losses		(3,887)
Proceeds from shares issued		11,557
Payments for shares redeemed		(26,211)
Net equalisation paid	10	(20)
Dividends paid	5	(53)
Net assets at the end of the period		65,506

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	CA\$'000
Income		
Investment income	2.3	639
Total income		639
Expenses		
Management fees	4.2	324
Operating, administrative and servicing fees	4.3	102
Operational expenses		1
Total expenses		427
Net gains from investments		212
Realised gains on investments		1,101
Net realised gains		1,101
Decrease in unrealised appreciation on investments		(3,887)
Net unrealised losses		(3,887)
Net decrease in assets as a result of operations		(2,574)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	X-1
Shares outstanding at the beginning of the period	12,288	16,759	141,965
Shares issued during the period	417	2,876	1,100
Shares redeemed during the period	(918)	(6,549)	-
Shares outstanding at the end of the period	11,787	13,086	143,065
Net asset value per share	1,353.2936	3,677.0463	10.0440

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

Canadian Dollar Bond

Portfolio Statement

As at 31 December 2016

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					95.90%
Bonds					95.90%
Asset Backed Bonds / Mortgage Backed Bonds					1.08%
Canada					1.08%
BMW Canada Auto Trust	1.5210	20/07/17	704,199	705	1.08
Total Asset Backed Bonds / Mortgage Backed Bonds				705	1.08
Corporate Bonds					20.69%
Canada					7.88%
Cameco	3.7500	14/11/22	1,000,000	1,005	1.53
Canadian Natural Resources	3.3100	11/02/22	500,000	510	0.78
Canadian Pacific Railway	6.2500	01/06/18	1,000,000	1,068	1.62
Hydro One	2.7800	09/10/18	1,000,000	1,025	1.57
Rogers Communications	4.7000	29/09/20	500,000	548	0.84
Toyota Credit Canada	2.2000	25/02/21	1,000,000	1,008	1.54
				5,164	7.88
Germany					1.82%
KFW	5.0500	04/02/25	1,000,000	1,191	1.82
Japan					1.54%
Honda Canada Finance	2.2750	11/12/17	1,000,000	1,011	1.54
United Kingdom					1.61%
BP Capital Markets	3.4970	09/11/20	1,000,000	1,051	1.61
United States					7.84%
American Express Canada	2.3100	29/03/18	1,000,000	1,014	1.55
Bank of America	3.2280	22/06/22	1,000,000	1,028	1.57
Citigroup	3.3900	18/11/21	1,000,000	1,042	1.59
Ford Credit Canada	2.4500	07/05/20	500,000	500	0.76
General Motors Financial of Canada	3.0800	22/05/20	500,000	507	0.77
Goldman Sachs	5.0000	03/05/18	1,000,000	1,047	1.60
				5,138	7.84
Total Corporate Bonds				13,555	20.69

Canadian Dollar Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value CA\$'000	Total Net Assets %
Government Bonds 74.13%					
Canada 74.13%					
Canada (Government of)	1.5000	01/06/26	7,675,000	7,530	11.50
Canada (Government of)	1.7500	01/09/19	7,200,000	7,373	11.25
Canada (Government of)	0.7500	01/09/20	5,700,000	5,651	8.63
Canada (Government of)	3.7500	01/06/19	5,200,000	5,564	8.49
Canada (Government of)	5.0000	01/06/37	3,450,000	4,964	7.58
Canada (Government of)	4.0000	01/06/41	3,600,000	4,707	7.19
Canada (Government of)	2.5000	01/06/24	3,800,000	4,061	6.20
Canada (Government of)	5.7500	01/06/33	2,420,000	3,602	5.50
Canada (Government of)	3.5000	01/12/45	2,600,000	3,232	4.93
Canada (Government of)	1.5000	01/06/23	400,000	403	0.61
Canada Housing Trust No 1	1.9000	15/09/26	1,000,000	972	1.48
Municipal Finance Authority of British Columbia	1.7500	15/10/20	500,000	502	0.77
				48,561	74.13
Total Government Bonds				48,561	74.13
Total Bonds				62,821	95.90
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				62,821	95.90
Other transferable securities and money market instruments 3.10%					
Bonds 3.10%					
Corporate Bonds 3.10%					
Germany 1.55%					
VW Credit Canada	2.8000	20/08/18	1,000,000	1,018	1.55
United States 1.55%					
Molson Coors International	2.7500	18/09/20	1,000,000	1,015	1.55
Total Corporate Bonds				2,033	3.10
Total Bonds				2,033	3.10
Total Other transferable securities and money market instruments				2,033	3.10
Total investments				64,854	99.00
Other net assets				652	1.00
Total net assets				65,506	100.00

Emerging Europe Bond

For the period to 23 September 2016

Corporate activity

On the effective merger date 23 September 2016, Aberdeen Global II - Emerging Europe Bond Fund (worth €14 million) transferred its net assets through a UCITS merger into the Aberdeen Global - Emerging Markets Local Currency Bond Fund. Shareholders involved in the transfer were given either E or Y shares in the Aberdeen Global - Emerging Markets Local Currency Bond Fund, for every 1 share previously held in the Aberdeen Global II - Emerging Europe Bond Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind ('000)	Transfer Ratio
Emerging Europe Bond	A - 2	Emerging Markets Local Currency Bond Fund	E - 2	€14,240	1.000000
Emerging Europe Bond	X - 2	Emerging Markets Local Currency Bond Fund	Y - 2	€55	1.000000

Performance

For the period 1 July to 22 September 2016, the value of Emerging Europe Bond - A Accumulation shares increased by 0.97% compared to an increase of 1.78% in the benchmark, JP Morgan Global Bond Index Emerging Markets Global Diversified Europe Index.

Source: Aberdeen Asset Management, Lipper, and JP Morgan. Basis: total return, 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

There was a bounce back in risk-assets as markets shrugged off the result of the UK's EU referendum and priced in more accommodative global central bank policy. Developed market monetary policy decisions drove market sentiment in September as the Bank of Japan announced its latest policy package of Quantitative and Qualitative Easing "with Yield Curve Control". The US Federal Reserve remained on hold and sounded a little more dovish than perhaps the market expected.

Turkey was in the rating agencies' spotlights in August with Fitch affirming the country's rating at BBB- but revising the outlook to negative given heightened political and terrorism risks which may have an impact on economic performance. Moody's announced that it would delay its new rating opinion for up to 90 days in order to ascertain the medium-term impact of the attempted coup. The central bank continued its easing policy by reducing the upper bank of its interest rate corridor for the sixth consecutive month. The monetary policy committee broadly left its outlook for economic growth and the current account unchanged despite the political developments in mid-July.

Portfolio review

During the period, we increased exposure to Turkey after the attempted coup and reduced positioning in Eastern Europe via Poland and Hungary.

Outlook

The Fund closed on 23 September 2016.

Aberdeen Emerging Markets Debt Team

January 2017

Emerging Europe Bond

Statement of Net Assets

As at 31 December 2016

	Notes	€'000
Assets		
Cash at bank		478
Total assets		478
Liabilities		
Other liabilities		478
Total liabilities		478
Net assets at the end of the period		-

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Net assets at the beginning of the period		15,153
Net gains from investments		119
Net realised losses		(1,961)
Net unrealised gains		1,852
Proceeds from shares issued		398
Payments for shares redeemed		(15,443)
Net equalisation paid	10	(118)
Net assets at the end of the period		-

Statement of Operations

For the period from 1 July 2016 to 22 September 2016

	Notes	€'000
Income		
Investment income	2.3	181
Total income		181
Expenses		
Management fees	4.2	41
Operating, administrative and servicing fees	4.3	20
Other operational expenses		1
Total expenses		62
Net gains from investments		119
Realised losses on investments		(1,935)
Realised losses on forward currency exchange contracts		(7)
Realised currency exchange losses		(19)
Net realised losses		(1,961)
Decrease in unrealised depreciation on investments		1,804
Decrease in unrealised depreciation on forward currency exchange contracts		48
Net unrealised gains		1,852
Net increase in assets as a result of operations		10

Share Transactions

For the period from 1 July 2016 to 22 September 2016

	A-2	X-2
Shares outstanding at the beginning of the period	67,926	3,250
Shares issued during the period	1,684	2,609
Shares redeemed during the period	(69,610)	(5,859)
Shares outstanding at the end of the period	-	-
Net asset value per share	-	-

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

Emerging Markets Total Return Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Emerging Markets Total Return Bond – Z Accumulation shares increased by 1.05% compared to a decrease of 4.09% in the benchmark, Citigroup World Government Bond Index USA.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, Special Month End Price NAV to NAV, gross of fees, 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

It was a tale of two halves with a late flurry to mark the end of a notable year. The positive market tone was evident early on as developed market policy decisions drove market sentiment in September. The Bank of Japan announced its policy package of Quantitative and Qualitative Easing “with Yield Curve Control” while the US Federal Reserve (Fed) remained on hold in September sounding a little more dovish than perhaps the market expected. The central bank eventually raised rates by 25 basis points (bps) to a target range of 0.5-0.75% for Fed funds, while the median dot for 2017 moved up from two hikes to three while the statement noted a “considerable” pick-up in inflation expectations over the next year.

Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the ‘reflation’ theme. The rise in dollar – and spike in US Treasuries yields – did spark some volatility in emerging market (EM) risk assets, leading to downward pressure on EM debt. The negative sentiment was short-lived, however. EM debt rallied in December as markets shrugged off prospects of a “hard” Trump, while even a hike from the Fed to its policy rate did little to offset the march.

In oil news, OPEC, the oil cartel led by Saudi Arabia, announced a preliminary agreement among its members in which aggregate production would be cut to between 32.5-33.0 million barrels per day at some point after November’s meeting. Oil prices were volatile over concerns that members would fail to adhere to the deal. A deal was struck, however, and prices finished the calendar year strongly at nearly US\$57 – more than double the January lows of \$27.88.

There is still significant uncertainty surrounding Trump’s eventual policy mix, but the new President’s rhetoric since victory has been more moderate in tone and more focused on domestic rather than foreign policy, which would have more sanguine implications for EM.

Portfolio review

The Fund outperformed its benchmark over the period under review. It benefitted local bond exposure in Brazil as well as USD holdings in Ghana, Kenya and Gabon. Short currency exposure to the Hungarian forint was also a positive contributor. Positioning in Mexico and a short position in Colombia detracted from the Fund as did hard currency positions in the Dominican Republic and Turkey.

During the period, we reduced the Fund’s position in Tunisia and added to positions in Turkey, taking advantage of attractive valuations after the attempted coup. We added a position in Argentine local bonds and reduced our Mongolia exposure after positive performance due to the government discussing a possible program with the IMF. We also participated in a new five year bond from Pakistan. In the run-up to the US elections, we reduced exposure to certain emerging markets including Argentina and Pakistan hard currency bonds, as well as Uruguay inflation-linked securities. We also increased positioning in Suriname and added exposure to US treasuries. Towards the end of the period, we carried out a switch within sub-Saharan Africa, preferring Zambia to Ethiopia. In local markets, we added back a position in Russian local bonds, keeping the position unhedged.

In local currency markets, we exited positions in Russian government bonds and currency which had outperformed. We reduced exposure to Mexico while adding a position in Malaysian government bonds and the Malaysian ringgit. Finally, the Fund has slightly increased its allocation to US treasuries through September taking profits from underlying emerging positions.

Outlook

While December provided more clarity on Donald Trump’s cabinet appointments, it remains unclear as to the direction of the president-elect’s domestic and foreign policy mix. Trump’s predilection for using the social media platform Twitter as his mouthpiece – something which many emerging market leaders have long adopted – means that markets may suffer more kneejerk reactions as investors struggle to decipher the 140-character messages. Trump’s protectionist rhetoric during the campaign and on his victory tour when he threatened to enact large trade tariffs on China and Mexico may be dialled back as the Republican Party does not have a history of being trade protectionists. On the other hand, he will have the backing of his party for sweeping tax cuts that should be supportive for US growth, which ultimately could be good news for emerging market growth.

Aberdeen Emerging Markets Debt Team
January 2017

Emerging Markets Total Return Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	29,716
Cash at bank		700
Interest receivable		695
Total assets		31,111
Liabilities		
Taxes and expenses payable		18
Unrealised losses on swap contracts	2.8	145
Unrealised losses on forward currency exchange contracts	2.6	88
Other liabilities		126
Total liabilities		377
Net assets at the end of the period		30,734

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		59,088
Net gains from investments		1,371
Net realised losses		(373)
Net unrealised losses		(933)
Proceeds from shares issued		3,139
Payments for shares redeemed		(30,664)
Net equalisation paid	10	(370)
Dividends paid	5	(524)
Net assets at the end of the period		30,734

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	1,537
Bank interest		1
Total income		1,538
Expenses		
Management fees	4.2	102
Operating, administrative and servicing fees	4.3	64
Other operational expenses		1
Total expenses		167
Net gains from investments		1,371
Realised gains on investments		66
Realised gains on swap contracts		2
Realised losses on forward currency exchange contracts		(359)
Realised currency exchange losses		(82)
Net realised losses		(373)
Decrease in unrealised appreciation on investments		(1,166)
Increase in unrealised depreciation on swap contracts		(97)
Decrease in unrealised depreciation on forward currency exchange contracts		326
Unrealised currency exchange gains		4
Net unrealised losses		(933)
Net increase in assets as a result of operations		65

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-2	AE(EUR)-2 [^]	I-1	I-2	X-2
Shares outstanding at the beginning of the period	-	-	15,890,792	-	-
Shares issued during the period	650	58,000	476,754	32,850	650
Shares redeemed during the period	-	-	(9,348,081)	-	-
Shares outstanding at the end of the period	650	58,000	7,019,465	32,850	650
Net asset value per share	9.7089	9.6679	1.7203	9.7300	9.7278

	X(CHF)-2 [^]	X(EUR)-2 [^]	Z-1	Z-2
Shares outstanding at the beginning of the period	-	-	126,572	1,788,570
Shares issued during the period	63,500	58,000	646	-
Shares redeemed during the period	-	-	(127,218)	(812,921)
Shares outstanding at the end of the period	63,500	58,000	-	975,649
Net asset value per share	9.6749	9.6859	-	16.9507

[^] Base currency exposure share class.

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

Emerging Markets Total Return Bond

Portfolio Statement

As at 31 December 2016

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					96.68%
Bonds 96.68%					
Corporate Bonds 14.79%					
Azerbaijan 1.04%					
Southern Gas Corridor	6.8750	24/03/26	294,000	319	1.04
Brazil 2.47%					
Caixa Economica Federal	4.2500	13/05/19	310,000	310	1.01
Petrobras Global Finance	FRN	17/03/20	458,000	449	1.46
				759	2.47
Dominican Republic 0.85%					
Dominican Republic (Mesteno)	8.5000	02/01/20	246,667	261	0.85
India 1.22%					
State Bank of India (London)	3.2500	18/04/18	370,000	375	1.22
Kazakhstan 2.84%					
KazMunayGas National	7.0000	05/05/20	340,000	374	1.22
KazMunayGas National (EMTN)	9.1250	02/07/18	460,000	501	1.62
				875	2.84
Mexico 4.86%					
Petroleos Mexicanos	6.6250	15/06/35	650,000	643	2.08
Petroleos Mexicanos	FRN	18/07/18	492,000	496	1.62
Petroleos Mexicanos	FRN	11/03/22	345,000	356	1.16
				1,495	4.86
Russian Federation 0.67%					
GTLK Europe	5.9500	19/07/21	200,000	205	0.67
United Arab Emirates 0.84%					
DP World (EMTN)	6.8500	02/07/37	240,000	257	0.84
Total Corporate Bonds				4,546	14.79
Government Bonds 81.89%					
Argentina 5.07%					
Argentina (Republic of)	8.2800	31/12/33	530,765	573	1.87
Argentina (Republic of)	8.7500	02/06/17	490,000	508	1.65
Argentina (Republic of)	16.0000	17/10/23	5,817,000	353	1.15
Argentina (Republic of)	VAR	15/12/35	1,350,000	124	0.40
				1,558	5.07
Armenia 0.93%					
Armenia (Republic of)	6.0000	30/09/20	276,000	287	0.93

Emerging Markets Total Return Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Bahrain 1.23%					
Bahrain (Kingdom of)	7.0000	12/10/28	370,000	379	1.23
Brazil 5.72%					
Brazil (Federal Republic of)	10.0000	01/01/25	3,940,000	1,124	3.65
Brazil (Federal Republic of)	10.0000	01/01/23	1,470,000	402	1.31
Brazil (Federal Republic of)	6.0000	15/08/50	246,000	232	0.76
				1,758	5.72
Dominican Republic 2.94%					
Dominican (Republic of)	6.8500	27/01/45	950,000	904	2.94
Ethiopia 1.83%					
Ethiopia (Republic of)	6.6250	11/12/24	610,000	563	1.83
Gabon 3.64%					
Gabon (Republic of)	8.2000	12/12/17	760,000	790	2.58
Gabon (Republic of)	6.3750	12/12/24	350,000	327	1.06
				1,117	3.64
Georgia 2.16%					
Georgia (Republic of)	6.8750	12/04/21	604,000	663	2.16
Ghana 3.80%					
Ghana (Republic of)	8.1250	18/01/26	940,000	930	3.03
Ghana (Republic of)	10.7500	14/10/30	200,000	238	0.77
				1,168	3.80
Guatemala 2.35%					
Guatemala (Republic of)	5.7500	06/06/22	673,000	723	2.35
Honduras 1.61%					
Honduras (Republic of)	7.5000	15/03/24	460,000	494	1.61
Indonesia 6.50%					
Indonesia (Republic of)	5.8750	13/03/20	510,000	558	1.81
Indonesia (Republic of)	9.0000	15/03/29	6,862,000,000	540	1.76
Indonesia (Republic of)	8.3750	15/03/34	5,688,000,000	426	1.39
Perusahaan Penerbit SBSN Indonesia III	4.3500	10/09/24	470,000	473	1.54
				1,997	6.50
Ivory Coast 1.08%					
Ivory Coast (Government of)	6.3750	03/03/28	340,000	332	1.08
Jamaica 1.42%					
Jamaica (Government of)	7.8750	28/07/45	399,000	435	1.42

Emerging Markets Total Return Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Mexico 0.31%					
Mexico (Government of)	5.7500	05/03/26	2,229,600	96	0.31
Mongolia 1.27%					
Mongolia (Government of) (EMTN)	10.8750	06/04/21	370,000	389	1.27
Morocco 1.33%					
Morocco (Government of)	5.5000	11/12/42	400,000	409	1.33
Paraguay 1.97%					
Paraguay (Republic of)	6.1000	11/08/44	400,000	403	1.31
Paraguay (Republic of)	5.0000	15/04/26	200,000	204	0.66
				607	1.97
Peru 1.49%					
Peru (Republic of)	7.1250	30/03/19	410,000	457	1.49
Russian Federation 0.85%					
Russia (Federation of)	8.5000	17/09/31	15,920,000	262	0.85
Rwanda 1.55%					
Rwanda (Republic of)	6.6250	02/05/23	480,000	478	1.55
Senegal 1.09%					
Senegal (Republic of)	8.7500	13/05/21	300,000	335	1.09
Serbia 2.00%					
Serbia (Republic of)	7.2500	28/09/21	550,000	615	2.00
Suriname 1.45%					
Suriname (Republic of)	9.2500	26/10/26	455,000	446	1.45
Tanzania 2.39%					
Tanzania (Republic of)	FRN	09/03/20	700,000	733	2.39
Tunisia 1.09%					
Banque Centrale de Tunisie	5.7500	30/01/25	360,000	336	1.09
Turkey 3.03%					
Turkey (Republic of)	7.3750	05/02/25	440,000	483	1.57
Turkey (Republic of)	7.0000	11/03/19	420,000	447	1.46
				930	3.03
Ukraine 2.07%					
Ukraine (Republic of)	VAR	31/05/40	1,260,000	384	1.25
Ukraine (Republic of)	7.7500	01/09/20	255,000	253	0.82
				637	2.07

Emerging Markets Total Return Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %		
United States 16.03%							
US Treasury	2.6250	15/08/20	2,599,000	2,687	8.76		
US Treasury	1.6250	15/05/26	1,206,000	1,125	3.66		
US Treasury	2.5000	15/02/46	1,249,000	1,110	3.61		
				4,922	16.03		
Uruguay 3.05%							
Uruguay (Republic of)	5.0000	14/09/18	7,600,000	564	1.83		
Uruguay (Republic of)	5.1000	18/06/50	412,000	374	1.22		
				938	3.05		
Zambia 0.64%							
Zambia (Republic of)	8.9700	30/07/27	200,000	198	0.64		
Total Government Bonds				25,166	81.89		
Total Bonds				29,712	96.68		
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				29,712	96.68		
Other transferable securities and money market instruments 0.01%							
Bonds 0.01%							
Government Bonds 0.01%							
Venezuela 0.01%							
Venezuela (Republic of)	VAR	15/04/20	1,215	4	0.01		
Total Government Bonds				4	0.01		
Total Bonds				4	0.01		
Total Other transferable securities and money market instruments				4	0.01		
Derivatives (0.76%)							
Forward currency exchange contracts (0.29%)							
Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays Capital	MXN	USD	11/01/17	8,095,000	422,195	(30)	(0.10)
BNP Paribas	CHF	USD	15/03/17	605,611	605,642	(7)	(0.02)
BNP Paribas	CHF	USD	15/03/17	3,420	3,355	-	-
BNP Paribas	COP	USD	22/02/17	447,117,000	143,629	4	0.01
BNP Paribas	EUR	USD	15/03/17	553,572	599,997	(14)	(0.05)
BNP Paribas	EUR	USD	15/03/17	553,061	599,443	(14)	(0.05)
BNP Paribas	EUR	USD	15/03/17	3,837	4,030	-	-
BNP Paribas	EUR	USD	15/03/17	3,416	3,588	-	-
Citigroup	IDR	USD	22/02/17	1,117,243,000	81,580	1	-
Citigroup	USD	BRL	22/02/17	2,440,595	8,566,000	(154)	(0.49)

Emerging Markets Total Return Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Goldman Sachs	BRL	USD	22/02/17	2,626,000	750,929	44	0.15
Goldman Sachs	BRL	USD	22/02/17	1,469,000	413,978	31	0.10
Goldman Sachs	BRL	USD	22/02/17	277,000	79,760	4	0.01
Goldman Sachs	COP	USD	22/02/17	223,658,000	73,961	-	-
Goldman Sachs	THB	USD	11/01/17	3,223,000	90,285	-	-
Goldman Sachs	THB	USD	11/01/17	2,674,000	75,007	-	-
Goldman Sachs	USD	THB	11/01/17	545,403	19,400,000	4	0.01
Goldman Sachs	USD	IDR	22/02/17	897,527	12,318,553,000	(9)	(0.03)
Goldman Sachs	USD	COP	22/02/17	512,910	1,625,413,000	(24)	(0.08)
HSBC	HUF	USD	11/01/17	54,384,000	185,647	-	-
JPM Chase	BRL	USD	22/02/17	355,000	107,251	-	-
JPM Chase	HUF	USD	11/01/17	43,266,000	147,076	1	-
JPM Chase	IDR	USD	22/02/17	2,935,383,000	209,296	7	0.02
JPM Chase	USD	HUF	11/01/17	1,163,681	320,513,000	69	0.23
UBS	USD	MXN	11/01/17	123,737	2,566,000	(1)	-
Unrealised losses on forward currency exchange contracts						(88)	(0.29)

Swaps (0.47%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays Capital	USD	20/12/19	1,900,000	1.0000%	Colombia Government International Bond	(1)	-
Deutsche Bank	MXN	11/06/18	7,100,000	28 Day MXN TIE	9.2500%	10	0.03
HSBC	INR	03/03/20	95,700,000	1 Day HS INR Mibor	6.7550%	(145)	(0.47)
Morgan Stanley	MXN	27/10/17	26,100,000	28 Day MXN TIE	5.9850%	(9)	(0.03)
Unrealised losses on swap contracts						(145)	(0.47)
Unrealised losses on derivatives						(233)	(0.76)
Total investments						29,483	95.93
Other net assets						1,251	4.07
Total net assets						30,734	100.00

Currently forward positions are not collateralised.

Euro Absolute Return Bond

For the six months ending 31 December 2016

Performance

For the six months to 31 December 2016, the value of Emerging Europe Bond - I Accumulation shares increased by 1.35% compared to an decrease of 0.15% in the benchmark, 3 Month EURIBOR 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

Tepid European economic data was closely scrutinised to discern the fallout from the Brexit vote. The composite Purchasing Managers' Index fell over the period, while lacklustre consumer prices continue to plague the region. On the whole, however, the Eurozone economy continued its slow, almost anaemic, recovery. GDP growth of 0.3% was confirmed in the third quarter, while annual deflation edged up to 0.6% in November, up from 0.5% in October. The unemployment rate fell to 9.8% in October, the lowest since July 2009.

Political risk remained at the fore across Europe. In Italy, Matteo Renzi lost the constitutional reform referendum by a wide margin of 59% to 41%. He subsequently announced his resignation as Italy's prime minister and was replaced by Paolo Gentiloni, who had served as Minister of Foreign Affairs under Mr Renzi. Bond yields spiked around 10 basis points (bps) wider on the news. The referendum result is technically a victory for the anti-establishment parties (Five Star), although some have suggested that a 'no' vote was a better long term result for Italy as the reforms were poorly designed and, given the weight of current opinion polls, could have resulted in a Five Star government at the next elections. The most pressing concern for Italy now is recapitalising the banking sector; a bailout for Monte Paschi was approved by the Italian government after the bank failed to raise €5 billion (bn) of capital from private investors.

Turning to monetary policy, the European Central Bank (ECB) somewhat unexpectedly reduced the monthly run rate of asset purchases to €60 bn from €80 bn after much speculation. However, ECB President Mario Draghi extended the quantitative easing programme for an additional nine months (€80bn per month for a further six months was market consensus), making an explicit point of saying this did not constitute tapering as the total stock of bonds purchased will be greater due to the additional length of the programme. Historically though, the market has viewed the flow (rate of monthly purchases) as the key driver of suppressed yields so 30-year European bonds sold off aggressively and periphery spreads widened on fears that this marks the beginning of a gradual wind down of ECB support. Coupled with this, Draghi also announced the ECB would increase its universe of eligible bonds to include one-year to 30-year bonds (previously it had been two-year to 30-year) and that it would now purchase bonds yielding less than the deposit rate. This sent front-end European yields and the euro lower as the reporting period came to an end.

Portfolio review

The Fund's allocation to credit produced positive performance over the period. Allocation to banking was the strongest driver in the portfolio, followed by consumer and energy. While there were some concerns over stability in the European banking sector into year-end, following the failure of a major bank to avert the need for government support, this failed to dent investors' confidence. In the light of Donald Trump's election victory and talk of financial deregulation as a focus in his campaign, this further supported spread tightening in the sector. Credit hedges detracted from performance across regions due to the strong rally in risk assets.

Energy continued its rally over the period on the heels of OPEC's November meeting which resulted in oil production cuts spurring a rally in oil prices. For 2017, we expect a stronger market technical for energy due to lower issuance throughout last year. This lower issuance is largely due to companies covering capital-expenditure requirements with internally generated cash flow in lieu of debt issuance.

In the secondary market, we reduced some of our emerging markets exposure and active risk in the portfolio, focusing on bonds that had performed well over the quarter and had reached our spread target. The portfolio remains skewed towards shorter-dated assets, with 50% of its securities classified as 'core' holdings (i.e. those that are shorter-maturity). 50% of the credit risk in the Fund is hedged. The asset mix continues to favour an internationally diversified mix of countries, with over 60% of issuers based outside of the UK (across 24 countries). We continue to target 100% hedging of the corporate bond portfolio from a duration perspective.

Outlook

Donald Trump's victory in the US election has significantly altered the global economic outlook. It is not clear which of his campaign themes will characterise his government. Fiscal easing, largely through tax cuts and possibly through infrastructure spending, should boost demand in the short-to-medium term. However, with the economy close to full employment it is likely the Federal Reserve will need to offset some of the fiscal easing with monetary tightening. If Mr Trump pursues a protectionist agenda, the US will suffer a supply shock, which will make the growth/inflation trade-off less favourable. Unsurprisingly the market has moved to price in higher inflation and rates, and a weaker outlook for emerging markets. This environment is likely to continue. Elsewhere, European political risk will become a bigger concern, with a series of important elections over the next year. However, the ECB is unlikely to allow significant peripheral weakness. Sentiment surrounding Brexit will tend to overshadow other economic news, although with the UK government losing its High Court case, a softer Brexit now seems a little more likely.

Aberdeen Global Credit Team
January 2017

Euro Absolute Return Bond

Statement of Net Assets

As at 31 December 2016

	Notes	€'000
Assets		
Investments in securities at market value	2.2	7,950
Cash at bank		607
Amounts held at futures clearing houses and brokers		46
Interest receivable		105
Unrealised gains on future contracts	2.7	18
Total assets		8,726
Liabilities		
Taxes and expenses payable		6
Unrealised losses on swap contracts	2.8	162
Unrealised losses on forward currency exchange contracts	2.6	31
Other liabilities		16
Total liabilities		215
Net assets at the end of the period		8,511

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Net assets at the beginning of the period		8,398
Net gains from investments		55
Net realised losses		(196)
Net unrealised gains		254
Net assets at the end of the period		8,511

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Income		
Investment income	2.3	90
Total income		90
Expenses		
Management fees	4.2	21
Operating, administrative and servicing fees	4.3	14
Total expenses		35
Net gains from investments		55
Realised losses on investments		(74)
Realised losses on future contracts		(3)
Realised losses on swap contracts		(25)
Realised losses on forward currency exchange contracts		(97)
Realised currency exchange gains		3
Net realised losses		(196)
Decrease in unrealised depreciation on investments		286
Decrease in unrealised depreciation on future contracts		21
Increase in unrealised depreciation on swap contracts		(2)
Decrease in unrealised appreciation on forward currency exchange contracts		(50)
Unrealised currency exchange losses		(1)
Net unrealised gains		254
Net increase in assets as a result of operations		113

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-2	I-2	X-2	Z-2
Shares outstanding at the beginning of the period	200,000	2,360,865	200,000	200,000
Shares issued during the period	-	-	-	-
Shares redeemed during the period	-	-	-	-
Shares outstanding at the end of the period	200,000	2,360,865	200,000	200,000
Net asset value per share	9.9571	1.0598	10.0141	10.0762

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

Euro Absolute Return Bond

Portfolio Statement

As at 31 December 2016

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					90.08%
Bonds 90.08%					
Asset Backed Bonds / Mortgage Backed Bonds 1.53%					
United Kingdom 1.53%					
Annington Finance No 4	-	07/12/22	80,000	83	0.97
Paragon Mortgages No 8	FRN	15/04/44	51,625	47	0.56
				130	1.53
Total Asset Backed Bonds / Mortgage Backed Bonds					130 1.53
Corporate Bonds 85.01%					
Australia 2.15%					
BHP Billiton Finance	VAR	22/04/76	100,000	108	1.27
Suncorp Metway	2.3500	27/04/20	80,000	75	0.88
				183	2.15
Belgium 0.72%					
Anheuser-Busch InBev (EMTN)	FRN	17/03/20	60,000	61	0.72
Brazil 1.59%					
Marfrig Overseas	9.5000	04/05/20	100,000	98	1.15
QGOG Atlantic / Alaskan Rigs	5.2500	30/07/18	41,300	38	0.44
				136	1.59
Canada 0.56%					
Canadian Natural Resources	1.7500	15/01/18	50,000	47	0.56
Czech Republic 1.20%					
CETIN Finance	1.4230	06/12/21	100,000	102	1.20
France 9.59%					
Banque Federative du Credit Mutuel (EMTN)	2.0000	12/04/19	200,000	189	2.22
BNP Paribas (EMTN)	0.5000	01/06/22	100,000	100	1.18
BPCE (EMTN) (PERP)	VAR	29/10/49	50,000	52	0.61
Cap Gemini	FRN	02/07/18	100,000	101	1.18
Cerba European Lab	7.0000	01/02/20	100,000	103	1.21
Societe Generale (PERP)	VAR	29/09/49	100,000	119	1.40
Societe Generale (PERP)	VAR	29/12/49	50,000	53	0.62
TOTAL (EMTN) (PERP)	VAR	29/12/49	100,000	100	1.17
				817	9.59
Germany 3.26%					
Muenchener Rueckversicherungs-Gesellschaft in Muenchen	VAR	21/06/28	60,000	76	0.90
Volkswagen International Finance (PERP)	VAR	29/09/49	50,000	52	0.61
Volkswagen International Finance (PERP)	VAR	29/12/49	48,000	46	0.54
Vonovia Finance (PERP)	VAR	29/12/49	100,000	103	1.21
				277	3.26

Euro Absolute Return Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Hong Kong 1.21%					
Hutchison Whampoa Europe Finance 13 (PERP)	VAR	29/05/49	100,000	103	1.21
India 1.27%					
Bharti Airtel International Netherlands	3.3750	20/05/21	100,000	108	1.27
Italy 3.65%					
Enel	VAR	10/01/74	100,000	108	1.27
Intesa Sanpaolo (EMTN)	FRN	15/06/20	100,000	101	1.18
Wind Acquisition Finance	4.0000	15/07/20	100,000	102	1.20
				311	3.65
Mexico 0.53%					
Petroleos Mexicanos	FRN	11/03/22	46,000	45	0.53
Netherlands 3.78%					
Cooperatieve Rabobank (PERP)	VAR	29/12/49	90,000	100	1.18
Koninklijke (PERP)	VAR	14/09/49	100,000	107	1.26
LGE HoldCo VI	7.1250	15/05/24	100,000	115	1.34
				322	3.78
Norway 0.69%					
DNB Bank (PERP)	VAR	29/01/49	50,000	59	0.69
Russian Federation 1.13%					
Lukoil International Finance	6.3560	07/06/17	100,000	96	1.13
Spain 3.54%					
Gas Natural Fenosa Finance (PERP)	VAR	29/12/49	100,000	94	1.10
Iberdrola International (EMTN) (PERP)	VAR	27/02/49	100,000	106	1.25
Santander Consumer Finance (EMTN)	0.7500	03/04/19	100,000	101	1.19
				301	3.54
Sweden 1.38%					
Skandinaviska Enskilda Banken (EMTN)	FRN	19/11/18	100,000	118	1.38
Switzerland 2.00%					
Glencore Finance Europe (EMTN)	6.5000	27/02/19	50,000	64	0.76
UBS Jersey (EMTN) (PERP)	VAR	29/12/49	100,000	106	1.24
				170	2.00
United Kingdom 17.39%					
Anglian Water Services Financing (EMTN)	VAR	10/10/40	60,000	73	0.85
Anglo American Capital (EMTN)	1.7500	20/11/17	100,000	101	1.19
Barclays Bank (EMTN)	1.8750	08/12/23	100,000	101	1.19
BG Energy Capital	VAR	30/11/72	100,000	106	1.24
Corral Petroleum	11.7500	15/05/21	100,000	98	1.15
Fosse Master Issuer	VAR	18/10/54	50,000	59	0.69
HBOS Capital Funding (PERP)	VAR	29/11/49	40,000	49	0.58

Euro Absolute Return Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
HSBC (EMTN)	VAR	18/10/22	100,000	121	1.42
Jaguar Land Rover Automotive	5.6250	01/02/23	150,000	149	1.76
Nationwide Building Society (EMTN)	VAR	20/03/23	100,000	104	1.22
Royal Bank of Scotland (PERP)	VAR	29/08/49	55,000	69	0.81
Scottish Amicable Finance (PERP)	8.5000	29/06/49	50,000	62	0.73
SSE (PERP)	VAR	29/12/49	100,000	99	1.16
Thames Water Utilities Cayman Finance (EMTN)	VAR	21/07/25	60,000	72	0.84
Virgin Media Secured Finance	6.0000	15/04/21	90,000	110	1.30
Yorkshire Water Services Bradford Finance	VAR	24/04/25	90,000	107	1.26
				1,480	17.39
United States 29.37%					
AbbVie	0.3750	18/11/19	100,000	101	1.18
AbbVie	2.9000	06/11/22	45,000	42	0.50
Amgen	2.2500	19/08/23	60,000	54	0.63
AT&T	FRN	04/06/19	130,000	132	1.53
AutoNation	5.5000	01/02/20	26,000	27	0.31
Bank of America (EMTN)	FRN	14/09/20	100,000	102	1.20
Bank of America (MTN)	FRN	21/10/22	90,000	87	1.02
Blue Racer Finance	6.1250	15/11/22	4,000	4	0.04
Cardinal Health	3.2000	15/03/23	100,000	96	1.13
CBS	2.3000	15/08/19	40,000	38	0.45
Charter Communications Operating Capital	4.9080	23/07/25	20,000	20	0.24
Citigroup	FRN	01/09/23	100,000	97	1.14
Columbia Pipeline	2.4500	01/06/18	22,000	21	0.25
Crown Castle International	2.2500	01/09/21	33,000	30	0.36
Diamond 1 Finance / Diamond 2 Finance	5.4500	15/06/23	22,000	22	0.26
Dominion Resources	VAR	01/07/19	13,000	12	0.15
Electronic Arts	3.7000	01/03/21	90,000	88	1.04
Express Scripts	2.2500	15/06/19	30,000	28	0.33
FedEx	FRN	11/04/19	100,000	100	1.18
General Motors Financial	FRN	04/10/19	90,000	86	1.01
Georgia-Pacific	5.4000	01/11/20	75,000	78	0.92
Goldman Sachs (EMTN)	FRN	29/04/19	100,000	101	1.18
Halliburton	6.1500	15/09/19	70,000	73	0.86
HCA	6.5000	15/02/20	25,000	26	0.31
JPMorgan Chase	FRN	24/10/23	95,000	92	1.08
JPMorgan Chase (PERP)	VAR	29/12/49	50,000	47	0.56
Kinder Morgan	2.0000	01/12/17	100,000	95	1.12
Kraft Heinz Foods	3.5000	15/07/22	41,000	40	0.46
Microsoft	2.3750	12/02/22	78,000	74	0.87
Morgan Stanley (MTN)	FRN	24/10/23	90,000	86	1.01
MPT Operating Partnership	5.2500	01/08/26	4,000	4	0.04
NextEra Energy Capital	6.0000	01/03/19	80,000	82	0.96
Oracle	1.9000	15/09/21	100,000	93	1.09
Quest Diagnostics	2.5000	30/03/20	37,000	35	0.41
Rapid	6.6250	15/11/20	100,000	106	1.23
Roper Technologies	2.8000	15/12/21	50,000	47	0.56
Sabine Pass Liquefaction	6.2500	15/03/22	100,000	104	1.22

Euro Absolute Return Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Southern Power	1.9500	15/12/19	68,000	64	0.75
Verizon Communications	3.0000	01/11/21	70,000	67	0.79
				2,501	29.37
Total Corporate Bonds				7,237	85.01
Corporate Convertible Bonds 1.08%					
Spain 1.08%					
OHL Investments	4.0000	25/04/18	100,000	92	1.08
Total Corporate Convertible Bonds				92	1.08
Government Bonds 2.46%					
Russian Federation 1.31%					
Russia (Federation of)	3.6250	16/09/20	100,000	111	1.31
Turkey 1.15%					
Turkey (Republic of)	7.5000	14/07/17	100,000	98	1.15
Total Government Bonds				209	2.46
Total Bonds				7,668	90.08
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				7,668	90.08
Other transferable securities and money market instruments 3.32%					
Bonds 3.32%					
Asset Backed Bonds / Mortgage Backed Bonds 2.51%					
United Kingdom 2.51%					
Duncan Funding 2016-1X A1A	FRN	17/04/63	90,034	89	1.05
Paragon Mortgages No 19	FRN	15/08/41	33,736	40	0.47
Thrones 2014-1	FRN	15/11/49	71,843	84	0.99
				213	2.51
Total Asset Backed Bonds / Mortgage Backed Bonds				213	2.51
Government Bonds 0.81%					
South Korea 0.81%					
Export-Import Bank of Korea (MTN)	FRN	21/05/20	100,000	69	0.81
Total Government Bonds				69	0.81
Total Bonds				282	3.32
Total Other transferable securities and money market instruments				282	3.32

Euro Absolute Return Bond

Derivatives (2.06%)

Future contracts 0.21%

Future	Maturity	Notional	Unrealised Gains/(Losses) €'000	Total Net Assets %
CBT US 10 Year Note	22/03/17	(4)	2	0.02
CBT US 10 Year Ultra	22/03/17	(4)	(6)	(0.07)
CBT US 5 Year Note	31/03/17	5	-	-
CME 90 Day Eurodollar	18/06/18	(19)	28	0.33
EUX Euro Bobl	08/03/17	(6)	(6)	(0.07)
EUX Euro Bund	08/03/17	3	11	0.13
EUX Euro Schatz	08/03/17	(11)	(1)	(0.01)
EUX Euro-OAT	08/03/17	(6)	(10)	(0.12)
Unrealised gains on future contracts			18	0.21

Forward currency exchange contracts (0.36%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) €'000	Total Net Assets %
Barclays Capital	AUD	EUR	22/02/17	18,000	12,442	-	-
Barclays Capital	EUR	SEK	22/02/17	244,006	2,399,000	(6)	(0.08)
Barclays Capital	EUR	USD	22/02/17	29,090	31,000	-	-
Barclays Capital	EUR	SEK	22/02/17	25,616	250,000	-	(0.01)
Barclays Capital	NZD	EUR	22/02/17	19,000	12,561	-	-
Barclays Capital	RUB	USD	22/02/17	3,199,000	47,737	4	0.05
BNP Paribas	EUR	USD	22/02/17	6,616	7,000	-	-
Citigroup	EUR	SEK	22/02/17	4,416	43,000	-	-
Citigroup	JPY	EUR	22/02/17	15,073,689	128,000	(5)	(0.06)
Citigroup	SEK	EUR	22/02/17	2,399,000	244,085	6	0.08
Citigroup	USD	RUB	22/02/17	51,539	3,199,000	-	-
Citigroup	USD	BRL	22/02/17	46,156	162,000	(3)	(0.03)
Goldman Sachs	EUR	GBP	11/01/17	67,474	57,000	1	0.01
Goldman Sachs	EUR	USD	11/01/17	10,350	11,000	-	-
Goldman Sachs	EUR	USD	11/01/17	9,561	10,000	-	-
Goldman Sachs	EUR	JPY	22/02/17	64,000	7,643,520	2	0.02
Goldman Sachs	USD	EUR	11/01/17	103,000	95,789	2	0.02
Goldman Sachs	USD	JPY	22/02/17	135,389	15,180,000	5	0.05
Goldman Sachs	USD	EUR	22/02/17	57,000	54,471	(1)	(0.01)
HSBC	EUR	AUD	11/01/17	118,832	171,000	2	0.02
HSBC	EUR	GBP	11/01/17	57,486	49,000	-	-
HSBC	EUR	USD	11/01/17	9,297	10,000	-	-
HSBC	EUR	USD	22/02/17	147,702	159,000	(3)	(0.03)
HSBC	EUR	HUF	22/02/17	126,614	39,387,000	(1)	(0.01)
HSBC	USD	EUR	11/01/17	274,000	254,091	6	0.07
JPM Chase	AUD	EUR	11/01/17	73,000	50,660	(1)	(0.01)
JPM Chase	BRL	USD	22/02/17	162,000	47,230	2	0.02
JPM Chase	EUR	GBP	11/01/17	1,252,299	1,059,000	12	0.14
JPM Chase	EUR	NZD	22/02/17	17,283	26,000	-	-
JPM Chase	GBP	EUR	11/01/17	3,000	3,554	-	-
JPM Chase	SEK	EUR	22/02/17	165,000	17,137	-	-
JPM Chase	USD	EUR	11/01/17	17,000	15,935	-	-
JPM Chase	USD	EUR	11/01/17	8,000	7,656	-	-
JPM Chase	USD	CNH	22/02/17	133,800	931,000	2	0.03

Euro Absolute Return Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) €'000	Total Net Assets %
JPM Chase	USD	AUD	22/02/17	45,510	61,000	1	0.02
Royal Bank of Canada	CHF	CAD	22/02/17	68,312	91,000	-	(0.01)
Royal Bank of Canada	EUR	USD	11/01/17	1,616,266	1,738,000	(32)	(0.36)
Royal Bank of Canada	GBP	EUR	11/01/17	30,000	35,699	(1)	(0.01)
Royal Bank of Canada	MXN	AUD	22/02/17	1,386,000	90,535	1	0.01
Royal Bank of Canada	USD	EUR	11/01/17	101,000	96,696	(1)	(0.01)
Royal Bank of Canada	USD	EUR	22/02/17	142,000	131,894	2	0.03
Royal Bank of Canada	USD	EUR	22/02/17	138,020	128,000	3	0.03
UBS	EUR	USD	11/01/17	1,616,489	1,738,000	(31)	(0.36)
UBS	GBP	EUR	11/01/17	50,000	59,460	(1)	(0.01)
UBS	USD	KRW	22/02/17	137,965	161,702,000	4	0.04
Unrealised losses on forward currency exchange contracts						(31)	(0.36)

Swaps (1.91%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) €'000	Total Net Assets %
Barclays	GBP	15/10/21	820,000	UK Price Index	3.4575%	1	0.01
Barclays	GBP	07/12/22	160,000	1.0560%	6 Month GBP LIBOR	(1)	(0.01)
Barclays	SEK	22/11/20	25,350,000	3 Month SEK STIBOR	0.5750%	-	(0.01)
Barclays	USD	11/10/19	225,000	1.1470%	3 Month USD LIBOR	3	0.04
Barclays	USD	21/04/20	600,000	1.2910%	3 Month USD LIBOR	8	0.09
Barclays	USD	21/10/18	640,000	0.9725%	3 Month USD LIBOR	5	0.05
Barclays	USD	21/10/21	730,000	1.5550%	3 Month USD LIBOR	12	0.15
Citigroup	AUD	11/10/18	6,430,000	3 Month AUD BBR	1.7325%	(15)	(0.17)
Citigroup	AUD	11/10/18	2,920,000	6 Month AUD BBR	1.7325%	(7)	(0.08)
Citigroup	EUR	20/06/21	910,000	5.0000%	Itraxx Crossover Series 25	(85)	(1.02)
Citigroup	EUR	20/06/21	225,000	5.0000%	Itraxx Crossover Series 25	(21)	(0.25)
Citigroup	EUR	20/12/21	450,000	5.0000%	Itraxx Crossover Series 26	(43)	(0.50)
Citigroup	GBP	01/11/26	500,000	1.2290%	6 Month GBP LIBOR	-	-
Citigroup	GBP	01/11/20	4,620,000	GBP SONIA	0.6870%	2	0.02
Citigroup	SEK	26/11/26	5,480,000	0.6700%	3 Month SEK STIBOR	23	0.27
Citigroup	SEK	30/09/20	24,710,000	3 Month SEK STIBOR	0.1300%	(11)	(0.12)
Citigroup	USD	20/12/20	145,000	5.0000%	North America High Yield Series 25	(9)	(0.11)
Citigroup	USD	04/09/18	4,910,000	3 Month USD LIBOR	1.1120%	(21)	(0.24)
Merrill Lynch	NZD	19/12/18	3,910,000	3 Month NZD BBR	2.6060%	(3)	(0.03)
Unrealised losses on swap contracts						(162)	(1.91)

Unrealised losses on derivatives

						(175)	(2.06)
Total investments						7,775	91.34
Other net assets						736	8.66
Total net assets						8,511	100.00

Euro Corporate Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Euro Corporate Bond - Z Accumulation shares increased by 0.59% compared to an increase of 0.63% in the benchmark, Barclays Capital Euro Aggregate Corporate Index.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, Special Month End Price NAV to NAV, gross of fees, 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 2016 began with a financial markets rebound following the volatility that arose from the Brexit vote, as central banks lent support. This included a new corporate bond purchase programme from the Bank of England (BoE), although sterling's weakness persisted. Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the 'reflation' theme. This had started in the third quarter, with an equity sector rotation out of rate-sensitives (e.g. real estate, utilities, healthcare) and into more growth-oriented cyclicals (e.g. basic resources, construction, financials) as government bond yields started to price in less monetary and more fiscal policy stimulus.

The oil sector, meanwhile, benefitted from agreements on production cuts. December saw broad strength for equities and credit, breaking out from ranges that had contained markets for several months, as investors shrugged off the Italian constitutional referendum as well as policy actions from the Federal Open Market Committee (FOMC) (hiked, as expected) and European Central Bank (EBC) whom lowered monthly bond purchases but extended their timeframe.

Despite uncertainty and subsequent volatility in the build-up to the US Presidential elections, spread markets were generally firm post Trump's victory. Even potential year end banana skins from Italy – in the form of Prime Minister Renzi's resignation and the failure of a major bank to avert the need for government support – failed to dent confidence. Elsewhere, the presence of the BoE's Corporate Bond Purchasing Scheme (CBPS) has proved to be relatively successful.

The Bank of America Merrill Lynch Sterling Corporate and Collateralised index tightened marginally to finish at +136 over government bonds. The equivalent indices in USD and Euro markets also tightened marginally.

Portfolio review

The six months to December started well for the Fund, with a relatively positive market environment despite the surprise Brexit decision in June. However, the Fund had invested in a range of sterling denominated corporate bonds on a currency hedged basis, and sterling credit underperformed Euro on an absolute yield basis due to UK government bonds underperforming. December was positive again, leaving the whole period with only a slight underperformance versus benchmark. The Fund was active in the primary market.

Outlook

Donald Trump's victory in the US election has significantly altered the global economic outlook. It is not clear which of his campaign themes will characterise his government. Fiscal easing, largely through tax cuts and possibly through infrastructure spending, should boost demand in the short to medium term. However, with the economy close to full employment it is likely the Fed will need to offset some of the fiscal easing with monetary tightening.

In Europe, political risks will continue to mount, with a series of important elections over the next year. The ECB is unlikely to allow significant peripheral weakness, however. Sentiment surrounding Brexit will tend to overshadow other economic news, while markets will be watching keenly as Theresa May plots the UK's move out of the European Union.

Aberdeen Pan European Credit Team

January 2017

Euro Corporate Bond

Statement of Net Assets

As at 31 December 2016

	Notes	€'000
Assets		
Investments in securities at market value	2.2	66,750
Cash at bank		1,630
Interest receivable		713
Total assets		69,093
Liabilities		
Taxes and expenses payable		18
Redemptions payable		35
Unrealised losses on forward currency exchange contracts	2.6	213
Other liabilities		2
Total liabilities		268
Net assets at the end of the period		68,825

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Net assets at the beginning of the period		68,488
Net gains from investments		423
Net realised gains		595
Net unrealised losses		(844)
Proceeds from shares issued		19,944
Payments for shares redeemed		(19,755)
Net equalisation paid	10	(24)
Dividends paid	5	(2)
Net assets at the end of the period		68,825

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Income		
Investment income	2.3	548
Total income		548
Expenses		
Management fees	4.2	33
Operating, administrative and servicing fees	4.3	91
Operational expenses		1
Total expenses		125
Net gains from investments		423
Realised gains on investments		379
Realised gains on forward currency exchange contracts		171
Realised currency exchange gains		45
Net realised gains		595
Increase in unrealised depreciation on investments		(639)
Increase in unrealised depreciation on forward currency exchange contracts		(205)
Net unrealised losses		(844)
Net increase in assets as a result of operations		174

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	A(CZK)-2 [^]	I-2	Z-2
Shares outstanding at the beginning of the period	24,582	34,084	763,877	146,257	3,718,872
Shares issued during the period	97,145	16,608	111,249	1,263,688	41,490
Shares redeemed during the period	(1,833)	(14,416)	(64,636)	(1,257,418)	(118,040)
Shares outstanding at the end of the period	119,894	36,276	810,490	152,527	3,642,322
Net asset value per share	10.9563	11.2226	109.3590	13.6759	16.9503

[^] 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 2016

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					95.73%
Bonds 95.73%					
Asset Backed Bonds / Mortgage Backed Bonds 1.16%					
France 0.58%					
Purple Master Credit Cards	FRN	25/10/28	400,000	401	0.58
Luxembourg 0.58%					
Red & Black Auto Lease Germany	FRN	15/11/27	400,000	400	0.58
Total Asset Backed Bonds / Mortgage Backed Bonds				801	1.16
Corporate Bonds 90.17%					
Australia 3.46%					
APT Pipelines (EMTN)	1.3750	22/03/22	1,000,000	1,010	1.47
AusNet Services (EMTN)	2.3750	24/07/20	500,000	539	0.78
AusNet Services (EMTN)	1.5000	26/02/27	300,000	303	0.44
SGSP Australia Assets (EMTN)	2.0000	30/06/22	500,000	531	0.77
				2,383	3.46
Belgium 3.59%					
AG Insurance	VAR	30/06/47	300,000	290	0.42
Anheuser-Busch InBev (EMTN)	2.7500	17/03/36	400,000	441	0.64
Anheuser-Busch InBev (EMTN)	2.0000	17/03/28	400,000	424	0.62
KBC (EMTN)	1.0000	26/04/21	700,000	720	1.05
KBC (EMTN)	0.7500	18/10/23	600,000	593	0.86
				2,468	3.59
Czech Republic 0.86%					
CETIN Finance	1.4230	06/12/21	577,000	591	0.86
Denmark 0.31%					
Danica Pension Livsforsikringsaktieselskab	VAR	29/09/45	200,000	212	0.31
France 17.58%					
ALD International (EMTN)	0.7500	26/01/18	800,000	807	1.17
AXA (EMTN) (PERP)	VAR	31/12/49	700,000	721	1.05
Banque Federative du Credit Mutuel (EMTN)	3.0000	21/05/24	500,000	542	0.79
BNP Paribas (EMTN)	2.8750	24/10/22	1,330,000	1,505	2.18
BPCE (EMTN)	0.6250	20/04/20	1,400,000	1,424	2.06
Cap Gemini	2.5000	01/07/23	400,000	441	0.64
Carrefour (EMTN)	0.7500	26/04/24	400,000	397	0.58
Cie de Saint-Gobain (EMTN)	5.6250	15/11/24	250,000	365	0.53
Credit Agricole (EMTN)	0.8750	19/01/22	600,000	615	0.89
Electricite de France (EMTN) (PERP)	VAR	22/01/49	300,000	287	0.42
Engie (EMTN)	-	13/03/17	1,300,000	1,301	1.89
Engie (PERP)	VAR	02/06/49	400,000	425	0.62

Euro Corporate Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Orange (PERP)	VAR	28/02/49	500,000	531	0.77
RTE (EMTN)	1.0000	19/10/26	200,000	199	0.29
Societe Generale (EMTN)	2.3750	28/02/18	600,000	618	0.90
Societe Generale (EMTN)	2.6250	27/02/25	300,000	309	0.45
TDF Infrastructure	2.8750	19/10/22	300,000	325	0.47
TDF Infrastructure	2.5000	07/04/26	300,000	307	0.45
Total Capital International (EMTN)	0.7500	12/07/28	400,000	385	0.56
TOTAL (EMTN) (PERP)	VAR	29/12/49	399,000	376	0.55
TOTAL (EMTN) (PERP)	VAR	29/12/49	225,000	217	0.32
				12,097	17.58
Germany 7.88%					
Allianz Finance II (EMTN)	VAR	08/07/41	1,000,000	1,164	1.70
Bayer (EMTN)	VAR	01/07/75	400,000	407	0.59
BMW Finance (EMTN)	0.8750	16/08/22	520,000	593	0.86
Daimler (EMTN)	1.4000	12/01/24	440,000	466	0.68
Deutsche Telekom International Finance (EMTN)	1.5000	03/04/28	300,000	305	0.44
E.ON International Finance (EMTN)	5.7500	07/05/20	600,000	717	1.04
Eurogrid	1.8750	10/06/25	400,000	430	0.62
HeidelbergCement (EMTN)	2.2500	03/06/24	200,000	214	0.31
Volkswagen International Finance (EMTN)	0.8750	16/01/23	460,000	461	0.67
Volkswagen International Finance (PERP)	VAR	29/03/49	350,000	356	0.52
Vonovia Finance (PERP)	VAR	29/12/49	300,000	311	0.45
				5,424	7.88
Ireland 1.99%					
CRH Finance Germany (EMTN)	1.7500	16/07/21	500,000	530	0.77
CRH Funding (EMTN)	1.8750	09/01/24	100,000	107	0.15
Ryanair (EMTN)	1.8750	17/06/21	694,000	733	1.07
				1,370	1.99
Israel 0.85%					
Teva Pharmaceutical Finance Netherlands II	0.3750	25/07/20	400,000	398	0.58
Teva Pharmaceutical Finance Netherlands II	1.6250	15/10/28	200,000	188	0.27
				586	0.85
Italy 9.02%					
Autostrade per l'Italia (EMTN)	1.1250	04/11/21	200,000	207	0.30
Enel Finance International (EMTN)	1.9660	27/01/25	300,000	320	0.47
Eni (EMTN)	4.0000	29/06/20	900,000	1,018	1.48
Intesa Sanpaolo (EMTN)	1.1250	14/01/20	800,000	811	1.18
Intesa Sanpaolo (EMTN)	FRN	15/06/20	700,000	704	1.02
Snam (EMTN)	0.8750	25/10/26	1,150,000	1,103	1.60
Terna Rete Elettrica Nazionale (EMTN)	0.8750	02/02/22	900,000	917	1.33
Zi Rete Gas (EMTN)	1.1250	02/01/20	1,100,000	1,130	1.64
				6,210	9.02
Japan 1.19%					
Bank of Tokyo-Mitsubishi (EMTN)	0.8750	11/03/22	800,000	817	1.19

Euro Corporate Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Luxembourg 0.82%					
SELP Finance	1.2500	25/10/23	400,000	392	0.57
SES (PERP)	VAR	29/12/49	171,000	175	0.25
				567	0.82
Netherlands 5.70%					
ABN AMRO Bank (EMTN)	4.1250	28/03/22	650,000	778	1.13
ABN AMRO Bank (EMTN)	VAR	30/06/25	301,000	317	0.46
ABN AMRO Bank (EMTN)	VAR	18/01/28	200,000	211	0.31
ASML	1.3750	07/07/26	200,000	200	0.29
Cooperatieve Rabobank	1.2500	23/03/26	800,000	822	1.20
Rabobank Nederland (EMTN)	4.1250	12/01/21	559,000	650	0.94
Rabobank Nederland (EMTN)	4.7500	06/06/22	500,000	619	0.90
Vesteda Finance (EMTN)	2.5000	27/10/22	300,000	323	0.47
				3,920	5.70
Spain 2.33%					
Amadeus Finance (EMTN)	0.6250	02/12/17	500,000	503	0.73
Gas Natural Fenosa Finance (PERP)	VAR	29/12/49	100,000	94	0.14
Merlin Properties Socimi (EMTN)	1.8750	02/11/26	400,000	383	0.56
Metrovacesa (EMTN)	2.3750	23/05/22	600,000	625	0.90
				1,605	2.33
Sweden 1.48%					
Hemso Fastighets (EMTN)	1.0000	09/09/26	500,000	483	0.70
Nordea Bank (EMTN)	2.0000	17/02/21	500,000	538	0.78
				1,021	1.48
Switzerland 4.01%					
Credit Suisse (EMTN)	1.3750	31/01/22	700,000	732	1.06
Glencore Finance Europe (EMTN)	4.6250	03/04/18	300,000	316	0.46
UBS Funding Jersey (EMTN)	1.2500	01/09/26	400,000	386	0.56
UBS London (EMTN)	0.5000	15/05/18	700,000	706	1.03
UBS London (EMTN)	1.1250	30/06/20	600,000	622	0.90
				2,762	4.01
United Kingdom 14.82%					
Abbey National Treasury Services (EMTN)	1.7500	15/01/18	1,410,000	1,435	2.09
Aviva (EMTN)	VAR	04/12/45	700,000	690	1.00
Barclays Bank (EMTN)	1.8750	08/12/23	545,000	552	0.80
BP Capital Markets (EMTN)	1.1170	25/01/24	391,000	398	0.58
Coventry Building Society	2.5000	18/11/20	670,000	722	1.05
EE Finance (EMTN)	3.2500	03/08/18	1,000,000	1,053	1.53
FCE Bank (EMTN)	FRN	17/09/19	500,000	508	0.74
FCE Bank (EMTN)	1.6150	11/05/23	300,000	308	0.45
HBOS (EMTN)	VAR	18/03/30	300,000	331	0.48
HSBC	0.8750	06/09/24	577,000	567	0.82
Lloyds Banking (EMTN)	1.0000	09/11/23	417,000	410	0.60
Motability Operations (EMTN)	1.6250	09/06/23	300,000	320	0.46
Nationwide Building Society (EMTN)	1.2500	03/03/25	400,000	407	0.59

Euro Corporate Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Nationwide Building Society (EMTN)	1.1250	03/06/22	375,000	386	0.56
Rolls-Royce (EMTN)	2.1250	18/06/21	500,000	543	0.79
Santander UK	1.1250	08/09/23	540,000	537	0.78
SSE	5.8750	22/09/22	390,000	565	0.82
SSE (EMTN)	1.7500	08/09/23	300,000	320	0.46
SSE (PERP)	VAR	29/12/49	150,000	148	0.22
				10,200	14.82
United States 14.28%					
AbbVie	1.3750	17/05/24	1,000,000	1,016	1.48
Apple	2.0000	17/09/27	600,000	653	0.95
AT&T	2.5000	15/03/23	1,400,000	1,528	2.22
AT&T	FRN	04/06/19	900,000	906	1.32
AT&T	2.4000	15/03/24	800,000	868	1.26
Brown-Forman	1.2000	07/07/26	200,000	202	0.29
Citigroup (EMTN)	0.7500	26/10/23	600,000	590	0.86
General Motors Financial International (EMTN)	1.1680	18/05/20	100,000	102	0.15
Goldman Sachs (EMTN)	2.0000	27/07/23	1,000,000	1,058	1.54
Mylan	2.2500	22/11/24	319,000	326	0.47
Thermo Fisher Scientific	1.3750	12/09/28	700,000	668	0.97
Toyota Motor Credit (EMTN)	1.0000	09/03/21	330,000	342	0.50
Verizon Communications	1.6250	01/03/24	1,500,000	1,567	2.27
				9,826	14.28
Total Corporate Bonds				62,059	90.17
Government Bonds 4.40%					
Germany 4.40%					
Germany (Federal Republic of)	3.5000	04/07/19	1,200,000	1,330	1.92
Germany (Federal Republic of)	5.5000	04/01/31	700,000	1,181	1.72
Germany (Federal Republic of)	2.5000	15/08/46	368,952	520	0.76
				3,031	4.40
Total Government Bonds				3,031	4.40
Total Bonds				65,891	95.73
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				65,891	95.73
Other transferable securities and money market instruments 1.25%					
Bonds 1.25%					
Corporate Bonds 1.25%					
United States 1.25%					
Verizon Communications	2.6250	01/12/31	800,000	859	1.25
Total Corporate Bonds				859	1.25
Total Bonds				859	1.25
Total Other transferable securities and money market instruments				859	1.25

Euro Corporate Bond

Derivatives (0.31%)

Forward currency exchange contracts (0.31%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) €'000	Total Net Assets %
BNP Paribas	CZK	EUR	02/01/17	541,599	20,044	-	-
BNP Paribas	CZK	EUR	04/01/17	128,114	4,741	-	-
BNP Paribas	CZK	EUR	15/03/17	87,362,462	3,244,228	(11)	(0.02)
BNP Paribas	CZK	EUR	15/03/17	471,202	17,486	-	-
BNP Paribas	CZK	EUR	15/03/17	469,691	17,447	-	-
BNP Paribas	CZK	EUR	15/03/17	462,354	17,176	-	-
BNP Paribas	CZK	EUR	15/03/17	439,620	16,325	-	-
BNP Paribas	CZK	EUR	15/03/17	414,888	15,406	-	-
BNP Paribas	CZK	EUR	15/03/17	100,583	3,736	-	-
BNP Paribas	CZK	EUR	15/03/17	96,727	3,594	-	-
BNP Paribas	CZK	EUR	15/03/17	83,134	3,088	-	-
BNP Paribas	CZK	EUR	15/03/17	59,665	2,214	-	-
BNP Paribas	CZK	EUR	15/03/17	58,864	2,186	-	-
BNP Paribas	CZK	EUR	15/03/17	58,665	2,177	-	-
BNP Paribas	EUR	CZK	15/03/17	25,648	692,131	-	-
BNP Paribas	EUR	CZK	15/03/17	20,020	541,599	-	-
BNP Paribas	EUR	CZK	15/03/17	4,733	128,114	-	-
BNP Paribas	EUR	CZK	15/03/17	2,379	64,191	-	-
Citigroup	EUR	GBP	08/02/17	3,867,917	3,454,000	(175)	(0.25)
Goldman Sachs	GBP	EUR	08/02/17	1,945,000	2,303,411	(27)	(0.04)
Unrealised losses on forward currency exchange contracts						(213)	(0.31)
Unrealised losses on derivatives						(213)	(0.31)
Total investments						66,537	96.67
Other net assets						2,288	3.33
Total net assets						68,825	100.00

Currently forward positions are not collateralised.

Euro Government Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Euro Government Bond - A Accumulation shares decreased by 3.40% compared to a decrease of 2.32% in the benchmark, 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

Tepid European economic data was closely scrutinised to discern the fallout from the Brexit vote. The composite Purchasing Managers' Index fell, while lacklustre consumer prices continue to plague the region. On the whole, however, the Eurozone economy continued its slow, almost anaemic, recovery. GDP growth of 0.3% was confirmed in the third quarter, while annual deflation edged up to 0.6% in November, up from 0.5% in October. The unemployment rate fell to 9.8% in October, the lowest since July 2009.

Political risk remained at the fore across Europe. In Italy, Matteo Renzi lost the constitutional reform referendum by a wide margin of 59% to 41%. He subsequently announced his resignation as Italy's prime minister and was replaced by Paolo Gentiloni, who had served as Minister of Foreign Affairs under Mr Renzi. Bond yields spiked around 10 basis points (bps) wider on the news. The referendum result is technically a victory for the anti-establishment parties (Five Star), although some have suggested that a 'no' vote was a better long term result for Italy as the reforms were poorly designed and, given the weight of current opinion polls, could have resulted in a Five Star government at the next elections. The most pressing concern for Italy now is recapitalising the banking sector; a bailout for Monte Paschi was approved by the Italian government after the bank failed to raise €5 billion (bn) of capital from private investors.

Turning to monetary policy, the European Central Bank (ECB) somewhat unexpectedly reduced the monthly run rate of asset purchases to €60bn from €80bn after much speculation. However, ECB President Mario Draghi extended the quantitative easing programme for an additional nine months (€80bn per month for a further six months was market consensus), making an explicit point of saying this did not constitute tapering as the total stock of bonds purchased will be greater due to the additional length of the programme. Historically though, the market has viewed the flow (rate of monthly purchases) as the key driver of suppressed yields so 30-year European bonds sold off aggressively and periphery spreads widened on fears that this marks the beginning of a gradual wind down of ECB support. Coupled with this, Draghi also announced the ECB would increase its universe of eligible bonds to include one-year to 30-year bonds (previously it had been two-year to 30-year) and that it would now purchase bonds yielding less than the deposit rate. This sent front-end European yields and the euro lower as the reporting period came to an end.

Portfolio review

The portfolio underperformed the benchmark over the period. The portfolio had maintained a long duration position with a curve flattening bias for the majority of the year which performed well. However this was unwound as the market re-priced to higher yields in the aftermath of the US presidential outcome. The portfolio had been broadly flat country spread risk over much of the period but this has now shifted to underweight as a result of the announcements made at the ECB meeting in December. This is expressed via Italy and France. FX returns were essentially flat over the period.

Outlook

Donald Trump's victory in the US election has significantly altered the global economic outlook. It is not clear which of his campaign themes will characterise his government. Fiscal easing, largely through tax cuts and possibly through infrastructure spending, should boost demand in the short to medium term. However, with the economy close to full employment it is likely the Federal Reserve will need to offset some of the fiscal easing with monetary tightening.

In Europe, political risks will continue to mount, with a series of important elections over the next year. The ECB is unlikely to allow significant peripheral weakness, however. Sentiment surrounding Brexit will tend to overshadow other economic news, while markets will be watching keenly as Theresa May plots the UK's move out of the European Union.

Aberdeen Pan Euro Macro Team

January 2017

Euro Government Bond

Statement of Net Assets

As at 31 December 2016

	Notes	€'000
Assets		
Investments in securities at market value	2.2	210,693
Cash at bank		403
Interest receivable		1,812
Subscriptions receivable		120
Total assets		213,028
Liabilities		
Taxes and expenses payable		168
Redemptions payable		815
Unrealised losses on swap contracts	2.8	33
Unrealised losses on forward currency exchange contracts	2.6	53
Total liabilities		1,069
Net assets at the end of the period		211,959

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Net assets at the beginning of the period		250,174
Net losses from investments		(443)
Net realised gains		128
Net unrealised losses		(7,972)
Proceeds from shares issued		23,398
Payments for shares redeemed		(53,316)
Net equalisation paid	10	(10)
Net assets at the end of the period		211,959

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Income		
Investment income	2.3	662
Total income		662
Expenses		
Management fees	4.2	834
Operating, administrative and servicing fees	4.3	266
Other operational expenses		4
Bank interest		1
Total expenses		1,105
Net losses from investments		(443)
Realised gains on investments		1,374
Realised losses on future contracts		(1,184)
Realised losses on forward currency exchange contracts		(130)
Realised currency exchange gains		68
Net realised gains		128
Decrease in unrealised appreciation on investments		(7,818)
Decrease in unrealised depreciation on future contracts		293
Decrease in unrealised appreciation on swap contracts		(33)
Decrease in unrealised appreciation on forward currency exchange contracts		(396)
Unrealised currency exchange losses		(18)
Net unrealised losses		(7,972)
Net decrease in assets as a result of operations		(8,287)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	J-2	X-1	X-2
Shares outstanding at the beginning of the period	384,881	308,163	11,216	110,906	135,982
Shares issued during the period	9,354	28,044	3,258	9,484	5,093
Shares redeemed during the period	(40,418)	(65,444)	(4,513)	(8,829)	(6,654)
Shares outstanding at the end of the period	353,817	270,763	9,961	111,561	134,421
Net asset value per share	137.7508	517.8503	2,022.3398	11.3429	11.8309
					Z-2
Shares outstanding at the beginning of the period					299,710
Shares issued during the period					564
Shares redeemed during the period					(299,710)
Shares outstanding at the end of the period					564
Net asset value per share					10.2209

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

Euro Government Bond

Portfolio Statement

As at 31 December 2016

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 99.40%					99.40%
Bonds 99.40%					
Government Bonds 99.40%					
Austria 1.95%					
Austria (Republic of)	1.2000	20/10/25	1,936,000	2,097	0.99
Austria (Republic of)	4.1500	15/03/37	514,000	812	0.38
Austria (Republic of)	3.8000	26/01/62	355,000	645	0.30
Austria (Republic of)	2.4000	23/05/34	472,000	587	0.28
				4,141	1.95
Belgium 4.51%					
Belgium (Kingdom of)	4.0000	28/03/32	3,433,000	4,911	2.32
Belgium (Kingdom of)	2.6000	22/06/24	2,352,000	2,781	1.31
Belgium (Kingdom of)	1.6000	22/06/47	1,625,000	1,637	0.77
Belgium (Kingdom of)	0.8000	22/06/25	220,000	228	0.11
				9,557	4.51
Finland 0.96%					
Finland (Republic of)	0.8750	15/09/25	1,292,000	1,364	0.65
Finland (Republic of)	0.7500	15/04/31	389,000	390	0.18
Finland (Republic of)	2.6250	04/07/42	208,000	285	0.13
				2,039	0.96
France 19.75%					
France (Government of)	1.7500	25/05/23	11,113,000	12,344	5.83
France (Government of)	2.5000	25/10/20	10,291,000	11,460	5.41
France (Government of)	1.0000	25/05/18	9,090,000	9,307	4.39
France (Government of)	2.5000	25/05/30	2,507,000	2,996	1.41
France (Government of)	5.7500	25/10/32	1,628,000	2,741	1.29
France (Government of)	4.0000	25/10/38	1,034,000	1,554	0.73
France (Government of)	4.7500	25/04/35	922,000	1,462	0.69
				41,864	19.75
Germany 23.17%					
Germany (Federal Republic of)	0.5000	15/02/26	13,698,000	14,198	6.70
Germany (Federal Republic of)	-	15/08/26	10,270,000	10,082	4.76
Germany (Federal Republic of)	2.2500	04/09/21	5,405,000	6,130	2.89
Germany (Federal Republic of)	-	17/04/20	5,558,000	5,694	2.69
Germany (Federal Republic of)	4.7500	04/07/40	2,507,000	4,642	2.19
Germany (Federal Republic of)	4.7500	04/07/28	2,354,000	3,533	1.67
Germany (Federal Republic of)	2.5000	15/08/46	1,374,000	1,936	0.91
Germany (Federal Republic of)	2.5000	04/07/44	1,130,000	1,574	0.74
Germany (Federal Republic of)	4.7500	04/07/34	780,000	1,320	0.62
				49,109	23.17

Euro Government Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Ireland 4.20%					
Ireland (Republic of)	5.5000	18/10/17	8,484,000	8,897	4.20
Italy 22.68%					
Italy (Republic of)	5.0000	01/03/22	17,144,000	20,831	9.82
Italy (Republic of)	2.5000	01/05/19	7,860,000	8,323	3.93
Italy (Republic of)	4.7500	01/09/28	6,123,000	7,877	3.72
Italy (Republic of)	0.7000	01/05/20	5,654,000	5,759	2.72
Italy (Republic of)	5.0000	01/09/40	2,643,000	3,660	1.73
Italy (Republic of)	2.7000	01/03/47	1,682,000	1,619	0.76
				48,069	22.68
Netherlands 2.49%					
Netherlands (Kingdom of)	2.2500	15/07/22	2,090,000	2,394	1.13
Netherlands (Kingdom of)	0.2500	15/07/25	1,767,000	1,777	0.84
Netherlands (Kingdom of)	3.5000	15/07/20	968,000	1,112	0.52
				5,283	2.49
Spain 19.69%					
Spain (Kingdom of)	0.7500	30/07/21	19,230,000	19,654	9.27
Spain (Kingdom of)	4.6000	30/07/19	15,569,000	17,459	8.24
Spain (Kingdom of)	4.9000	30/07/40	1,275,000	1,863	0.88
Spain (Kingdom of)	2.9000	31/10/46	1,469,000	1,570	0.74
Spain (Kingdom of)	1.9500	30/07/30	1,160,000	1,188	0.56
				41,734	19.69
Total Government Bonds				210,693	99.40
Total Bonds				210,693	99.40
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				210,693	99.40

Euro Government Bond

Derivatives (0.04%)

Forward currency exchange contracts (0.02%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) €'000	Total Net Assets %
BNP Paribas	EUR	USD	08/02/17	179,066	192,000	(3)	-
BNP Paribas	USD	EUR	08/02/17	905,000	852,328	4	-
Citigroup	EUR	USD	08/02/17	1,119,513	1,248,000	(61)	(0.03)
Citigroup	EUR	AUD	08/02/17	204,113	297,000	1	-
Citigroup	USD	EUR	08/02/17	1,128,000	1,033,999	33	0.02
Citigroup	USD	EUR	08/02/17	217,000	206,892	(2)	-
Goldman Sachs	EUR	USD	08/02/17	631,171	690,000	(22)	(0.01)
Goldman Sachs	SEK	EUR	08/02/17	2,554,000	261,000	6	-
Goldman Sachs	USD	GBP	08/02/17	4,341,000	3,514,411	(6)	-
Goldman Sachs	USD	EUR	08/02/17	92,000	86,902	-	-
Morgan Stanley	USD	EUR	08/02/17	257,000	237,154	6	-
Royal Bank of Canada	EUR	USD	08/02/17	350,266	377,000	(6)	-
UBS	AUD	EUR	08/02/17	281,000	195,555	(3)	-
Unrealised losses on forward currency exchange contracts						(53)	(0.02)

Swaps (0.02%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) €'000	Total Net Assets %
Barclays	GBP	13/10/18	104,500,000	GBP SONIA	0.2070%	(90)	(0.04)
Citigroup	EUR	17/10/18	112,400,000	0.4170%	EUR EONIA	98	0.05
Citigroup	EUR	30/09/20	79,500,000	0.4200%	EUR EONIA	239	0.11
Citigroup	EUR	16/12/26	21,300,000	6 Month EUR EIBOR	1.4700%	225	0.11
Citigroup	EUR	16/12/46	9,000,000	1.6630%	6 Month EUR EIBOR	(171)	(0.08)
Citigroup	SEK	30/09/20	779,000,000	3 Month SEK STIBOR	0.1300%	(334)	(0.17)
Unrealised losses on swap contracts						(33)	(0.02)
Unrealised losses on derivatives						(86)	(0.04)
Total investments						210,607	99.36
Other net assets						1,352	0.64
Total net assets						211,959	100.00

Currently forward positions are not collateralised.

Euro High Yield Bond

For the period ended 23 September 2016

Corporate activity

On the effective merger date 23 September 2016, Aberdeen Global II - Euro High Yield Bond Fund (worth €39 million) transferred its net assets through a UCITS merger into the Aberdeen Global - Select Euro High Yield Bond Fund. Shareholders involved in the transfer were given either A, I, or X shares in the Aberdeen Global - Select Euro High Yield Bond Fund, for every 1 share previously held in the Aberdeen Global II Euro High Yield Bond Fund as follows:

Aberdeen Global II	Share Class	Aberdeen Global	Share Class	Contribution in kind ('000)	Transfer Ratio
Euro High Yield Bond	A - 2	Select Euro High Yield Bond	A - 2	€35,509	6.746268
Euro High Yield Bond	I - 2	Select Euro High Yield Bond	I - 2	€2,703	96.755780
Euro High Yield Bond	X - 2	Select Euro High Yield Bond	X - 2	€688	0.991103

Performance

For the period 1 July to 22 September 2016, the value of Euro High Yield Bond - A Accumulation shares increased by 4.12% compared to an increase of 3.66% in the benchmark, Bank of America Merrill Lynch Euro High Yield Constrained 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

The second half of 2016 began with a financial markets rebound following the volatility that arose from the Brexit vote, as central banks lent support. This included a new corporate bond purchase programme from the Bank of England, although sterling's weakness persisted. Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the 'reflation' theme. This had started in the third quarter, with an equity sector rotation out of rate-sensitives (e.g. real estate, utilities, healthcare) and into more growth-oriented cyclicals (e.g. basic resources, construction, financials), as government bond yields started to price in less monetary and more fiscal policy stimulus. The oil sector, meanwhile, benefitted from agreements on production cuts. December saw broad strength for equities and credit, breaking out from ranges that had contained markets for several months, as investors shrugged off the Italian constitutional referendum as well as policy actions from the Federal Open Market Committee (FOMC) (hiked, as expected) and European Central Bank (ECB) lowered monthly bond purchases but extended their timeframe.

Portfolio review

The Fund merged into the Aberdeen Global – Select Euro High Yield Bond Fund in September 2016. Prior to this, the Fund underperformed the benchmark in the period. Within B rated credits, our stock selection was a contributor to this underperformance. Against this, our significant relative overweight to the rating band continued to add value. At the sector level our large underweight to Banking was a success story on both an allocation front and stock selection.

Outlook

The Fund closed on 23 September 2016.

Aberdeen Euro High Yield Team

January 2017

Euro High Yield Bond

Statement of Net Assets

As at 31 December 2016

	Notes	€'000
Assets		
Other assets		1
Total assets		1
Liabilities		
Other liabilities		1
Total liabilities		1
Net assets at the end of the period		-

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Net assets at the beginning of the period		40,458
Net gains from investments		372
Net realised losses		(5,096)
Net unrealised gains		6,159
Proceeds from shares issued		6,198
Payments for shares redeemed		(47,730)
Net equalisation paid	10	(361)
Net assets at the end of the period		-

Statement of Operations

For the period from 1 July 2016 to 22 September 2016

	Notes	€'000
Income		
Investment income	2.3	504
Total income		504
Expenses		
Management fees	4.2	104
Operating, administrative and servicing fees	4.3	27
Other operational expenses		1
Total expenses		132
Net gains from investments		372
Realised losses on investments		(5,808)
Realised currency exchange gains		712
Net realised losses		(5,096)
Decrease in unrealised depreciation on investments		6,571
Decrease in unrealised appreciation on forward currency exchange contracts		(441)
Unrealised currency exchange gains		29
Net unrealised gains		6,159
Net increase in assets as a result of operations		1,435

Share Transactions

For the period from 1 July 2016 to 22 September 2016

	A-2	I-2	X-2
Shares outstanding at the beginning of the period	264,496	2,062	53,336
Shares issued during the period	8,839	3,257	-
Shares redeemed during the period	(273,335)	(5,319)	(53,336)
Shares outstanding at the end of the period	-	-	-
Net asset value per share	-	-	-

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

Euro Short Term Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Euro Short Term Bond - A Accumulation shares decreased by 0.14% compared to a decrease of 0.02% 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

The second half of 2016 began with a financial market rebound following the volatility that arose from the Brexit vote, as central banks lent support. Macro-politics remained in focus throughout the period, notably the US presidential election.

Tepid European economic data was closely scrutinised to discern the fallout from the Brexit vote. The composite Purchasing Managers' Index fell, while lacklustre consumer prices continue to plague the region. On the whole, however, the Eurozone economy continued its slow, almost anaemic, recovery.

Political risk remained at the fore across Europe. In Italy, Matteo Renzi lost the constitutional reform referendum by a wide margin of 59% to 41%. He subsequently announced his resignation as Italy's prime minister and was replaced by Paolo Gentiloni, who had served as Minister of Foreign Affairs under Mr Renzi. The referendum result is technically a victory for the anti-establishment parties (Five Star), although some have suggested that a 'no' vote was a better long term result for Italy as the reforms were poorly designed and, given the weight of current opinion polls, could have resulted in a Five Star government at the next elections. The most pressing concern for Italy now is recapitalising the banking sector, following the bailout of Monte Paschi.

Turning to monetary policy, the European Central Bank (ECB) remained side lined during the summer months despite the market expecting the central bank to expand the universe of bonds available for purchase under the asset purchase programme. It was therefore somewhat unexpected when the ECB announced in December that they would reduce the monthly run rate of asset purchases to €60 billion (bn) from €80 bn after much speculation. However, ECB President Mario Draghi did extend the quantitative easing programme for an additional nine months (€80bn per month for a further six months), making an explicit point that this did not constitute tapering as the total stock of bonds purchased will be greater due to the additional length of the programme. Draghi also announced the ECB would increase its universe of eligible bonds to include one-year to 30-year bonds (previously it had been two-year to 30-year) and that it would now purchase bonds yielding less than the deposit rate (-0.40%). This sent front-end European yields and the euro lower as the reporting period came to an end.

Portfolio review

The ECB's policy of buying corporate debt has underpinned this sector of the market, which has been good for performance with the Fund being skewed to corporate bonds. Overall the Fund duration has been kept relatively neutral on the expectation rates will remain low. Sourcing paper has been challenging due to the ECB's asset purchase programme. There have been some relative value opportunities and some new issuance, where we have been able to switch shorter maturities into longer dated bonds.

Following the ECB's announcement of buying in shorter dated debt, we expect to see an increase in issuance. Positioning remains long 3-5 year maturities to maximise yield potential and underweight 1-3 years. The corporate bond exposure is skewed to financials, dragging on performance in November due to news flow around the European banking sector before December saw a small rebound. Performance overall remains positive on both a relative and absolute basis despite the low yield levels across Europe. The challenge of finding assets, particularly high quality assets, that offer attractive return potentials will remain a challenge.

Outlook

Donald Trump's victory in the US election has significantly altered the global economic outlook.

In Europe, political risks will continue to mount, with a series of important elections over the next year. The ECB is unlikely to allow significant peripheral weakness, however. Sentiment surrounding Brexit will tend to overshadow other economic news, while markets will be watching keenly as Theresa May plots the UK's move out of the European Union.

Aberdeen Money Markets Team

January 2017

Euro Short Term Bond

Statement of Net Assets

As at 31 December 2016

	Notes	€'000
Assets		
Investments in securities at market value	2.2	113,480
Cash at bank		347
Amounts held at futures clearing houses and brokers		70
Interest receivable		696
Subscriptions receivable		39
Unrealised gains on future contracts	2.7	113
Total assets		114,745
Liabilities		
Taxes and expenses payable		64
Redemptions payable		93
Total liabilities		157
Net assets at the end of the period		114,588

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Net assets at the beginning of the period		121,865
Net losses from investments		(163)
Net realised gains		143
Net unrealised losses		(142)
Proceeds from shares issued		22,054
Payments for shares redeemed		(29,169)
Net assets at the end of the period		114,588

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Income		
Investment income	2.3	244
Total income		244
Expenses		
Management fees	4.2	267
Operating, administrative and servicing fees	4.3	136
Other operational expenses		2
Bank interest		2
Total expenses		407
Net losses from investments		(163)
Realised losses on investments		(2)
Realised gains on future contracts		145
Net realised gains		143
Decrease in unrealised appreciation on investments		(75)
Decrease in unrealised appreciation on future contracts		(67)
Net unrealised losses		(142)
Net decrease in assets as a result of operations		(162)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	J-2	X-1	X-2
Shares outstanding at the beginning of the period	186,686	616,868	7,867	13,456	1,053,765
Shares issued during the period	40,977	51,053	9,018	-	109,269
Shares redeemed during the period	(34,907)	(163,611)	(2,443)	(4,931)	(192)
Shares outstanding at the end of the period	192,756	504,310	14,442	8,525	1,162,842
Net asset value per share	51.0159	148.2932	1,248.1167	10.0753	10.1970

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

Euro Short Term Bond

Portfolio Statement

As at 31 December 2016

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					98.68%
Bonds 98.68%					
Asset Backed Bonds / Mortgage Backed Bonds 1.99%					
France 1.99%					
FCC Minotaure	FRN	22/12/26	2,291,598	2,285	1.99
Total Asset Backed Bonds / Mortgage Backed Bonds				2,285	1.99
Corporate Bonds 93.24%					
Australia 3.55%					
National Australia Bank (EMTN)	FRN	16/01/18	3,000,000	3,006	2.63
Westpac Banking (EMTN)	4.1250	25/05/18	1,000,000	1,060	0.92
				4,066	3.55
Belgium 4.82%					
Anheuser-Busch InBev (EMTN)	1.2500	24/03/17	5,000,000	5,016	4.38
Solvay	FRN	01/12/17	500,000	502	0.44
				5,518	4.82
Canada 1.75%					
Royal Bank of Canada (EMTN)	FRN	22/10/18	2,000,000	2,011	1.75
Finland 2.68%					
Pohjola Bank (EMTN)	3.0000	08/09/17	3,000,000	3,067	2.68
France 12.83%					
Air Liquide (EMTN)	2.9080	12/10/18	2,000,000	2,107	1.84
Banque Federative du Credit Mutuel (EMTN)	0.2500	14/06/19	1,000,000	1,006	0.88
BNP Paribas (EMTN)	1.5000	12/03/18	2,500,000	2,546	2.21
Engie (EMTN)	-	13/03/17	2,000,000	2,000	1.75
Sanofi (EMTN)	1.0000	14/11/17	3,000,000	3,032	2.64
Societe Generale	FRN	22/07/18	1,500,000	1,507	1.32
Total Capital International (EMTN)	FRN	19/03/20	2,500,000	2,505	2.19
				14,703	12.83
Germany 8.53%					
Allianz Finance II (EMTN)	-	21/04/20	1,500,000	1,500	1.31
BMW Finance (EMTN)	FRN	26/05/17	1,500,000	1,500	1.31
BMW US Capital (EMTN)	1.0000	18/07/17	2,750,000	2,769	2.42
Daimler (EMTN)	FRN	27/01/17	1,500,000	1,500	1.31
Volkswagen Bank (EMTN)	FRN	09/05/17	2,500,000	2,502	2.18
				9,771	8.53
Hong Kong 1.76%					
Hutchison Whampoa Europe Finance 12	2.5000	06/06/17	2,000,000	2,022	1.76

Euro Short Term Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Netherlands 4.03%					
Aegon (EMTN)	3.0000	18/07/17	2,500,000	2,543	2.22
ING Bank (EMTN)	1.2500	13/12/19	2,000,000	2,074	1.81
				4,617	4.03
New Zealand 4.38%					
ASB Finance London (EMTN)	FRN	03/07/17	3,500,000	3,506	3.06
Westpac Securities (EMTN)	3.8750	20/03/17	1,500,000	1,513	1.32
				5,019	4.38
Sweden 10.71%					
Nordea Bank (EMTN)	2.2500	05/10/17	3,000,000	3,058	2.68
Nordea Bank (EMTN)	FRN	22/02/19	2,000,000	2,013	1.76
Skandinaviska Enskilda Banken (EMTN)	3.8750	12/04/17	3,000,000	3,034	2.65
Svenska Handelsbanken (EMTN)	2.2500	27/08/20	1,500,000	1,621	1.41
Svenska Handelsbanken (EMTN)	3.3750	17/07/17	1,500,000	1,529	1.33
Swedbank (EMTN)	FRN	11/03/19	1,000,000	1,013	0.88
				12,268	10.71
Switzerland 3.66%					
Credit Suisse Guernsey (EMTN)	1.0000	12/03/19	1,350,000	1,382	1.21
Credit Suisse London (EMTN)	FRN	10/11/17	1,250,000	1,253	1.09
Nestle Finance International (EMTN)	0.7500	08/11/21	1,500,000	1,557	1.36
				4,192	3.66
United Kingdom 16.89%					
Aviva (EMTN)	0.1000	13/12/18	1,056,000	1,057	0.92
BP Capital Markets (EMTN)	3.8300	06/10/17	3,000,000	3,091	2.70
BP Capital Markets (EMTN)	2.9940	18/02/19	1,500,000	1,598	1.39
British Telecom (EMTN)	1.1250	10/06/19	1,500,000	1,541	1.35
Coventry Building Society (EMTN)	2.2500	04/12/17	700,000	715	0.62
Elsevier Financing (Aquarius) (EMTN)	FRN	20/05/17	700,000	701	0.61
GlaxoSmithKline (EMTN)	0.6250	02/12/19	2,000,000	2,039	1.78
Lloyds Bank (EMTN)	FRN	29/05/17	2,000,000	2,006	1.75
Motability Operations (EMTN)	3.2500	30/11/18	1,000,000	1,062	0.93
Nationwide Building Society (EMTN)	FRN	02/11/18	1,500,000	1,507	1.32
Santander (EMTN)	2.0000	14/01/19	500,000	520	0.45
Standard Chartered (EMTN)	1.7500	29/10/17	3,200,000	3,248	2.83
Standard Chartered (EMTN)	FRN	13/06/17	270,000	270	0.24
				19,355	16.89
United States 17.65%					
American Honda Finance (EMTN)	FRN	11/03/19	2,366,000	2,372	2.07
Citigroup (EMTN)	FRN	11/11/19	1,600,000	1,611	1.41
GE Capital European Funding (EMTN)	3.6250	15/06/17	3,000,000	3,051	2.66
GE Capital European Funding (EMTN)	1.0000	02/05/17	2,000,000	2,009	1.75
Goldman Sachs (EMTN)	FRN	27/07/17	1,600,000	1,604	1.40
John Deere Bank (EMTN)	FRN	19/03/19	730,000	734	0.64
JPMorgan Chase (EMTN)	FRN	19/02/17	1,500,000	1,501	1.31

Euro Short Term Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Metropolitan Life Global Funding I (EMTN)	2.3750	30/09/19	2,000,000	2,131	1.86
Metropolitan Life Global Funding I (EMTN)	4.6250	16/05/17	550,000	560	0.49
PACCAR Financial Europe (EMTN)	0.1250	24/05/19	1,000,000	1,006	0.88
Paccar Financial Europe (EMTN)	FRN	19/05/17	1,500,000	1,501	1.31
Wells Fargo (EMTN)	2.2500	03/09/20	2,000,000	2,148	1.87
				20,228	17.65
Total Corporate Bonds				106,837	93.24
Government Bonds 3.45%					
Netherlands 3.01%					
Netherlands (Kingdom of)	3.5000	15/07/20	3,000,000	3,448	3.01
South Korea 0.44%					
Export-Import Bank of Korea (EMTN)	0.3750	15/03/19	500,000	504	0.44
Total Government Bonds				3,952	3.45
Total Bonds				113,074	98.68
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				113,074	98.68
Other transferable securities and money market instruments 0.35%					
Bonds 0.35%					
Corporate Bonds 0.35%					
United States 0.35%					
Berkshire Hathaway	0.5000	13/03/20	400,000	406	0.35
Total Corporate Bonds				406	0.35
Total Bonds				406	0.35
Total Other transferable securities and money market instruments				406	0.35
Derivatives 0.10%					
Future contracts 0.10%					
Future		Maturity	Notional	Unrealised Gains/(Losses) €'000	Total Net Assets %
EUX Euro Bobl		08/03/17	124	111	0.10
EUX Euro Schatz		08/03/17	20	2	-
Unrealised gains on future contracts				113	0.10
Unrealised gains on derivatives				113	0.10
Total investments				113,593	99.13
Other net assets				995	0.87
Total net assets				114,588	100.00

European Convertibles Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of European Convertibles Bond - A Accumulation shares increased by 4.52% compared to an increase of 5.51% 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 2016 began with a financial markets rebound following the volatility that arose from the Brexit vote, as central banks lent support. This included a new corporate bond purchase programme from the Bank of England, although sterling's weakness persisted. Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the 'reflation' theme. This had started in the third quarter, with an equity sector rotation out of rate-sensitives (e.g. real estate, utilities, healthcare) and into more growth-oriented cyclicals (e.g. basic resources, construction, financials), as government bond yields started to price in less monetary and more fiscal policy stimulus. The oil sector, meanwhile, benefitted from agreements on production cuts. December saw broad strength for equities and credit, breaking out from ranges that had contained markets for several months, as investors shrugged off the Italian constitutional referendum as well as policy actions from the Federal Open Market Committee (FOMC) (hiked, as expected) and European Central Bank (ECB) lowered monthly bond purchases but extended their timeframe.

European convertibles participated strongly with rallying equities and credit spreads in the second half of 2016. Convertible performance also benefitted from improving relative valuations, as the asset class reversed some of the cheapening seen in the first half of the year. This was helped by significantly discounted valuation levels, as well as the favourable net supply backdrop for much of the period. New issuance was muted with EUR6.6 billion raised (much of which came around September), as risk appetite was generally restrained and equity markets remained lacklustre until December. Ultra-low yields for straight bonds likely also enticed more issuers to the straight credit market. Meanwhile, the asset class also gained support from the heavy concentration of existing bond maturities and conversions towards year-end.

Portfolio review

The portfolio started the period with top-down equity sensitivity below that of the benchmark. This underweight was reduced however as stimulus measures reinforced markets post-Brexit. We also maintained an underweight in credit spread sensitivity, this being mostly concentrated among the higher-risk portion of convertible credits. Because of this, the carry of the portfolio was slightly below that of the benchmark. Later in the period, in November, we increased the portfolio's equity sensitivity to neutral versus the benchmark, also raised the credit spread sensitivity to neutral, and reduced our interest rate duration risk to underweight relative to the benchmark, given the dynamic of rising government bond yields.

In terms of the portfolio's relative performance versus the benchmark, its slight underweight in equity and credit risk (on average during the period) detracted, chiefly during the rebound following the Brexit vote. However, our relative sector positioning was largely beneficial: for example the portfolio's overweight in capital goods (e.g., Siemens) and healthcare, as well as its underweight in real estate, although its underweights in food, retail and household goods (e.g., Adidas) were detrimental. The portfolio was almost fully invested for most of the period hence the recovery in convertible valuations from their early-July lows only had a marginal impact on performance compared to the benchmark.

Outlook

2016 year-end saw several sizeable convertible bond maturities and conversions, which returned cash to investors. This, combined with a recently quiet primary market, currently reasonable secondary valuations and improved sentiment towards the asset class in recent weeks, leaves valuation risks tilted more to the upside in early 2017. One potential risk would be if new convertible issuance becomes much heavier than it has been of late, although this is not our base case expectation.

Key upcoming market events include the fourth quarter corporate reporting season, the start of the Trump presidency, the UK's triggering of Article 50 and Brexit negotiations with the EU, Eurozone national elections, and the health report on China's economy. Near-term, however, the reflation trend looks intact.

The portfolio has been managed with a neutral equity sensitivity target since the second half of November. The recent sharp gains for equity markets and multi-year low levels for credit and volatility indices could mean that the rally is set to pause in the very short run. But in the medium term, the positive momentum in developed market economies remains a strongly positive factor for European equities. Investors' positioning has been very cautious with regards to European equities for the most part of 2016, and a moderate reversal of that trend could continue to support this asset class. We are reserving a portion of the abovementioned cash influx for potential primary, but otherwise seek to be fully invested given our constructive stance on valuations.

Aberdeen Convertibles Team
January 2017

European Convertibles Bond

Statement of Net Assets

As at 31 December 2016

	Notes	€'000
Assets		
Investments in securities at market value	2.2	121,563
Cash at bank		5,383
Interest receivable		328
Subscriptions receivable		38
Other assets		20
Total assets		127,332
Liabilities		
Taxes and expenses payable		130
Redemptions payable		109
Unrealised losses on forward currency exchange contracts	2.6	213
Other liabilities		22
Total liabilities		474
Net assets at the end of the period		126,858

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Net assets at the beginning of the period		155,860
Net gains from investments		522
Net realised gains		323
Net unrealised gains		5,368
Proceeds from shares issued		20,399
Payments for shares redeemed		(55,551)
Net equalisation paid	10	(41)
Dividends paid	5	(22)
Net assets at the end of the period		126,858

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	€'000
Income		
Investment income	2.3	1,405
Total income		1,405
Expenses		
Management fees	4.2	712
Operating, administrative and servicing fees	4.3	167
Other operational expenses		3
Bank interest		1
Total expenses		883
Net gains from investments		522
Realised gains on investments		716
Realised losses on forward currency exchange contracts		(136)
Realised currency exchange losses		(257)
Net realised gains		323
Decrease in unrealised depreciation on investments		5,258
Increase in unrealised depreciation on forward currency exchange contracts		(63)
Unrealised currency exchange gains		173
Net unrealised gains		5,368
Net increase in assets as a result of operations		6,213

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-2	I-1	I-2	X-2	Z-2
Shares outstanding at the beginning of the period	5,460,708	568	34,173	100,212	-
Shares issued during the period	193,863	337,108	6,822	-	600
Shares redeemed during the period	(1,257,767)	-	(17,942)	(6,261)	-
Shares outstanding at the end of the period	4,396,804	337,676	23,053	93,951	600
Net asset value per share	17.4547	12.0881	1,945.8133	12.4427	10.2768

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

European Convertibles Bond

Portfolio Statement

As at 31 December 2016

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					93.24%
Bonds 93.24%					
Corporate Bonds 16.43%					
Austria 1.12%					
BUWOG	-	09/09/21	1,400,000	1,419	1.12
France 7.33%					
Airbus (EMTN)	-	14/06/21	2,000,000	2,206	1.74
LVMH Moet Hennessy Louis Vuitton	-	16/02/21	2,100	531	0.42
Safran	-	31/12/20	11,910	1,143	0.90
Technip	0.8750	25/01/21	1,800,000	2,509	1.97
Ubisoft Entertainment	-	27/09/21	11,760	684	0.54
Valeo (EMTN)	-	16/06/21	1,200,000	1,233	0.97
Wendel	-	31/07/19	17,700	996	0.79
				9,302	7.33
Italy 2.14%					
Eni (EMTN)	-	13/04/22	2,500,000	2,717	2.14
Norway 0.58%					
Marine Harvest	0.1250	05/11/20	600,000	739	0.58
South Africa 3.25%					
Steinhoff Finance	1.2500	21/10/23	2,700,000	2,701	2.13
Steinhoff Finance	4.0000	30/01/21	1,000,000	1,419	1.12
				4,120	3.25
United Kingdom 2.01%					
Inmarsat	3.8750	09/09/23	2,000,000	1,994	1.57
International Consolidated Airlines	0.2500	17/11/20	600,000	555	0.44
				2,549	2.01
Total Corporate Bonds				20,846	16.43
Corporate Convertible Bonds 73.45%					
Belgium 2.22%					
Ageasfinlux (PERP)	FRN	29/08/49	2,250,000	1,065	0.84
Econocom	1.5000	15/01/19	48,303	675	0.53
Sagerpar	0.3750	09/10/18	1,000,000	1,074	0.85
				2,814	2.22
Finland 0.75%					
Solidium	-	04/09/18	900,000	948	0.75

European Convertibles Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
France 12.22%					
Air France-KLM	2.0300	15/02/23	60,298	618	0.49
Airbus (EMTN)	-	01/07/22	1,200,000	1,239	0.98
AXA	3.7500	01/01/17	3,320	893	0.70
BIM	2.5000	13/11/20	17,162	464	0.37
BNP Paribas Arbitrage Issuance (EMTN)	-	27/02/20	2,630,000	2,690	2.12
Fonciere Des Regions	0.8750	01/04/19	5,970	591	0.47
Ingenico	-	26/06/22	3,860	637	0.50
Nexans	2.5000	01/01/19	20,700	1,618	1.28
Orpar	-	15/07/19	1,100,000	1,172	0.92
TOTAL (EMTN)	0.5000	02/12/22	1,800,000	1,775	1.40
Unibail-Rodamco	-	01/07/21	10,923	3,453	2.71
Unibail-Rodamco	-	01/01/22	1,026	350	0.28
				15,500	12.22
Germany 16.49%					
Brenntag Finance	1.8750	02/12/22	2,250,000	2,206	1.74
Deutsche Wohnen	0.8750	08/09/21	600,000	921	0.73
Fresenius	-	24/09/19	1,800,000	2,742	2.16
Fresenius Medical Care	1.1250	31/01/20	1,000,000	1,254	0.99
LEG Immobilien	0.5000	01/07/21	900,000	1,293	1.02
RAG-Stiftung (EMTN)	-	18/02/21	3,500,000	3,793	2.99
Siemens Financieringsmaatschappij	1.6500	16/08/19	5,750,000	6,555	5.16
Siemens Financieringsmaatschappij	1.0500	16/08/17	2,000,000	2,162	1.70
				20,926	16.49
Hungary 2.60%					
MNV ZRT	3.3750	02/04/19	2,800,000	3,296	2.60
Italy 4.92%					
Buzzi Unicem	1.3750	17/07/19	1,000,000	1,457	1.15
Prysmian	1.2500	08/03/18	1,100,000	1,290	1.02
Safilo	1.2500	22/05/19	700,000	669	0.53
Telecom Italia	1.1250	26/03/22	2,900,000	2,830	2.22
				6,246	4.92
Jersey 1.26%					
British Land Jersey (EMTN)	1.5000	10/09/17	400,000	484	0.38
Derwent London Capital	1.1250	24/07/19	900,000	1,111	0.88
				1,595	1.26
Luxembourg 2.05%					
APERAM	0.6250	08/07/21	2,200,000	2,603	2.05
Mexico 5.36%					
America Movil	-	28/05/20	7,000,000	6,799	5.36

European Convertibles Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %
Netherlands 2.73%					
Salzgitter Finance	2.0000	08/11/17	1,600,000	1,932	1.53
Wereldhave	1.0000	22/05/19	1,500,000	1,527	1.20
				3,459	2.73
Norway 0.71%					
Marine Harvest	0.8750	06/05/19	500,000	899	0.71
Singapore 0.27%					
BW	1.7500	10/09/19	400,000	344	0.27
Spain 4.30%					
ACS Actividades Finance	2.6250	22/10/18	1,400,000	1,647	1.30
ACS Actividades Finance 2	1.6250	27/03/19	900,000	995	0.78
CAJA Ahorros Barcelona	1.0000	25/11/17	2,600,000	2,620	2.06
Iberdrola International (EMTN)	-	11/11/22	200,000	197	0.16
				5,459	4.30
Sweden 2.47%					
Industrivarden	-	15/05/19	18,000,000	2,017	1.59
Industrivarden	1.8750	27/02/17	1,100,000	1,120	0.88
				3,137	2.47
Switzerland 4.16%					
STMicroelectronics	-	03/07/19	2,400,000	2,539	2.00
Swiss Life	-	02/12/20	2,270,000	2,742	2.16
				5,281	4.16
United Arab Emirates 1.95%					
Aabar Investments PJSC (EMTN)	0.5000	27/03/20	2,900,000	2,468	1.95
United Kingdom 6.73%					
Balfour Beatty Finance	1.8750	03/12/18	1,000,000	1,177	0.93
British Land White 2015	-	09/06/20	600,000	654	0.52
Great Portland Estates	1.0000	10/09/18	500,000	633	0.50
International Consolidated Airlines	0.6250	17/11/22	2,400,000	2,141	1.68
J Sainsbury	1.2500	21/11/19	400,000	483	0.38
Subsea 7	1.0000	05/10/17	2,200,000	2,075	1.64
Vodafone (EMTN)	-	26/11/20	1,200,000	1,372	1.08
				8,535	6.73
United States 2.26%					
National Grid North America (EMTN)	0.9000	02/11/20	600,000	720	0.57
QIAGEN	0.3750	19/03/19	2,000,000	2,146	1.69
				2,866	2.26
Total Corporate Convertible Bonds				93,175	73.45

European Convertibles Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value €'000	Total Net Assets %		
Government Bonds 3.36%							
Portugal 3.36%							
Parpublica (EMTN)	5.2500	28/09/17	3,950,000	4,262	3.36		
Total Government Bonds				4,262	3.36		
Total Bonds				118,283	93.24		
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				118,283	93.24		
Other transferable securities and money market instruments 2.59%							
Bonds 2.59%							
Corporate Convertible Bonds 2.59%							
United Kingdom 2.59%							
BP Capital Markets	1.0000	28/04/23	1,800,000	2,607	2.06		
Carillion Finance Jersey	2.5000	19/12/19	600,000	673	0.53		
				3,280	2.59		
Total Corporate Convertible Bonds				3,280	2.59		
Total Bonds				3,280	2.59		
Total Other transferable securities and money market instruments				3,280	2.59		
Derivatives (0.17%)							
Forward currency exchange contracts (0.17%)							
Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) €'000	Total Net Assets %
Barclays Capital	USD	EUR	08/02/17	235,000	220,096	2	-
BNP Paribas	EUR	USD	08/02/17	244,745	260,000	(1)	-
Citigroup	EUR	SEK	08/02/17	651,566	6,500,000	(27)	(0.02)
Citigroup	EUR	USD	08/02/17	190,352	200,000	1	-
Citigroup	USD	EUR	08/02/17	320,000	295,989	7	0.01
Goldman Sachs	EUR	USD	08/02/17	153,567	160,000	2	-
Goldman Sachs	USD	EUR	08/02/17	610,000	581,449	(4)	-
Goldman Sachs	USD	EUR	08/02/17	185,000	173,106	2	-
HSBC	EUR	USD	08/02/17	604,580	650,000	(10)	(0.01)
Royal Bank of Canada	EUR	USD	08/02/17	3,572,669	3,970,000	(185)	(0.15)
Royal Bank of Canada	EUR	SEK	08/02/17	184,618	1,800,000	(3)	-
Royal Bank of Canada	EUR	CHF	08/02/17	135,466	145,000	-	-
State Street	USD	EUR	08/02/17	200,000	187,533	2	-

European Convertibles Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised	Total
						Gains/(Losses) €'000	Net Assets %
UBS	EUR	CHF	08/02/17	371,243	400,000	(2)	-
UBS	EUR	GBP	08/02/17	356,316	300,000	5	-
UBS	EUR	USD	08/02/17	225,099	240,000	(2)	-
UBS	EUR	CHF	08/02/17	224,439	240,000	-	-
Unrealised losses on forward currency exchange contracts						(213)	(0.17)
Unrealised losses on derivatives						(213)	(0.17)
Total investments						121,350	95.66
Other net assets						5,508	4.34
Total net assets						126,858	100.00

Currently forward positions are not collateralised.

Global Bond

For the six months ending 31 December 2016

Performance

For the six months to 31 December 2016, the value of the Global Bond – Z Accumulation shares decreased by 6.19% compared to a decrease of 6.31% in the benchmark, Barclays Capital Global Aggregate Bond Index.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, Special Month End Price NAV to NAV, gross of fees, 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

Global yield curves generally steepened throughout the review period. Early on, this trend was led by Japan – first driven by expectations of fiscal stimulus from the Ministry of Finance (MoF) and then by the Bank of Japan's (BoJ) explicit attempt to steepen the yield curve. Latterly, Donald Trump's US election victory and proposed infrastructure spending led to hopes of higher nominal growth in the US. The US Federal Reserve (Fed) raised interest rates by 25 basis points (bps) in December.

In Europe, the European Central Bank (ECB) disappointed the market early on by failing to announce any expansion to or extension of quantitative easing (QE), prompting a sell-off in German government bonds. However, as the year wore on, markets became increasingly confident that the ECB would reduce the scale of its asset purchase programme.

In the UK, the Bank of England (BoE) announced a comprehensive package of easing at its August Quarterly Inflation Report which exceeded expectations. The BoJ also announced QE with "yield curve control" where asset purchases are targeted at varying maturities so as to maintain the 10-year yield at close to 0%.

In currencies, the US dollar was the top performer in G10 foreign exchange space while the yen was the biggest loser, tumbling 12% over the period. Sterling also underperformed as 'hard Brexit' concerns and policy easing from the BoE prompted weakening.

Over the period, the 10-year US Treasury yield rose by 99 bps to 2.45%. The 10-year UK gilt yield was up 43 bps to 1.24%, and the 10-year German bund yield rose by 39 bps to 0.21%.

Portfolio review

The Fund outperformed relative to its benchmark. The contribution to performance from corporate bonds was positive, led by overweight positions in financials and energy. Lower quality issuers performed better as spreads tightened relative to higher-quality issuers. Elsewhere, the Fund benefited from US mortgages, particularly non-agency names.

A long US versus Germany spread position detracted from performance as US Treasury yields moved higher following Donald Trump's surprise election victory, and as markets priced in higher nominal growth from his plans for fiscal expansion. A long Italy spread position also detracted because of uncertainties surrounding the Italian referendum.

These losses were partially offset by a long US break-even inflation position which outperformed as inflation expectations were bolstered following the US election result. A long New Zealand front-end duration position also positively contributed.

In currencies, short positions in Australian and New Zealand dollars detracted from returns early in the review period, although these losses were offset by an overweight to US dollar versus euro, yen and Korean won in the second half of the period. Elsewhere, a short euro versus Swedish krone position added value.

Outlook

Donald Trump's victory in the US election has significantly altered the global economic outlook. It is not clear which of his campaign themes will characterise his government. Fiscal easing, largely through tax cuts and possibly through infrastructure spending, should boost demand in the short-to-medium term. However, with the economy close to full employment it is likely the Fed will need to offset some of the fiscal easing with monetary tightening. If Mr Trump pursues a protectionist agenda, the US will suffer a supply shock, which will make the growth/inflation trade-off less favourable. Unsurprisingly the market has moved to price in higher inflation and rates, and a weaker outlook for emerging markets. This environment is likely to continue. Elsewhere, European political risk will become a bigger concern, with a series of important elections over the next year. However, the ECB is unlikely to allow significant peripheral weakness. Sentiment surrounding Brexit will tend to overshadow other economic news, although with the UK government losing its High Court case, a softer Brexit now seems a little more likely.

Aberdeen Global Fixed Income Team

February 2017

Global Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	289,856
Cash at bank		7,659
Amounts held at futures clearing houses and brokers		1,322
Interest receivable		1,680
Unrealised gains on future contracts	2.7	153
Unrealised gains on swap contracts	2.8	373
Total assets		301,043
Liabilities		
Payable for investments purchased		2,612
Taxes and expenses payable		83
Redemptions payable		359
Unrealised losses on forward currency exchange contracts	2.6	379
Total liabilities		3,433
Net assets at the end of the period		297,610

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		444,501
Net gains from investments		2,674
Net realised gains		1,713
Net unrealised losses		(24,605)
Proceeds from shares issued		22,980
Payments for shares redeemed		(149,588)
Net equalisation paid	10	(65)
Net assets at the end of the period		297,610

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	3,233
Bank interest		1
Total income		3,234
Expenses		
Management fees	4.2	209
Operating, administrative and servicing fees	4.3	345
Other operational expenses		6
Total expenses		560
Net gains from investments		2,674
Realised gains on investments		3,514
Realised losses on future contracts		(1,358)
Realised losses on swap contracts		(31)
Realised losses on forward currency exchange contracts		(194)
Realised currency exchange losses		(218)
Net realised gains		1,713
Decrease in unrealised appreciation on investments		(24,562)
Increase in unrealised appreciation on future contracts		89
Decrease in unrealised depreciation on swap contracts		405
Decrease in unrealised appreciation on forward currency exchange contracts		(534)
Unrealised currency exchange losses		(3)
Net unrealised losses		(24,605)
Net decrease in assets as a result of operations		(20,218)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	J-2	Z-2
Shares outstanding at the beginning of the period	12,576,371	14,625,151
Shares issued during the period	1,343,968	84,079
Shares redeemed during the period	(9,420,573)	(44,370)
Shares outstanding at the end of the period	4,499,766	14,664,860
Net asset value per share	14.7398	15.7713

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

Global Bond

Portfolio Statement

As at 31 December 2016

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					95.87%
Bonds 95.87%					
Asset Backed Bonds / Mortgage Backed Bonds 11.70%					
United States 11.70%					
COMM 2007-C9 Mortgage Trust	FRN	10/12/49	190,000	188	0.06
COMM 2013-THL Mortgage Trust	FRN	08/06/30	380,000	380	0.13
Credit Suisse Mortgage Capital Certificates	VAR	27/08/37	21,662	22	0.01
Fannie Mae	0.6250	25/01/24	816,350	845	0.28
Fannie Mae Pool	4.0000	01/12/44	940,060	1,005	0.34
Fannie Mae Pool	3.5000	01/04/46	974,329	1,000	0.34
Fannie Mae Pool	3.5000	01/01/46	786,291	808	0.27
Fannie Mae Pool	3.5000	01/09/46	755,974	778	0.26
Fannie Mae Pool	3.5000	01/07/42	719,048	742	0.25
Fannie Mae Pool	3.5000	01/07/46	704,302	723	0.24
Fannie Mae Pool	3.5000	01/10/34	684,881	715	0.24
Fannie Mae Pool	3.5000	01/04/45	680,479	698	0.23
Fannie Mae Pool	4.0000	01/06/44	649,525	688	0.23
Fannie Mae Pool	5.5000	01/09/38	594,620	666	0.22
Fannie Mae Pool	3.5000	01/02/31	556,575	584	0.20
Fannie Mae Pool	4.0000	01/08/46	535,159	565	0.19
Fannie Mae Pool	3.0000	01/04/31	548,838	564	0.19
Fannie Mae Pool	3.0000	01/01/31	486,306	500	0.17
Fannie Mae Pool	5.0000	01/12/39	309,126	337	0.11
Fannie Mae Pool	5.0000	01/04/41	156,378	174	0.06
Fannie Mae Pool	5.5000	01/09/39	132,211	149	0.05
Fannie Mae Pool	5.5000	01/03/38	96,367	108	0.04
Fannie Mae Pool	6.5000	01/09/38	85,398	98	0.03
Fannie Mae Pool	5.0000	01/09/41	89,704	98	0.03
Fannie Mae Pool	3.5000	01/08/34	82,819	86	0.03
Fannie Mae REMICS	3.0000	25/07/45	851,894	869	0.29
Fannie Mae REMICS	3.0000	25/10/42	686,284	683	0.23
Fannie Mae REMICS	4.0000	25/03/33	515,807	549	0.18
Fannie Mae REMICS	4.0000	25/03/33	441,972	476	0.16
Fannie Mae REMICS	2.2500	25/03/44	728,818	727	0.24
Fannie Mae REMICS	3.0000	25/03/46	716,201	714	0.24
Fannie Mae REMICS	3.5000	25/07/41	640,666	667	0.22
Freddie Mac Gold Pool	3.0000	01/09/46	761,851	758	0.25
Freddie Mac Gold Pool	4.0000	01/05/46	692,860	729	0.24
Freddie Mac Gold Pool	4.0000	01/03/44	686,216	725	0.24
Freddie Mac Gold Pool	3.0000	01/11/46	725,643	722	0.24
Freddie Mac Gold Pool	3.0000	01/10/46	717,706	714	0.24
Freddie Mac Gold Pool	3.5000	01/01/46	677,805	696	0.23
Freddie Mac Gold Pool	3.5000	01/06/43	576,407	594	0.20
Freddie Mac Gold Pool	3.0000	01/07/30	362,913	373	0.13
Freddie Mac Gold Pool	3.5000	01/10/45	362,262	372	0.13
Freddie Mac REMICS	3.0000	15/08/44	963,998	989	0.33

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Freddie Mac REMICS	3.5000	15/10/45	851,769	889	0.30
Freddie Mac REMICS	3.0000	15/04/35	880,000	873	0.29
Freddie Mac REMICS	3.0000	15/06/44	823,029	837	0.28
FREMF 2011-K10 Mortgage Trust	VAR	25/11/49	755,000	801	0.27
Ginnie Mae I Pool	4.5000	15/12/45	493,628	534	0.18
Ginnie Mae 2015-57 AB	2.0000	20/04/45	539,280	523	0.18
Government National Mortgage Association	3.5000	20/01/34	617,524	642	0.22
GS Mortgage Securities 2008-2R	VAR	25/10/36	62,018	51	0.02
GS Mortgage Securities 2009-3R	FRN	25/07/35	55,252	55	0.02
Hyatt Hotel Portfolio Trust 2015-HYT	FRN	15/11/29	1,300,000	1,308	0.45
JP Morgan Mortgage Trust 2005-A8	FRN	25/11/35	5,042	4	-
JP Morgan Mortgage Trust 2014-IVR3	FRN	25/09/44	467,483	475	0.16
JP Morgan Resecuritization Trust Series 2009-7	VAR	27/09/36	195,452	195	0.07
JP Morgan Resecuritization Trust Series 2009-8	FRN	20/04/36	5,966	6	-
SFAVE Commercial Mortgage Securities Trust 2015-5AVE	VAR	05/01/35	1,199,000	968	0.33
Structured Asset Securities Series 2003 40A	VAR	25/01/34	494,361	493	0.17
Wachovia Bank Commercial Mortgage Trust Series 2007-C32	5.7030	15/06/49	1,400,000	1,414	0.48
Wells Fargo Mortgage Backed Securities 2003-N Trust	FRN	25/12/33	129,422	129	0.04
Wells Fargo Mortgage Backed Securities 2005-AR10 Trust	FRN	25/06/35	-	-	-
Wendys Funding 2015-1	4.0800	15/06/45	762,350	755	0.25
				34,830	11.70
Total Asset Backed Bonds / Mortgage Backed Bonds				34,830	11.70
Corporate Bonds 35.24%					
Australia 2.16%					
APT Pipelines	4.2000	23/03/25	500,000	499	0.17
APT Pipelines (EMTN)	2.0000	22/03/27	391,000	410	0.14
Australia & New Zealand Banking	4.5000	19/03/24	660,000	677	0.23
BHP Billiton Finance	VAR	22/04/76	370,000	423	0.14
National Australia Bank	2.2500	16/03/21	2,100,000	2,081	0.69
QBE Insurance	2.4000	01/05/18	1,000,000	1,002	0.34
Suncorp Metway	2.3500	27/04/20	700,000	691	0.23
Telstra	3.1250	07/04/25	650,000	643	0.22
				6,426	2.16
Belgium 0.33%					
Anheuser-Busch InBev (EMTN)	2.7500	17/03/36	310,000	361	0.12
Anheuser-Busch InBev Finance	4.9000	01/02/46	299,000	324	0.11
Anheuser-Busch InBev Finance	3.6500	01/02/26	300,000	305	0.10
				990	0.33
Brazil 0.08%					
QGOG Atlantic / Alaskan Rigs	5.2500	30/07/18	258,125	248	0.08

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Canada 0.90%					
Bank of Montreal (MTN)	1.5000	18/07/19	778,000	768	0.26
Canadian Natural Resources	3.9000	01/02/25	390,000	392	0.13
Canadian Pacific Railway	4.8000	01/08/45	292,000	314	0.11
Hydro One	5.4900	16/07/40	340,000	321	0.11
Toyota Credit Canada	1.8000	19/02/20	1,200,000	895	0.29
				2,690	0.90
China 0.48%					
CNOOC Curtis Funding No 1	4.5000	03/10/23	330,000	347	0.12
CNPC General Capital	2.7500	14/05/19	560,000	565	0.19
Industrial & Commercial Bank of China/New York	2.4520	20/10/21	520,000	508	0.17
				1,420	0.48
Czech Republic 0.19%					
CETIN Finance	1.4230	06/12/21	522,000	564	0.19
France 2.36%					
AXA (EMTN) (PERP)	VAR	31/12/49	280,000	304	0.10
Banque Federative du Credit Mutuel (EMTN)	2.0000	12/04/19	1,984,000	1,978	0.66
BNP Paribas (EMTN)	0.5000	01/06/22	830,000	878	0.30
Cap Gemini	2.5000	01/07/23	400,000	466	0.16
Credit Agricole Assurances (PERP)	VAR	31/10/49	400,000	418	0.14
Credit Agricole (EMTN)	2.3750	01/07/21	580,000	571	0.19
Electricite de France (PERP)	VAR	29/01/49	300,000	283	0.10
RCI Banque (EMTN)	1.3750	17/11/20	230,000	251	0.08
Societe Generale (PERP)	VAR	29/09/49	550,000	690	0.23
TDF Infrastructure	2.5000	07/04/26	400,000	432	0.15
TOTAL (EMTN) (PERP)	VAR	29/12/49	720,000	759	0.25
				7,030	2.36
Germany 0.68%					
Deutsche Telekom International Finance (EMTN)	1.5000	03/04/28	285,000	306	0.10
Eurogrid	1.8750	10/06/25	600,000	679	0.23
Volkswagen International Finance (PERP)	VAR	29/12/49	500,000	502	0.17
Vonovia Finance (PERP)	VAR	29/12/49	500,000	547	0.18
				2,034	0.68
Hong Kong 0.18%					
Hutchison Whampoa Europe Finance 13 (PERP)	VAR	29/05/49	489,000	530	0.18
India 0.93%					
Bharti Airtel International Netherlands	3.3750	20/05/21	260,000	297	0.10
HDFC Bank (EMTN)	3.0000	06/03/18	590,000	593	0.19
ICICI Bank Dubai (EMTN)	3.5000	18/03/20	410,000	417	0.14
Indian Railway Finance	3.9170	26/02/19	370,000	382	0.13
NTPC (EMTN)	5.6250	14/07/21	510,000	558	0.19
ONGC Videsh	2.7500	15/07/21	470,000	527	0.18
				2,774	0.93

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Israel 0.71%					
Teva Pharmaceutical Finance Netherlands III	1.4000	20/07/18	1,800,000	1,786	0.60
Teva Pharmaceutical Finance Netherlands III	3.1500	01/10/26	345,000	319	0.11
				2,105	0.71
Italy 0.28%					
Enel	VAR	24/09/73	500,000	570	0.19
Snam (EMTN)	1.5000	21/04/23	235,000	259	0.09
				829	0.28
Japan 1.26%					
Bank of Tokyo-Mitsubishi	2.3500	08/09/19	1,000,000	1,000	0.34
Sumitomo Mitsui Banking Corp	1.7620	19/10/18	1,760,000	1,753	0.58
Sumitomo Mitsui Banking Corporation	2.2500	11/07/19	1,000,000	999	0.34
				3,752	1.26
Kuwait 0.17%					
Equate Petrochemical	4.2500	03/11/26	528,000	506	0.17
Mexico 0.18%					
Petroleos Mexicanos	5.5000	21/01/21	517,000	533	0.18
Netherlands 0.66%					
ABN AMRO Bank (EMTN)	VAR	18/01/28	500,000	557	0.19
ABN AMRO Bank (PERP)	VAR	29/12/49	200,000	216	0.07
Cooperatieve Rabobank (PERP)	VAR	29/12/49	460,000	542	0.18
Rabobank Nederland (EMTN)	4.2500	13/10/21	880,000	652	0.22
				1,967	0.66
New Zealand 0.29%					
BNZ International Funding	2.3500	04/03/19	640,000	642	0.22
Chorus (EMTN)	1.1250	18/10/23	206,000	217	0.07
				859	0.29
Russian Federation 0.18%					
Lukoil International Finance	4.5630	24/04/23	300,000	302	0.10
Lukoil International Finance	4.7500	02/11/26	230,000	231	0.08
				533	0.18
Spain 0.46%					
Gas Natural Fenosa Finance (PERP)	VAR	29/12/49	300,000	297	0.10
Metrovacesa (EMTN)	2.3750	23/05/22	500,000	549	0.18
Santander Consumer Finance (EMTN)	0.7500	03/04/19	500,000	534	0.18
				1,380	0.46
Supranational 0.35%					
European Bank for Reconstruction & Development (GMTN)	1.1250	24/08/20	1,057,000	1,032	0.35

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Sweden 1.20%					
Skandinaviska Enskilda Banken	2.6250	17/11/20	591,000	592	0.20
Svensk Exportkredit (EMTN)	VAR	14/11/23	2,315,000	2,308	0.77
Svenska Handelsbanken (MTN)	2.4500	30/03/21	679,000	675	0.23
				3,575	1.20
Switzerland 0.56%					
Credit Suisse Sydney (MTN)	3.5000	29/04/20	960,000	693	0.23
UBS	1.3750	01/06/17	960,000	960	0.33
				1,653	0.56
Thailand 0.07%					
Thai Oil	3.6250	23/01/23	200,000	200	0.07
United Arab Emirates 0.19%					
ADCB Finance Cayman (EMTN)	3.0000	04/03/19	550,000	554	0.19
United Kingdom 3.55%					
Barclays Bank (EMTN)	1.8750	08/12/23	1,530,000	1,636	0.54
Barclays (EMTN)	1.5000	01/04/22	400,000	428	0.14
BG Energy Capital	VAR	30/11/72	390,000	504	0.17
Experian Finance (EMTN)	3.5000	15/10/21	150,000	204	0.07
HBOS Capital Funding (PERP)	VAR	29/11/49	200,000	260	0.09
HSBC	2.9500	25/05/21	510,000	510	0.17
HSBC (EMTN)	VAR	18/10/22	800,000	1,022	0.34
Lloyds Bank	1.7500	14/05/18	700,000	699	0.23
Lloyds Bank (MTN)	3.2500	01/04/20	360,000	258	0.09
Marks & Spencer (EMTN)	3.0000	08/12/23	180,000	227	0.08
PGH Capital	5.7500	07/07/21	350,000	482	0.16
Royal Bank of Scotland (EMTN)	2.5000	22/03/23	310,000	334	0.11
Santander UK	5.0000	07/11/23	650,000	663	0.22
Scottish Widows	5.5000	16/06/23	260,000	347	0.12
SSE (PERP)	VAR	29/12/49	400,000	493	0.17
SSE (PERP)	VAR	29/12/49	130,000	135	0.05
Stagecoach	4.0000	29/09/25	310,000	419	0.14
Standard Chartered	2.1000	19/08/19	1,134,000	1,122	0.38
Western Power Distribution	3.6250	06/11/23	440,000	589	0.20
Whitbread	3.3750	16/10/25	188,000	248	0.08
				10,580	3.55
United States 16.84%					
AbbVie	0.3750	18/11/19	710,000	754	0.25
AbbVie	2.1250	17/11/28	640,000	692	0.23
AbbVie	4.4500	14/05/46	467,000	449	0.15
American Honda Finance (MTN)	1.2000	12/07/19	590,000	580	0.19
Amgen	2.2500	19/08/23	680,000	641	0.22
Amgen	4.4000	01/05/45	168,000	162	0.05
Apple	3.4500	09/02/45	600,000	531	0.18

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Apple	2.2500	23/02/21	370,000	370	0.12
AT&T	3.8250	25/11/20	1,150,000	904	0.30
AutoNation	4.5000	01/10/25	510,000	517	0.17
Bank of America (EMTN)	1.6250	14/09/22	567,000	627	0.21
Bank of America (MTN)	2.0500	07/12/18	1,080,000	1,086	0.36
Bank of America (MTN)	3.2480	21/10/27	520,000	498	0.17
Bank of America (MTN)	2.5030	21/10/22	298,000	289	0.10
Buckeye	3.9500	01/12/26	225,000	219	0.07
Burlington Northern Santa Fe	4.7000	01/09/45	472,000	518	0.17
Citigroup	2.3500	02/08/21	1,110,000	1,087	0.37
Citigroup	3.3900	18/11/21	1,330,000	1,034	0.35
Citigroup	4.1250	25/07/28	582,000	576	0.19
Columbia Pipeline	2.4500	01/06/18	264,000	265	0.09
Comcast	6.9500	15/08/37	450,000	615	0.21
Crown Castle International	2.2500	01/09/21	943,000	913	0.31
CVS Health	3.5000	20/07/22	453,000	466	0.16
Diamond 1 Finance / Diamond 2 Finance	5.4500	15/06/23	340,000	361	0.12
Dominion Resources	VAR	01/07/19	712,000	721	0.24
Duke Energy	2.6500	01/09/26	309,000	289	0.10
Energy Transfer Partners	5.2000	01/02/22	290,000	311	0.10
Express Scripts	2.2500	15/06/19	310,000	310	0.10
Express Scripts	6.1250	15/11/41	11,000	13	-
FedEx	4.5500	01/04/46	512,000	518	0.17
Ford Motor Credit	1.7240	06/12/17	1,080,000	1,079	0.36
Ford Motor Credit	5.7500	01/02/21	870,000	955	0.32
Ford Motor Credit	1.8970	12/08/19	468,000	461	0.15
Georgia-Pacific	5.4000	01/11/20	770,000	847	0.28
Goldman Sachs	3.7500	22/05/25	910,000	914	0.31
Goldman Sachs	3.5500	12/02/21	1,130,000	883	0.30
Harley-Davidson	4.6250	28/07/45	418,000	414	0.14
Harley-Davidson	3.5000	28/07/25	304,000	305	0.10
HollyFrontier	5.8750	01/04/26	245,000	251	0.08
HSBC Finance	6.6760	15/01/21	500,000	563	0.19
Intel	4.9000	29/07/45	140,000	157	0.05
International Paper	5.1500	15/05/46	270,000	283	0.09
IPALCO Enterprises	5.0000	01/05/18	255,000	265	0.09
JPMorgan Chase	3.1250	23/01/25	910,000	891	0.30
JPMorgan Chase	3.6250	01/12/27	439,000	427	0.14
JPMorgan Chase (PERP)	VAR	29/12/49	525,000	524	0.18
Kinder Morgan	5.5500	01/06/45	370,000	391	0.13
Kraft Heinz Foods	3.5000	15/07/22	545,000	554	0.19
Kroger	1.5000	30/09/19	967,000	953	0.32
Kroger	3.8750	15/10/46	272,000	249	0.08
Legg Mason	5.6250	15/01/44	290,000	283	0.10
Marathon Petroleum	5.8500	15/12/45	170,000	170	0.06
Metropolitan Life Global Funding I (EMTN)	2.6250	05/12/22	285,000	374	0.13
Metropolitan Life Global Funding I (MTN)	4.7500	17/09/21	960,000	728	0.24
Microsoft	3.7500	12/02/45	300,000	282	0.09

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Mondelez International	2.3750	06/03/35	100,000	102	0.03
Mondelez International Netherlands	1.6250	28/10/19	1,650,000	1,618	0.55
Mondelez International Netherlands	2.0000	28/10/21	850,000	815	0.27
Morgan Stanley	3.1250	05/08/21	1,130,000	870	0.29
Morgan Stanley	3.7000	23/10/24	540,000	547	0.18
Morgan Stanley (MTN)	2.6250	17/11/21	606,000	599	0.20
MPT Operating Partnership	5.2500	01/08/26	34,000	33	0.01
Municipal Electric Authority of Georgia	6.6370	01/04/57	350,000	434	0.15
Mylan	2.2500	22/11/24	320,000	345	0.12
Mylan	5.2500	15/06/46	343,000	317	0.11
Mylan	3.0000	15/12/18	231,000	233	0.08
Mylan	1.2500	23/11/20	100,000	108	0.04
New York Life Global Funding	1.5000	24/10/19	1,210,000	1,193	0.41
Oracle	4.0000	15/07/46	518,000	497	0.17
Penske Truck Leasing	3.3750	01/02/22	725,000	732	0.25
Perrigo Finance	3.5000	15/12/21	1,031,000	1,040	0.35
Pfizer	4.1250	15/12/46	377,000	385	0.13
Premier Health	2.9110	15/11/26	657,000	606	0.20
Public Services Company of New Mexico	7.9500	15/05/18	230,000	248	0.08
Quest Diagnostics	4.7000	30/03/45	417,000	417	0.14
Roper Technologies	3.8000	15/12/26	99,000	100	0.03
Ryder System (MTN)	2.2500	01/09/21	208,000	203	0.07
Sabine Pass Liquefaction	5.0000	15/03/27	165,000	167	0.06
SBA Tower Trust	2.9330	15/12/17	661,000	662	0.22
Shire Acquisitions Investments Ireland	2.4000	23/09/21	579,000	560	0.19
Southern Power	1.9500	15/12/19	1,293,000	1,282	0.44
Southern Power	4.9500	15/12/46	490,000	479	0.16
Toyota Motor Credit	1.9000	08/04/21	834,000	818	0.27
Toyota Motor Credit (MTN)	1.5500	18/10/19	1,140,000	1,126	0.39
United Technologies (STEP)	VAR	04/05/18	1,120,000	1,121	0.39
Verizon Communications	5.0120	21/08/54	338,000	339	0.11
Viacom	3.8750	01/04/24	310,000	301	0.10
Virginia Electric & Power	4.0000	15/11/46	258,000	258	0.09
Wal-Mart Stores	4.7500	02/10/43	660,000	742	0.25
Walt Disney (MTN)	7.5500	15/07/93	502,000	623	0.21
Walt Disney (MTN)	3.0000	30/07/46	213,000	182	0.06
21st Century Fox America	6.4000	15/12/35	420,000	503	0.17
				50,124	16.84
Total Corporate Bonds				104,888	35.24
Government Bonds 48.72%					
Australia 1.08%					
Australia (Commonwealth of)	1.7500	21/11/20	4,505,000	3,218	1.08
Belgium 0.67%					
Belgium (Kingdom of)	2.2500	22/06/23	967,000	1,177	0.39
Belgium (Kingdom of)	3.7500	22/06/45	512,000	827	0.28
				2,004	0.67

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Canada 0.41%					
Canada (Government of)	5.0000	01/06/37	1,125,000	1,207	0.41
France 3.34%					
France (Government of)	-	25/05/20	4,985,000	5,349	1.79
France (Government of)	1.5000	25/05/31	1,989,000	2,226	0.75
France (Government of)	0.5000	25/05/25	1,455,000	1,550	0.52
France (Government of)	3.2500	25/05/45	563,000	819	0.28
				9,944	3.34
Germany 2.78%					
Germany (Federal Republic of)	0.5000	15/02/25	2,793,000	3,081	1.03
Germany (Federal Republic of)	5.5000	04/01/31	1,206,000	2,145	0.72
Germany (Federal Republic of)	2.5000	15/08/46	995,000	1,479	0.50
Germany (Federal Republic of)	4.7500	04/07/34	450,000	803	0.27
Germany (Federal Republic of)	1.5000	04/09/22	420,000	491	0.17
Germany (Federal Republic of)	1.0000	15/08/24	230,000	264	0.09
				8,263	2.78
India 0.19%					
Export-Import Bank of India (EMTN)	2.7500	01/04/20	570,000	565	0.19
Ireland 0.23%					
Ireland (Republic of)	1.0000	15/05/26	646,000	697	0.23
Italy 6.52%					
Italy (Republic of)	0.7000	01/05/20	13,647,000	14,661	4.93
Italy (Republic of)	1.5000	01/06/25	2,358,000	2,477	0.83
Italy (Republic of)	1.6500	01/03/32	1,414,000	1,403	0.47
Italy (Republic of)	2.7000	01/03/47	841,000	854	0.29
				19,395	6.52
Japan 16.48%					
Japan (Government of)	1.1000	20/03/21	1,313,600,000	11,839	3.97
Japan (Government of)	2.1000	20/06/29	1,090,200,000	11,594	3.89
Japan (Government of)	0.3000	20/03/18	775,150,000	6,692	2.25
Japan (Government of)	0.4000	20/03/25	637,800,000	5,655	1.90
Japan (Government of)	1.5000	20/03/45	422,150,000	4,364	1.47
Japan (Government of)	2.4000	20/03/37	289,100,000	3,332	1.12
Japan (Government of) (INDX)	0.1000	10/03/24	604,500,000	5,586	1.88
				49,062	16.48
Mexico 1.09%					
Mexico (Government of)	8.0000	11/06/20	54,646,000	2,730	0.92
Mexico (Government of)	5.5500	21/01/45	500,000	511	0.17
				3,241	1.09

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Netherlands 0.61%					
Netherlands (Kingdom of)	1.7500	15/07/23	1,103,000	1,311	0.44
Netherlands (Kingdom of)	3.7500	15/01/42	291,499	505	0.17
				1,816	0.61
Spain 1.78%					
Spain (Kingdom of)	1.6000	30/04/25	3,338,000	3,651	1.23
Spain (Kingdom of)	1.1500	30/07/20	1,200,000	1,315	0.44
Spain (Kingdom of)	5.1500	31/10/44	202,000	325	0.11
				5,291	1.78
United Kingdom 3.52%					
UK Treasury	4.2500	07/12/49	1,552,719	3,093	1.04
UK Treasury	2.0000	22/07/20	2,074,000	2,715	0.91
UK Treasury	4.2500	07/06/32	1,022,000	1,715	0.58
UK Treasury	4.7500	07/12/38	728,000	1,379	0.46
UK Treasury	2.7500	07/09/24	936,000	1,311	0.44
UK Treasury	1.5000	22/07/26	209,000	264	0.09
				10,477	3.52
United States 10.02%					
Bay Area California Toll Authority	6.7930	01/04/30	280,000	342	0.11
US Treasury	1.3750	30/04/21	8,982,000	8,812	2.96
US Treasury	2.1250	15/05/25	6,274,900	6,153	2.07
US Treasury	2.5000	15/02/45	5,505,900	4,906	1.65
US Treasury	1.3750	30/09/23	3,201,000	3,031	1.02
US Treasury	4.5000	15/02/36	2,376,000	3,007	1.01
US Treasury	0.7500	15/08/19	1,000,000	985	0.33
US Treasury	5.3750	15/02/31	700,000	933	0.31
US Treasury	5.2500	15/11/28	552,000	703	0.24
US Treasury	4.7500	15/02/41	300,000	391	0.13
US Treasury	1.7500	30/09/22	260,000	255	0.09
US Treasury	2.5000	15/02/46	203,700	181	0.06
US Treasury	1.2500	31/03/21	70,200	69	0.02
US Treasury	1.5000	15/08/26	50,000	46	0.02
				29,814	10.02
Total Government Bonds				144,994	48.72
Municipal Bonds 0.21%					
United States 0.21%					
Chicago Illinois Transit Authority	6.2000	01/12/40	400,000	468	0.16
Chicago Illinois Transit Authority	6.8990	01/12/40	130,000	164	0.05
				632	0.21
Total Municipal Bonds				632	0.21
Total Bonds				285,344	95.87

Global Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				285,344	95.87
Other transferable securities and money market instruments 1.52%					
Bonds 1.52%					
Asset Backed Bonds / Mortgage Backed Bonds 0.43%					
United States 0.43%					
Chase Mortgage Finance Trust Series 2005-A1	FRN	25/12/35	90,220	84	0.03
First Horizon Mortgage Pass-Through Trust 2006-AR4	FRN	25/01/37	172,295	151	0.05
Securitized Asset Backed NIM Trust 2005-FR4	6.0000	25/01/36	141,742	-	-
STARM Mortgage Loan Trust 2007-2	FRN	25/04/37	293,209	244	0.08
WaMu Mortgage Pass-Through Certificates Series 2006-AR16 Trust	FRN	25/12/36	371,353	324	0.11
WaMu Mortgage Pass-Through Certificates Series 2006-AR18 Trust	FRN	25/01/37	230,643	198	0.07
Wells Fargo Mortgage Backed Securities 2006-AR10 Trust	FRN	25/07/36	282,002	278	0.09
				1,279	0.43
Total Asset Backed Bonds / Mortgage Backed Bonds				1,279	0.43
Corporate Bonds 0.91%					
France 0.38%					
BPCE (MTN)	2.7500	02/12/21	1,142,000	1,131	0.38
Germany 0.35%					
Daimler Finance North America	2.2000	30/10/21	1,070,000	1,046	0.35
Netherlands 0.18%					
ABN AMRO Bank (MTN)	3.2500	09/04/20	730,000	525	0.18
Total Corporate Bonds				2,702	0.91
Government Bonds 0.18%					
South Korea 0.18%					
Export-Import Bank of Korea (MTN)	4.2500	21/05/20	700,000	531	0.18
Total Government Bonds				531	0.18
Total Bonds				4,512	1.52
Total Other transferable securities and money market instruments				4,512	1.52

Global Bond

Derivatives 0.05%

Future contracts 0.05%

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US Long Bond	22/03/17	(5)	4	-
CBT US Ultra Bond	22/03/17	(14)	20	0.01
CBT US 10 Year Note	22/03/17	24	1	-
CBT US 10 Year Ultra	22/03/17	(80)	(2)	-
CBT US 2 Year Note	31/03/17	(6)	-	-
CBT US 5 Year Note	31/03/17	(70)	16	0.01
EUX Euro Bobl	08/03/17	2	5	-
EUX Euro Bund	08/03/17	52	189	0.06
EUX Euro Buxl	08/03/17	7	11	-
EUX Euro Schatz	08/03/17	19	2	-
EUX Euro-OAT	08/03/17	(57)	(96)	(0.03)
ICE Long Gilt	29/03/17	10	37	0.01
KFE Korea 3 Year Bond	21/03/17	146	24	0.01
MSE Canada 10 Year Bond	22/03/17	23	(26)	(0.01)
SFE Australia 10 Year Bond	15/03/17	(7)	(5)	-
SFE Australia 3 Year Bond	15/03/17	335	(26)	(0.01)
SGX 10 Year Mini JGB	10/03/17	23	(1)	-
Unrealised gains on future contracts			153	0.05

Forward currency exchange contracts (0.13%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays Capital	USD	EUR	11/01/17	877,598	828,000	4	-
Barclays Capital	USD	JPY	11/01/17	95,027	9,790,000	11	-
Barclays Capital	USD	CHF	11/01/17	94,965	92,000	4	-
Barclays Capital	USD	GBP	11/01/17	62,926	51,000	-	-
Barclays Capital	USD	NOK	11/01/17	62,599	512,000	3	-
BNP Paribas	AUD	USD	11/01/17	32,000	24,350	(1)	-
BNP Paribas	DKK	USD	11/01/17	5,573,000	838,883	(48)	(0.02)
BNP Paribas	DKK	USD	11/01/17	1,219,000	183,492	(10)	-
BNP Paribas	EUR	USD	11/01/17	247,000	261,834	(1)	-
BNP Paribas	JPY	EUR	11/01/17	36,322,766	314,000	(20)	(0.01)
BNP Paribas	SGD	USD	11/01/17	594,000	432,262	(21)	(0.01)
BNP Paribas	SGD	USD	11/01/17	226,000	164,463	(8)	-
BNP Paribas	USD	EUR	11/01/17	259,392	245,000	1	-
BNP Paribas	USD	EUR	11/01/17	180,554	168,000	3	-
Citigroup	AUD	USD	11/01/17	290,000	219,065	(9)	-
Citigroup	AUD	USD	11/01/17	41,000	31,405	(2)	-
Citigroup	CHF	USD	11/01/17	1,562,000	1,598,528	(61)	(0.02)
Citigroup	CHF	USD	11/01/17	626,000	640,639	(24)	(0.01)
Citigroup	CZK	USD	11/01/17	7,821,000	325,365	(20)	(0.01)
Citigroup	EUR	USD	11/01/17	373,000	410,897	(17)	(0.01)
Citigroup	EUR	USD	11/01/17	235,000	245,222	3	-
Citigroup	GBP	USD	11/01/17	606,000	744,549	4	-
Citigroup	ILS	USD	11/01/17	1,690,000	443,926	(5)	-
Citigroup	PLN	USD	11/01/17	2,744,000	715,253	(58)	(0.02)
Citigroup	SEK	USD	11/01/17	7,665,000	890,161	(46)	(0.02)

Global Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Citigroup	SEK	USD	11/01/17	5,084,000	590,421	(30)	(0.01)
Citigroup	USD	JPY	11/01/17	2,995,909	338,340,000	94	0.03
Citigroup	USD	EUR	11/01/17	629,681	587,000	10	-
Citigroup	USD	EUR	11/01/17	598,509	562,000	5	-
Citigroup	USD	EUR	11/01/17	584,853	550,000	4	-
Citigroup	USD	EUR	11/01/17	194,357	175,000	10	-
Goldman Sachs	CAD	USD	11/01/17	1,508,000	1,146,611	(22)	(0.01)
Goldman Sachs	CAD	USD	11/01/17	1,334,000	989,269	6	-
Goldman Sachs	EUR	USD	11/01/17	306,000	334,137	(11)	-
Goldman Sachs	EUR	USD	11/01/17	134,000	144,498	(3)	-
Goldman Sachs	GBP	USD	11/01/17	659,000	817,582	(3)	-
Goldman Sachs	JPY	USD	11/01/17	473,523,000	4,586,846	(525)	(0.18)
Goldman Sachs	JPY	USD	11/01/17	324,730,000	3,145,542	(360)	(0.12)
Goldman Sachs	NZD	USD	11/01/17	542,000	385,470	(8)	-
Goldman Sachs	NZD	USD	11/01/17	266,000	189,179	(4)	-
Goldman Sachs	THB	USD	22/02/17	27,774,000	782,476	(7)	-
Goldman Sachs	USD	JPY	11/01/17	4,030,329	416,071,000	461	0.15
Goldman Sachs	USD	CAD	11/01/17	3,242,902	4,265,000	62	0.02
Goldman Sachs	USD	EUR	11/01/17	3,022,242	2,841,000	24	0.01
Goldman Sachs	USD	CAD	11/01/17	710,169	934,000	14	-
Goldman Sachs	USD	GBP	11/01/17	124,565	101,000	-	-
Goldman Sachs	USD	EUR	11/01/17	79,420	76,000	(1)	-
HSBC	EUR	USD	11/01/17	2,864,000	3,172,367	(150)	(0.05)
HSBC	EUR	USD	11/01/17	738,000	784,586	(6)	-
HSBC	EUR	USD	11/01/17	550,000	585,173	(5)	-
HSBC	EUR	USD	11/01/17	160,000	167,202	2	-
HSBC	EUR	USD	11/01/17	135,000	145,170	(3)	-
HSBC	JPY	USD	11/01/17	181,412,000	1,666,458	(110)	(0.04)
HSBC	USD	AUD	11/01/17	61,580	83,000	1	-
HSBC	ZAR	USD	11/01/17	8,470,000	603,757	14	-
HSBC	ZAR	USD	11/01/17	1,485,000	105,853	3	-
JPM Chase	EUR	USD	11/01/17	834,000	884,031	(4)	-
JPM Chase	EUR	SEK	11/01/17	427,000	4,207,887	(13)	-
JPM Chase	EUR	USD	11/01/17	191,000	209,243	(8)	-
JPM Chase	EUR	USD	11/01/17	131,000	145,084	(7)	-
JPM Chase	NOK	USD	11/01/17	2,101,000	260,074	(16)	(0.01)
JPM Chase	NOK	USD	11/01/17	930,000	115,121	(7)	-
JPM Chase	SEK	EUR	11/01/17	55,780,879	5,736,000	91	0.03
JPM Chase	USD	HUF	11/01/17	3,434,630	934,803,000	242	0.08
JPM Chase	USD	CNH	11/01/17	2,997,924	20,790,000	24	0.01
JPM Chase	USD	GBP	11/01/17	2,328,313	1,876,000	10	-
JPM Chase	USD	AUD	11/01/17	1,500,309	2,009,000	46	0.02
JPM Chase	USD	EUR	11/01/17	404,971	382,000	2	-
JPM Chase	USD	JPY	11/01/17	321,590	36,660,000	7	-
Morgan Stanley	USD	AUD	11/01/17	1,870,964	2,463,000	88	0.03
Morgan Stanley	USD	AUD	11/01/17	1,253,387	1,650,000	59	0.02
Royal Bank of Canada	EUR	USD	11/01/17	9,360,000	10,482,227	(605)	(0.19)
Royal Bank of Canada	EUR	JPY	11/01/17	2,802,000	345,676,855	(8)	-
Royal Bank of Canada	EUR	USD	11/01/17	637,000	672,946	(1)	-
Royal Bank of Canada	EUR	USD	11/01/17	239,000	256,641	(4)	-

Global Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Royal Bank of Canada	GBP	USD	11/01/17	829,000	1,049,817	(25)	(0.01)
Royal Bank of Canada	MXN	AUD	11/01/17	30,571,000	2,005,445	30	0.01
Royal Bank of Canada	USD	EUR	11/01/17	5,082,088	4,538,000	293	0.10
Royal Bank of Canada	USD	EUR	11/01/17	3,060,718	2,844,000	59	0.02
Royal Bank of Canada	USD	MXN	11/01/17	2,178,308	41,528,000	165	0.06
Royal Bank of Canada	USD	EUR	11/01/17	1,302,439	1,163,000	75	0.03
Royal Bank of Canada	USD	AUD	11/01/17	339,102	459,000	7	-
Royal Bank of Canada	USD	GBP	11/01/17	140,746	114,000	-	-
State Street	EUR	USD	11/01/17	182,000	199,726	(8)	-
State Street	GBP	EUR	11/01/17	94,000	105,450	5	-
State Street	USD	GBP	11/01/17	267,245	219,000	(3)	-
UBS	EUR	USD	11/01/17	142,000	151,731	(2)	-
UBS	EUR	USD	11/01/17	96,000	100,603	1	-
UBS	KRW	USD	22/02/17	4,123,577,000	3,518,260	(96)	(0.03)
UBS	KRW	USD	22/02/17	138,689,000	118,330	(3)	-
UBS	SEK	USD	11/01/17	641,000	70,162	-	-
UBS	USD	KRW	22/02/17	3,053,569	3,578,936,000	83	0.03
Unrealised losses on forward currency exchange contracts						(379)	(0.13)

Swaps 0.13%

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays	GBP	15/10/21	11,500,000	UK Price Index	3.4575%	19	0.01
Citigroup	SEK	26/11/26	137,580,000	0.6700%	3 Month SEK STIBOR	615	0.21
Goldman Sachs	AUD	11/10/18	108,170,000	3 Month AUD BBR	1.7325%	(261)	(0.09)
Unrealised gains on swap contracts						373	0.13
Unrealised gains on derivatives						147	0.05
Total investments						290,003	97.44
Other net assets						7,607	2.56
Total net assets						297,610	100.00

Currently forward positions are not collateralised.

Global Government Bond

For the six months ending 31 December 2016

Performance

For six months ended 31 December 2016, the value of Global Government Bond – J Accumulation shares decreased by 8.48% compared to a decrease of 8.26% in the benchmark, Citigroup World Government Bond Index.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, Special Month End Price NAV to NAV, gross of fees, 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

Global yield curves generally steepened throughout the review period. Early on, this trend was led by Japan – first driven by expectations of fiscal stimulus from the Ministry of Finance (MoF) and then by the Bank of Japan's (BoJ) explicit attempt to steepen the yield curve. Latterly, Donald Trump's US election victory and proposed infrastructure spending led to hopes of higher nominal growth in the US. The US Federal Reserve (Fed) raised interest rates by 25 basis points (bps) in December.

In Europe, the European Central Bank (ECB) disappointed the market early on by failing to announce any expansion to or extension of quantitative easing (QE), prompting a sell-off in German government bonds. However, as the year wore on, markets became increasingly confident that the ECB would reduce the scale of its asset purchase programme.

In the UK, the Bank of England announced a comprehensive package of easing at its August Quarterly Inflation Report which exceeded expectations. The BoJ also announced QE with "yield curve control" where asset purchases are targeted at varying maturities so as to maintain the 10-year yield at close to 0%.

In currencies, the US dollar was the top performer in G10 foreign exchange space while the yen was the biggest loser, tumbling 12% over the period. Sterling also underperformed as 'hard Brexit' concerns and policy easing from the Bank of England prompted weakening.

Over the period, the 10-year US Treasury yield rose by 99 bps to 2.45%. The 10-year UK gilt yield was up 43 bps to 1.24%, and the 10-year German bund yield rose by 39 bps to 0.21%.

Portfolio review

The Fund underperformed against its benchmark over the review period. Early on in the review period, in terms of interest rate positioning, an overweight in New Zealand front-end made a positive contribution to performance. Australian and US yield curve positioning also added value.

A long US versus Germany spread position detracted from performance as US Treasury yields moved higher following Donald Trump's surprise election victory, and as markets priced in higher nominal growth from his plans for fiscal expansion. A long Italy spread position also detracted because of uncertainties surrounding the Italian referendum. These losses were partially offset by a long US break-even inflation position which outperformed as inflation expectations were bolstered following the US election result. A long New Zealand front-end duration position also positively contributed.

In currencies, short positions in Australian and New Zealand dollars detracted from returns early in the review period, although these losses were offset by an overweight to US dollar versus euro, yen and Korean won in the second half of the period. Elsewhere, a short euro versus Swedish krone position added value.

Outlook

Donald Trump's victory in the US election has significantly altered the global economic outlook. It is not clear which of his campaign themes will characterise his government. Fiscal easing, largely through tax cuts and possibly through infrastructure spending, should boost demand in the short-to-medium term. However, with the economy close to full employment it is likely the Fed will need to offset some of the fiscal easing with monetary tightening. If Mr Trump pursues a protectionist agenda, the US will suffer a supply shock, which will make the growth/inflation trade-off less favourable. Unsurprisingly the market has moved to price in higher inflation and rates, and a weaker outlook for emerging markets. This environment is likely to continue. Elsewhere, European political risk will become a bigger concern, with a series of important elections over the next year. However, the ECB is unlikely to allow significant peripheral weakness. Sentiment surrounding Brexit will tend to overshadow other economic news, although with the UK government losing its High Court case, a softer Brexit now seems a little more likely.

Aberdeen Global Marco Team
January 2017

Global Government Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	129,118
Cash at bank		797
Amounts held at futures clearing houses and brokers		311
Interest receivable		557
Unrealised gains on future contracts	2.7	29
Unrealised gains on swap contracts	2.8	165
Unrealised gains on forward currency exchange contracts	2.6	215
Total assets		131,192
Liabilities		
Taxes and expenses payable		32
Total liabilities		32
Net assets at the end of the period		131,160

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		254,938
Net gains from investments		615
Net realised gains		3,996
Net unrealised losses		(17,031)
Proceeds from shares issued		14,147
Payments for shares redeemed		(125,448)
Net equalisation paid	10	(57)
Net assets at the end of the period		131,160

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	838
Total income		838
Expenses		
Management fees	4.2	9
Operating, administrative and servicing fees	4.3	211
Other operational expenses		3
Total expenses		223
Net gains from investments		615
Realised gains on investments		4,686
Realised losses on future contracts		(588)
Realised losses on swap contracts		(20)
Realised losses on forward currency exchange contracts		(1,566)
Realised currency exchange gains		1,484
Net realised gains		3,996
Decrease in unrealised appreciation on investments		(17,746)
Decrease in unrealised appreciation on future contracts		(33)
Decrease in unrealised depreciation on swap contracts		218
Decrease in unrealised depreciation on forward currency exchange contracts		527
Unrealised currency exchange gains		3
Net unrealised losses		(17,031)
Net decrease in assets as a result of operations		(12,420)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	D(GBP)-1	J-2	Z-2
Shares outstanding at the beginning of the period	347,519	1,898,838	13,516,981
Shares issued during the period	28,788	851,032	394,873
Shares redeemed during the period	(98,202)	(2,740,800)	(5,781,415)
Shares outstanding at the end of the period	278,105	9,070	8,130,439
Net asset value per share	1.0931	8.0592	16.0768

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

Global Government Bond

Portfolio Statement

As at 31 December 2016

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					97.39%
Bonds 97.39%					
Corporate Bonds 12.03%					
Australia 0.76%					
National Australia Bank	2.2500	16/03/21	1,000,000	991	0.76
France 0.88%					
Banque Federative du Credit Mutuel (EMTN)	2.0000	12/04/19	1,155,000	1,151	0.88
Israel 1.74%					
Teva Pharmaceutical Finance Netherlands III	1.4000	20/07/18	2,300,000	2,282	1.74
Japan 1.08%					
Sumitomo Mitsui Banking Corp	1.7620	19/10/18	1,420,000	1,414	1.08
Sweden 0.84%					
Svensk Exportkredit (EMTN)	VAR	14/11/23	1,100,000	1,097	0.84
United Kingdom 1.03%					
Barclays Bank (EMTN)	1.8750	08/12/23	746,000	798	0.61
Standard Chartered	2.1000	19/08/19	562,000	556	0.42
				1,354	1.03
United States 5.70%					
AbbVie	0.3750	18/11/19	550,000	584	0.45
Crown Castle International	2.2500	01/09/21	473,000	458	0.35
Ford Motor Credit	1.7240	06/12/17	848,000	848	0.65
Ford Motor Credit	1.8970	12/08/19	397,000	391	0.30
Kroger	1.5000	30/09/19	791,000	779	0.59
Mondelez International Netherlands	1.6250	28/10/19	1,320,000	1,296	0.98
New York Life Global Funding	1.5000	24/10/19	971,000	958	0.73
Southern Power	1.9500	15/12/19	1,011,000	1,003	0.75
Toyota Motor Credit (MTN)	1.5500	18/10/19	913,000	902	0.69
United Technologies (STEP)	VAR	04/05/18	274,000	274	0.21
				7,493	5.70
Total Corporate Bonds				15,782	12.03
Government Bonds 85.36%					
Australia 2.44%					
Australia (Commonwealth of)	1.7500	21/11/20	4,475,000	3,197	2.44
Belgium 1.56%					
Belgium (Kingdom of)	2.2500	22/06/23	1,089,579	1,326	1.02
Belgium (Kingdom of)	3.7500	22/06/45	442,559	715	0.54
				2,041	1.56

Global Government Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Canada 0.76%					
Canada (Government of)	5.0000	01/06/37	928,000	996	0.76
France 8.06%					
France (Government of)	-	25/05/20	5,459,000	5,857	4.48
France (Government of)	1.5000	25/05/31	1,925,000	2,155	1.64
France (Government of)	0.5000	25/05/25	1,693,063	1,803	1.37
France (Government of)	3.2500	25/05/45	518,000	754	0.57
				10,569	8.06
Germany 3.74%					
Germany (Federal Republic of)	0.5000	15/02/25	2,381,000	2,628	2.00
Germany (Federal Republic of)	2.5000	15/08/46	836,000	1,242	0.95
Germany (Federal Republic of)	5.5000	04/01/31	581,000	1,033	0.79
				4,903	3.74
Ireland 0.43%					
Ireland (Republic of)	1.0000	15/05/26	519,000	560	0.43
Italy 6.71%					
Italy (Republic of)	0.7000	01/05/20	4,036,000	4,337	3.30
Italy (Republic of)	1.5000	01/06/25	2,030,000	2,132	1.63
Italy (Republic of)	1.6500	01/03/32	1,419,000	1,408	1.07
Italy (Republic of)	2.7000	01/03/47	914,000	928	0.71
				8,805	6.71
Japan 23.18%					
Japan (Government of)	2.1000	20/06/29	802,450,000	8,533	6.50
Japan (Government of)	1.1000	20/03/21	666,250,000	6,005	4.58
Japan (Government of)	0.3000	20/03/18	595,800,000	5,143	3.92
Japan (Government of)	2.4000	20/03/37	266,000,000	3,066	2.34
Japan (Government of)	0.4000	20/03/25	322,700,000	2,861	2.18
Japan (Government of)	1.5000	20/03/45	267,250,000	2,763	2.11
Japan (Government of) (INDX)	0.1000	10/03/24	220,200,000	2,035	1.55
				30,406	23.18
Mexico 0.64%					
Mexico (Government of)	10.0000	05/12/24	14,909,000	837	0.64
Netherlands 1.25%					
Netherlands (Kingdom of)	1.7500	15/07/23	833,336	990	0.75
Netherlands (Kingdom of)	3.7500	15/01/42	377,305	654	0.50
				1,644	1.25
Poland 0.10%					
Poland (Republic of)	5.7500	25/10/21	500,000	135	0.10

Global Government Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Spain 7.88%					
Spain (Kingdom of)	1.1500	30/07/20	6,100,000	6,684	5.10
Spain (Kingdom of)	1.6000	30/04/25	3,083,000	3,373	2.57
Spain (Kingdom of)	5.1500	31/10/44	173,000	278	0.21
				10,335	7.88
United Kingdom 5.63%					
UK Treasury	4.2500	07/12/49	1,176,000	2,343	1.79
UK Treasury	2.0000	22/07/20	1,567,000	2,051	1.56
UK Treasury	2.7500	07/09/24	817,000	1,144	0.87
UK Treasury	4.2500	07/06/32	588,000	987	0.75
UK Treasury	4.7500	07/12/38	455,230	862	0.66
				7,387	5.63
United States 22.98%					
US Treasury	1.3750	31/08/20	11,622,400	11,503	8.77
US Treasury	2.1250	15/05/25	7,623,100	7,475	5.70
US Treasury	2.5000	15/02/45	4,974,200	4,432	3.38
US Treasury	4.5000	15/02/36	1,608,000	2,035	1.55
US Treasury	0.8750	15/10/18	1,816,800	1,808	1.38
US Treasury	1.3750	30/09/23	955,000	904	0.69
US Treasury	1.2500	31/03/21	875,100	855	0.65
US Treasury	5.2500	15/11/28	555,000	707	0.54
US Treasury	-	19/01/17	416,000	416	0.32
				30,135	22.98
Total Government Bonds				111,950	85.36
Total Bonds				127,732	97.39
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				127,732	97.39
Other transferable securities and money market instruments 1.06%					
Bonds 1.06%					
Corporate Bonds 1.06%					
France 0.42%					
BPCE (MTN)	2.7500	02/12/21	553,000	548	0.42
Germany 0.64%					
Daimler Finance North America	2.2000	30/10/21	857,000	838	0.64
Total Corporate Bonds				1,386	1.06
Total Bonds				1,386	1.06
Total Other transferable securities and money market instruments				1,386	1.06

Global Government Bond

Derivatives 0.31%

Future contracts 0.02%

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US 10 Year Ultra	22/03/17	(31)	(1)	-
EUX Euro Bund	08/03/17	21	81	0.06
EUX Euro-OAT	08/03/17	(24)	(40)	(0.03)
SFE Australia 3 Year Bond	15/03/17	141	(11)	(0.01)
Unrealised gains on future contracts			29	0.02

Forward currency exchange contracts 0.16%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
BNP Paribas	AUD	USD	11/01/17	73,000	55,549	(3)	-
BNP Paribas	DKK	USD	11/01/17	5,218,000	785,446	(45)	(0.03)
BNP Paribas	EUR	USD	11/01/17	1,195,000	1,285,436	(24)	(0.02)
BNP Paribas	EUR	USD	11/01/17	117,000	124,032	(1)	-
BNP Paribas	EUR	USD	11/01/17	105,000	111,306	(1)	-
BNP Paribas	EUR	USD	11/01/17	68,000	72,784	(1)	-
BNP Paribas	SGD	USD	11/01/17	532,000	387,143	(19)	(0.01)
BNP Paribas	USD	EUR	11/01/17	114,344	108,000	-	-
Citigroup	CHF	USD	11/01/17	265,000	271,197	(10)	(0.01)
Citigroup	EUR	USD	11/01/17	413,000	454,961	(19)	(0.01)
Citigroup	PLN	USD	11/01/17	2,020,000	526,534	(43)	(0.03)
Citigroup	SEK	USD	11/01/17	4,635,000	538,277	(28)	(0.02)
Citigroup	USD	EUR	11/01/17	2,632,263	2,450,000	47	0.04
Citigroup	USD	JPY	11/01/17	1,272,513	143,710,000	40	0.03
Citigroup	USD	EUR	11/01/17	264,111	248,000	2	-
Citigroup	USD	EUR	11/01/17	62,802	59,000	1	-
Citigroup	USD	AUD	11/01/17	31,405	41,000	2	-
Goldman Sachs	EUR	USD	11/01/17	627,000	698,497	(37)	(0.03)
Goldman Sachs	EUR	USD	11/01/17	65,000	69,434	(1)	-
Goldman Sachs	EUR	USD	11/01/17	62,000	66,857	(1)	-
Goldman Sachs	USD	EUR	11/01/17	1,286,128	1,209,000	10	0.01
Goldman Sachs	USD	JPY	11/01/17	1,059,176	109,344,000	122	0.08
Goldman Sachs	USD	CAD	11/01/17	271,446	357,000	5	-
Goldman Sachs	USD	SEK	11/01/17	262,657	2,390,000	(1)	-
Goldman Sachs	USD	SEK	11/01/17	139,148	1,222,000	5	-
Goldman Sachs	USD	AUD	11/01/17	138,491	182,000	7	0.01
HSBC	EUR	USD	11/01/17	1,258,000	1,393,449	(66)	(0.05)
HSBC	EUR	USD	11/01/17	182,000	195,711	(4)	-
HSBC	EUR	USD	11/01/17	81,000	88,888	(3)	-
HSBC	USD	JPY	11/01/17	818,349	84,230,000	96	0.06
HSBC	USD	JPY	11/01/17	338,931	38,592,000	8	0.01
HSBC	USD	GBP	11/01/17	207,070	166,000	2	-
HSBC	ZAR	USD	11/01/17	7,880,000	561,700	13	0.01
JPM Chase	JPY	USD	11/01/17	67,882,000	660,400	(78)	(0.06)
JPM Chase	NOK	USD	11/01/17	2,215,000	274,185	(17)	(0.01)
JPM Chase	SEK	EUR	11/01/17	24,477,070	2,517,000	40	0.03
JPM Chase	USD	HUF	11/01/17	1,504,432	409,461,000	106	0.07

Global Government Bond

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
JPM Chase	USD	CNH	11/01/17	1,274,875	8,841,000	10	0.01
JPM Chase	USD	EUR	11/01/17	1,153,857	1,039,000	57	0.04
JPM Chase	USD	AUD	11/01/17	660,913	885,000	20	0.02
Morgan Stanley	EUR	USD	11/01/17	109,000	117,054	(2)	-
Morgan Stanley	USD	AUD	11/01/17	1,215,405	1,600,000	57	0.04
Royal Bank of Canada	EUR	JPY	11/01/17	1,235,000	152,359,356	(4)	-
Royal Bank of Canada	EUR	USD	11/01/17	1,133,000	1,268,842	(73)	(0.06)
Royal Bank of Canada	EUR	USD	11/01/17	290,000	306,365	-	-
Royal Bank of Canada	GBP	USD	11/01/17	48,000	60,368	(1)	-
Royal Bank of Canada	JPY	USD	11/01/17	102,820,000	904,739	(23)	(0.02)
Royal Bank of Canada	JPY	USD	11/01/17	8,426,000	71,611	1	-
Royal Bank of Canada	MXN	AUD	11/01/17	13,070,000	857,387	13	0.01
Royal Bank of Canada	USD	EUR	11/01/17	1,303,281	1,211,000	25	0.02
Royal Bank of Canada	USD	AUD	11/01/17	144,063	195,000	3	-
UBS	AUD	USD	11/01/17	265,000	197,436	(6)	-
UBS	GBP	USD	11/01/17	125,000	159,704	(5)	-
UBS	USD	KRW	22/02/17	1,431,661	1,677,978,000	39	0.03
Unrealised gains on forward currency exchange contracts						215	0.16

Swaps 0.13%

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays	GBP	15/10/21	5,050,000	UK Price Index	3.4575%	8	0.01
Citigroup	SEK	26/11/26	60,640,000	0.6700%	3 Month SEK STIBOR	272	0.21
Goldman Sachs	AUD	11/10/18	47,470,000	3 Month AUD BBR	1.7325%	(115)	(0.09)
Unrealised gains on swap contracts						165	0.13
Unrealised gains on derivatives						409	0.31
Total investments						129,527	98.76
Other net assets						1,633	1.24
Total net assets						131,160	100.00

Currently forward positions are not collateralised.

Global High Yield Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value of Global High Yield Bond – A Income shares increased by 5.11% compared to an increase of 7.00% in the benchmark, Bank of America Merrill Lynch Global High Yield Constrained Hedged 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

In a risk-on investing environment, global high yield continued to perform well over the period, despite a bout of volatility in the immediate aftermath of Donald Trump's surprise victory (November being the only month in which the asset class generated negative returns). Over 2016, the Barclays Global High Yield index delivered a total return of 14.2% (GBP hedged). The asset class has benefitted from a positive macroeconomic backdrop, as well as a still accommodative US Federal Reserve (Fed) and investors' hunt for yield as global sovereign yields have entered negative territory; in the search for incremental yield, investors have been driven further out the credit curve and down the credit rating spectrum. The relatively accommodative stance of the European Central Bank (ECB) has also been benefiting the market while prices have been further supported by favourable technical/fund flows. Both the global high yield YTW and the global high yield STW have further tightened as a result.

Despite the positive return over the period, there was a spike in volatility levels on the back of Donald Trump's election win. The effects of such an outcome on wider financial markets were misjudged. Whereas a Trump victory was predicted to send government bond yields and equity prices (globally) substantially lower, the reality was very different. Government bond yields increased sharply on the presumption Trump would employ more fiscal stimulus and this resulted in a sell-off of longer duration bonds. Equity markets in the US reacted positively, due partly to an increased probability of growth measures such as increased infrastructure spending as well as possible corporate tax rate cuts and reduced regulation (across a variety of sectors).

The US high yield market gained further ground over the period, despite the end of its streak of nine consecutive positive monthly returns in November. The high-yield sector was bolstered mainly by higher oil and commodity prices; the West Texas Intermediate (WTI) crude oil price increased 45% over 2016, ending the year at US\$53.72. From a ratings category perspective, lower rated segments have continued to outperform the broader high yield market with 'CCC', 'B' and 'BBB' rated credits being the year's strongest performers.

US high yield's underlying technical trends were supportive, with demand remaining strong and new issuance (much of which related to debt refinancing, given low interest rates) being easily absorbed by fund flows; the primary market has remained open to a wide range of issuers across sectors.

In 2016, US high yield defaults totalled 62 companies or \$59.3 billion (bn), up 57% year-on-year and the 5th largest year on record. Of these 62 defaults, 34 (55% by number), totalling \$39.8bn (67% of total \$ defaults), came from the energy industry while 5 (8% by number), totalling \$8bn (13.5% of total \$ defaults) came from metals/mining. In December, the par weighted US high yield default rate was 3.32% (+152 basis points year-on-year) or 3.98% including distressed exchanges; excluding energy and metals/mining, the default rate remains a very modest 0.68% compared with a TTM high yield energy default rate of 12.4% (17.2% including distressed exchanges). The 2016 total of distressed exchanges was 29 with \$9.2bn of high yield notes and leveraged loan defaults, compared with 25 and \$16.6bn, respectively, in 2015.

European credit suffered a slight setback after the Italian constitutional referendum but continued to gain ground. After posting a negative return in November, the European high yield market rebounded in December. The strength of the European high yield market in the final month of the year was all the more impressive given we had a negative outcome from the Italian referendum, a "soft tapering" from the ECB, and the second post crisis interest rate hike from the Federal Reserve (Fed). In Italy, the electorate voted to block the proposed constitutional changes causing Matteo Renzi, as promised, to resign from his role as the head of the Government. Elsewhere, investors are watching how the UK government manoeuvres its way out of Europe; the latest comments from Prime Minister Theresa May would suggest that a 'hard' Brexit is more likely than not, leading to continued negative sentiment towards sterling.

Emerging market debt performed strongly over the period, helped by reassuring macro data and rising oil and commodity prices. However, the stronger dollar and the prospect of rising US interest rates (following the Fed's hike in December and its hawkish accompanying statement), caused weakness towards the end of the year.

Globally, it was encouraging to see investors largely shrug off policy actions from the Fed and the ECB in the final weeks of the period. One key theme for 2016, then, was the ability of markets to brush-off perceived negative political events. Whether such events repeat themselves in 2017, and how markets react to such events, will undoubtedly be another key theme for the coming year.

Portfolio review

The fund underperformed its benchmark. Neiman Marcus, one of the largest global omni-channel luxury fashion retailers, was a negative performer along with Cengage Learning, a domestic publisher of higher education textbooks. International Personal Finance also hindered performance. Against this, contributors to performance included MEG Energy, an Alberta based E&P operator with a specific focus on the oil sands, Matalan and Constellation.

Global High Yield Bond

Outlook

Donald Trump's victory in the US election has significantly altered the global economic outlook. It is not clear which of his campaign themes will characterise his government. Fiscal easing, largely through tax cuts and possibly through infrastructure spending, should boost demand in the short-to-medium term. However, with the economy close to full employment it is likely the Fed will need to offset some of the fiscal easing with monetary tightening. If Mr Trump pursues a protectionist agenda, the US will suffer a supply shock, which will make the growth/inflation trade-off less favourable. Unsurprisingly the market has moved to price in higher inflation and rates, and a weaker outlook for emerging markets. This environment is likely to continue. Elsewhere, European political risk will become a bigger concern, with a series of important elections over the next year. However, the ECB is unlikely to allow significant peripheral weakness. Sentiment surrounding Brexit will tend to overshadow other economic news, although with the UK government losing its High Court case, a softer Brexit now seems a little more likely.

Aberdeen US High Yield Team

January 2017

Global High Yield Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	13,858
Cash at bank		1,930
Interest receivable		239
Subscriptions receivable		21
Unrealised gains on swap contracts	2.8	86
Unrealised gains on forward currency exchange contracts	2.6	12
Total assets		16,146
Liabilities		
Taxes and expenses payable		11
Other liabilities		179
Total liabilities		190
Net assets at the end of the period		15,956

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		15,587
Net gains from investments		417
Net realised gains		44
Net unrealised gains		257
Proceeds from shares issued		234
Payments for shares redeemed		(197)
Net equalisation received	10	1
Dividends paid	5	(387)
Net assets at the end of the period		15,956

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	481
Bank interest		2
Total income		483
Expenses		
Management fees	4.2	45
Operating, administrative and servicing fees	4.3	21
Total expenses		66
Net gains from investments		417
Realised losses on investments		(61)
Realised gains on swap contracts		15
Realised gains on forward currency exchange contracts		94
Realised currency exchange losses		(4)
Net realised gains		44
Decrease in unrealised depreciation on investments		257
Increase in unrealised appreciation on swap contracts		44
Decrease in unrealised appreciation on forward currency exchange contracts		(48)
Unrealised currency exchange gains		4
Net unrealised gains		257
Net increase in assets as a result of operations		718

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	A(EUR)-1 [^]	E(EUR)-1	E(EUR)-2
Shares outstanding at the beginning of the period	40,345	1,478	60,402	46,046	9,250
Shares issued during the period	9,939	-	-	152	-
Shares redeemed during the period	(18,880)	-	-	(900)	-
Shares outstanding at the end of the period	31,404	1,478	60,402	45,298	9,250
Net asset value per share	9.6622	10.3227	8.5297	11.9215	13.3949
	I-1	I(EUR)-2 [^]	X-2	Z-2	
Shares outstanding at the beginning of the period	1,385,000	72,327	11,348	800	
Shares issued during the period	-	12,523	-	-	
Shares redeemed during the period	-	(406)	-	-	
Shares outstanding at the end of the period	1,385,000	84,444	11,348	800	
Net asset value per share	9.6598	9.9516	10.5392	10.7221	

[^] Base currency exposure share class.

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

Global High Yield Bond

Portfolio Statement

As at 31 December 2016

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					85.12%
Bonds 85.12%					
Corporate Bonds 82.15%					
Argentina 0.10%					
IRSA Propiedades Comerciales	8.7500	23/03/23	15,000	16	0.10
Brazil 1.83%					
JBS Finance	5.7500	15/06/25	45,000	46	0.29
JBS USA Finance	5.7500	15/06/25	40,000	41	0.26
Petrobras Global Finance	5.3750	27/01/21	125,000	122	0.76
Petrobras Global Finance	8.7500	23/05/26	50,000	54	0.34
Petrobras Global Finance	6.2500	17/03/24	30,000	29	0.18
				292	1.83
Canada 3.78%					
Bombardier	5.7500	15/03/22	21,000	20	0.12
Cenovus Energy	3.8000	15/09/23	6,000	6	0.04
First Quantum Minerals	6.7500	15/02/20	70,000	70	0.44
Gateway Casinos & Entertainment	8.5000	26/11/20	100,000	72	0.45
GFL Environmental	9.8750	01/02/21	60,000	66	0.42
Kissner	8.3750	01/12/22	48,000	49	0.30
MEG Energy	7.0000	31/03/24	132,000	119	0.76
MEG Energy	6.3750	30/01/23	80,000	72	0.45
Teck Resources	8.0000	01/06/21	75,000	83	0.52
Teine Energy	6.8750	30/09/22	5,000	5	0.03
Telesat	8.8750	15/11/24	38,000	40	0.25
				602	3.78
France 1.98%					
Albea Beauty (EMTN)	8.7500	01/11/19	100,000	111	0.69
Numericable	7.3750	01/05/26	200,000	205	1.29
				316	1.98
Germany 1.36%					
ALBA	8.0000	15/05/18	100,000	105	0.66
Safari Verwaltungs	8.2500	15/02/21	100,000	111	0.70
				216	1.36
Indonesia 1.25%					
Pertamina Persero (EMTN)	4.3000	20/05/23	200,000	200	1.25
Italy 0.59%					
Wind Acquisition Finance	7.3750	23/04/21	90,000	94	0.59
Luxembourg 0.85%					
DEA Finance	7.5000	15/10/22	119,000	135	0.85

Global High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Mexico 1.14%					
BBVA Bancomer Texas	6.7500	30/09/22	150,000	164	1.02
Petroleos Mexicanos	5.3750	13/03/22	18,000	18	0.12
				182	1.14
Netherlands 2.02%					
Constellium (EMTN)	4.6250	15/05/21	124,000	126	0.79
Ziggo Secured Finance	5.5000	15/01/27	200,000	196	1.23
				322	2.02
Peru 0.36%					
Banco Internacional del Peru	VAR	19/03/29	15,000	16	0.10
InRetail Consumer	5.2500	10/10/21	40,000	41	0.26
				57	0.36
South Africa 1.23%					
MTN Mauritius Investments	6.5000	13/10/26	200,000	196	1.23
Spain 1.33%					
Codere Finance 2 Luxembourg	6.7500	01/11/21	100,000	108	0.68
Obrascon Huarte Lain	4.7500	15/03/22	135,000	104	0.65
				212	1.33
United Kingdom 6.97%					
Annington Finance No 5 (PIK)	13.0000	15/01/23	89,599	132	0.82
Brighthouse (EMTN)	7.8750	15/05/18	100,000	86	0.54
CYBG	VAR	09/02/26	100,000	119	0.75
HBOS Sterling Finance Jersey (PERP)	VAR	29/12/49	50,000	81	0.51
Inmarsat Finance	4.8750	15/05/22	160,000	157	0.97
International Personal Finance (EMTN)	5.7500	07/04/21	100,000	84	0.53
Matalan Finance	6.8750	01/06/19	100,000	104	0.65
Noble	7.7500	15/01/24	24,000	23	0.14
PGH Capital	6.6250	18/12/25	100,000	128	0.80
Royal Bank of Scotland (PERP)	VAR	29/08/49	75,000	86	0.54
Virgin Media Secured Finance	5.5000	15/01/25	90,000	115	0.72
				1,115	6.97
United States 57.36%					
ABC Supply	5.7500	15/12/23	13,000	13	0.08
Aircastle	7.6250	15/04/20	130,000	148	0.93
Albertson's	6.6250	15/06/24	9,000	9	0.06
Albertsons	5.7500	15/03/25	86,000	85	0.53
Alliance Data Systems	5.8750	01/11/21	30,000	31	0.19
Ally Financial	5.1250	30/09/24	130,000	133	0.83
Ally Financial	5.7500	20/11/25	108,000	108	0.68
AmeriGas Finance	5.8750	20/08/26	79,000	81	0.51
Antero Resources	5.1250	01/12/22	10,000	10	0.06
Avis Budget Car Rental	5.5000	01/04/23	52,000	51	0.32

Global High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Avis Budget Car Rental	6.3750	01/04/24	17,000	17	0.11
Avis Budget Car Rental	5.2500	15/03/25	8,000	7	0.05
Bank of America (PERP)	VAR	29/09/49	35,000	35	0.22
Blue Racer Finance	6.1250	15/11/22	100,000	101	0.63
Boyd Gaming	6.3750	01/04/26	27,000	29	0.18
Building Materials of America	5.3750	15/11/24	120,000	124	0.78
CalAtlantic	5.2500	01/06/26	114,000	111	0.70
Callon Petroleum	6.1250	01/10/24	13,000	13	0.08
Calpine	5.7500	15/01/25	130,000	126	0.79
Calpine	7.8750	15/01/23	17,000	18	0.11
Carrizo Oil & Gas	6.2500	15/04/23	15,000	15	0.10
CCO Capital	5.7500	15/02/26	47,000	49	0.31
CCOs Capital	5.5000	01/05/26	63,000	64	0.40
Cengage Learning	9.5000	15/06/24	164,000	146	0.92
Centene	6.1250	15/02/24	14,000	15	0.09
CenturyLink	7.5000	01/04/24	43,000	45	0.28
CenturyLink	6.7500	01/12/23	35,000	36	0.23
Cenveo	6.0000	01/08/19	60,000	54	0.34
Cenveo	6.0000	01/08/19	35,000	31	0.20
Cheniere Corpus Christi	5.8750	31/03/25	41,000	42	0.26
Citgo	10.7500	15/02/20	75,000	81	0.51
Cogent Communications	5.3750	01/03/22	85,000	88	0.55
Compass Minerals International	4.8750	15/07/24	84,000	80	0.50
Continental Resources	3.8000	01/06/24	120,000	111	0.70
Dana	6.0000	15/09/23	45,000	47	0.30
DR Horton	5.7500	15/08/23	80,000	86	0.54
Dynegy	7.3750	01/11/22	120,000	115	0.72
Dynegy	7.6250	01/11/24	50,000	46	0.29
EMI Music Publishing	7.6250	15/06/24	84,000	91	0.57
Endo Finance	6.0000	15/07/23	86,000	76	0.48
Endo Finance	6.0000	15/07/23	25,000	22	0.14
Energy Future Intermediate	11.7500	01/03/22	39,671	54	0.34
EnSCO	5.2000	15/03/25	74,000	64	0.40
Equinix	5.8750	15/01/26	80,000	84	0.53
Equinix	5.3750	01/04/23	80,000	83	0.52
First Data	7.0000	01/12/23	70,000	75	0.47
First Data	5.0000	15/01/24	41,000	41	0.26
First Data	5.3750	15/08/23	30,000	31	0.20
First Data	5.0000	15/01/24	16,000	16	0.10
First Maryland Capital I	FRN	15/01/27	60,000	55	0.34
Florida East Coast	6.7500	01/05/19	80,000	83	0.52
Freeport-McMoRan	3.5500	01/03/22	100,000	94	0.59
Fresh Market	9.7500	01/05/23	60,000	51	0.32
Frontier Communications	6.8750	15/01/25	70,000	60	0.37
Gardner Denver	6.8750	15/08/21	160,000	160	1.00
Goldman Sachs (PERP)	VAR	29/12/49	45,000	46	0.29
Goodyear Tire & Rubber	5.0000	31/05/26	76,000	76	0.48
Grinding Media	7.3750	15/12/23	13,000	14	0.09

Global High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Hardwoods Acquisition	7.5000	01/08/21	60,000	51	0.32
HCA	5.8750	15/02/26	160,000	165	1.03
HCA	5.2500	15/06/26	19,000	20	0.12
HD Supply	5.7500	15/04/24	112,000	119	0.74
Hilcorp Energy Finance	5.7500	01/10/25	7,000	7	0.04
Hilcorp Energy Finance I	5.7500	01/10/25	15,000	15	0.10
Hornbeck Offshore Services	5.0000	01/03/21	47,000	32	0.20
International Lease Finance	6.2500	15/05/19	70,000	75	0.47
KB Home	7.0000	15/12/21	155,000	164	1.02
Kinder Morgan (MTN)	7.7500	15/01/32	115,000	141	0.89
Kindred Healthcare	8.7500	15/01/23	40,000	38	0.24
Kratos Defense & Security Solutions	7.0000	15/05/19	63,000	61	0.38
Landry's	6.7500	15/10/24	130,000	132	0.83
Lennar	4.8750	15/12/23	80,000	80	0.50
Level 3 Financing	5.3750	15/08/22	115,000	119	0.75
Liberty Interactive	8.5000	15/07/29	17,000	19	0.12
Liberty Interactive	8.2500	01/02/30	4,000	4	0.03
Manitowoc Foodservice	9.5000	15/02/24	23,000	27	0.17
Marathon Petroleum	3.6250	15/09/24	30,000	30	0.19
Meritor	6.2500	15/02/24	45,000	44	0.28
MGM Resorts International	7.7500	15/03/22	70,000	81	0.51
Morgan Stanley (PERP)	VAR	29/12/49	50,000	51	0.32
Murphy Oil	6.8750	15/08/24	14,000	15	0.09
Nationstar Mortgage	6.5000	01/07/21	35,000	36	0.22
Nationstar Mortgage	6.5000	01/06/22	35,000	35	0.22
NCR	5.0000	15/07/22	75,000	77	0.48
Neiman Marcus	8.0000	15/10/21	45,000	34	0.21
NewStar Financial	7.2500	01/05/20	55,000	55	0.34
NRG Energy	6.6250	15/03/23	64,000	64	0.40
NRG Energy	7.2500	15/05/26	11,000	11	0.07
NWH Escrow	7.5000	01/08/21	40,000	34	0.21
Oasis Petroleum	6.5000	01/11/21	83,000	85	0.53
Oasis Petroleum	6.8750	15/03/22	4,000	4	0.03
PaperWorks Industries	9.5000	15/08/19	84,000	73	0.46
Park-Ohio Industries	8.1250	01/04/21	233,000	241	1.51
PBF Finance	7.0000	15/11/23	35,000	35	0.22
PBF Logistics Finance	6.8750	15/05/23	15,000	15	0.09
PDC Energy	6.1250	15/09/24	20,000	21	0.13
Post	5.0000	15/08/26	160,000	154	0.96
Rite Aid	6.1250	01/04/23	80,000	86	0.54
Rite Aid	6.1250	01/04/23	60,000	65	0.41
Rowan	4.8750	01/06/22	35,000	33	0.21
Sabine Pass Liquefaction	5.8750	30/06/26	160,000	172	1.07
Sabine Pass Liquefaction	5.0000	15/03/27	50,000	51	0.32
Sanchez Energy	6.1250	15/01/23	12,000	11	0.07
Scientific Games International	7.0000	01/01/22	155,000	166	1.04
Sealed Air	5.2500	01/04/23	145,000	151	0.95
Sealed Air	5.5000	15/09/25	75,000	78	0.49

Global High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Sensata Technologies	5.0000	01/10/25	25,000	25	0.15
Service International	5.3750	15/05/24	75,000	79	0.49
Sinclair Television	5.6250	01/08/24	140,000	144	0.90
Sinclair Television	5.8750	15/03/26	2,000	2	0.01
Springs Industries	6.2500	01/06/21	118,000	123	0.77
Sprint	7.2500	15/09/21	125,000	133	0.83
State Street	FRN	15/06/37	45,000	40	0.25
Steel Dynamics	5.5000	01/10/24	75,000	80	0.50
Steel Dynamics	5.1250	01/10/21	10,000	10	0.07
Summit Materials Finance	6.1250	15/07/23	160,000	165	1.02
Sunoco Finance	6.2500	15/04/21	77,000	79	0.49
Tenet Healthcare	8.1250	01/04/22	145,000	138	0.86
Tenet Healthcare	6.7500	15/06/23	25,000	22	0.14
TerraForm Power Operating	5.8750	01/02/23	158,000	161	1.01
T-Mobile USA	6.5000	15/01/26	35,000	38	0.24
T-Mobile USA	6.0000	15/04/24	28,000	30	0.19
TransDigm	6.5000	15/07/24	65,000	68	0.43
TransDigm	6.0000	15/07/22	35,000	37	0.23
TransDigm	6.3750	15/06/26	23,000	24	0.15
Trinseo Materials Operating	6.3750	01/05/22	100,000	113	0.71
Triumph	5.2500	01/06/22	20,000	19	0.12
Tronox Finance	7.5000	15/03/22	18,000	17	0.11
United Continental	6.0000	01/12/20	55,000	59	0.37
United Rentals North America	5.7500	15/11/24	70,000	74	0.46
United Rentals North America	5.5000	15/07/25	30,000	31	0.19
United Rentals North America	6.1250	15/06/23	15,000	16	0.10
Valeant Pharmaceuticals	4.5000	15/05/23	120,000	92	0.58
Valeant Pharmaceuticals	5.8750	15/05/23	85,000	65	0.40
Valeant Pharmaceuticals	6.3750	15/10/20	30,000	26	0.16
Whiting Petroleum	5.7500	15/03/21	6,000	6	0.04
WR Grace & Co-Conn	5.6250	01/10/24	50,000	53	0.33
WR Grace & Co-Conn	5.1250	01/10/21	50,000	52	0.33
XPO Logistics	6.1250	01/09/23	31,000	33	0.20
Zayo Capital	6.0000	01/04/23	130,000	136	0.85
Zayo Capital	6.3750	15/05/25	10,000	10	0.07
				9,154	57.36
Total Corporate Bonds				13,109	82.15
Government Bonds 2.97%					
Argentina 0.23%					
Argentina (Republic of)	7.0000	17/04/17	35,000	36	0.23
Indonesia 1.52%					
Indonesia (Republic of) (EMTN)	6.7500	15/01/44	200,000	242	1.52
Ivory Coast 1.22%					
Ivory Coast (Government of)	6.3750	03/03/28	200,000	195	1.22

Global High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %		
Total Government Bonds				473	2.97		
Total Bonds				13,582	85.12		
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				13,582	85.12		
Other transferable securities and money market instruments 1.73%							
Bonds 1.73%							
Corporate Bonds 1.73%							
South Africa 0.50%							
Sappi Papier	7.5000	15/06/32	85,000	79	0.50		
United States 1.23%							
Adient Global	4.8750	15/08/26	200,000	197	1.23		
Momentive Performance	8.8750	15/10/20	196,000	-	-		
Thunderbird Resources	9.0000	02/03/18	315,000	-	-		
				197	1.23		
Total Corporate Bonds				276	1.73		
Total Bonds				276	1.73		
Total Other transferable securities and money market instruments				276	1.73		
Derivatives 0.62%							
Forward currency exchange contracts 0.08%							
Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
Barclays Capital	USD	GBP	11/01/17	111,908	92,000	(2)	(0.01)
BNP Paribas	EUR	USD	15/03/17	822,075	891,018	(21)	(0.13)
BNP Paribas	EUR	USD	15/03/17	512,768	555,771	(13)	(0.08)
BNP Paribas	EUR	USD	15/03/17	11,760	12,529	-	-
BNP Paribas	EUR	USD	15/03/17	4,942	5,191	-	-
BNP Paribas	EUR	USD	15/03/17	3,223	3,415	-	-
BNP Paribas	EUR	USD	15/03/17	2,802	2,928	-	-
BNP Paribas	GBP	USD	11/01/17	58,000	71,115	1	-
BNP Paribas	USD	CAD	11/01/17	77,071	102,000	1	0.01
BNP Paribas	USD	EUR	15/03/17	2,652	2,536	-	-
Citigroup	EUR	USD	11/01/17	102,000	113,434	(6)	(0.04)
Citigroup	USD	EUR	11/01/17	101,900	92,000	5	0.03
Citigroup	USD	EUR	11/01/17	8,823	8,000	-	-
Goldman Sachs	USD	EUR	11/01/17	1,115,399	1,005,000	55	0.34
HSBC	USD	EUR	11/01/17	123,498	116,000	1	0.01
Royal Bank of Canada	EUR	USD	11/01/17	102,000	109,529	(2)	(0.01)
Royal Bank of Canada	USD	GBP	11/01/17	709,860	580,000	(7)	(0.04)
Unrealised gains on forward currency exchange contracts						12	0.08

Global High Yield Bond

Swaps 0.54%

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
JP Morgan	USD	20/06/21	350,000	North America High Yield Series 26	5.0000%	24	0.15
JP Morgan	USD	20/06/21	90,000	North America High Yield Series 26	5.0000%	6	0.04
Barclays Capital	USD	20/12/20	290,000	North America High Yield Series 25	5.0000%	20	0.12
Citigroup	USD	20/12/20	450,000	North America High Yield Series 25	5.0000%	31	0.20
Goldman Sachs	USD	20/12/20	73,000	North America High Yield Series 25	5.0000%	5	0.03
Unrealised gains on swap contracts						86	0.54
Unrealised gains on derivatives						98	0.62
Total investments						13,956	87.47
Other net assets						2,000	12.53
Total net assets						15,956	100.00

Currently forward positions are not collateralised.

US Dollar Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value US Dollar Bond - A Accumulation shares decreased by 4.00% compared to a decrease of 4.37% 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 second half of 2016 began with a financial markets rebound following the volatility that arose from the Brexit vote, as central banks lent support. This included a new corporate bond purchase programme from the Bank of England, although sterling's weakness persisted. Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the 'reflation' theme.

In oil news, OPEC, the oil cartel led by Saudi Arabia, announced a preliminary agreement among its members in which aggregate production would be cut to between 32.5-33.0 million barrels per day at some point after November's meeting. Oil prices were volatile over concerns that members would fail to adhere to the deal. A deal was struck, however, and prices finished the calendar year strongly at nearly US\$57 – more than double the January lows of \$27.88.

The US economy continued to improve with data generally positive. Victory for Donald Trump in the Presidential elections was a surprise to many, with most polls showing early favourite Hillary Clinton well ahead in the lead up to Election Day. The economy is likely to see a shake-up in policy, with Trump pledging to boost infrastructure spending and cut taxes.

The Federal Open Market Committee (FOMC) raised interest rates by 25 basis points (bps) to a target range of 0.5-0.75% for Federal Reserve (Fed) funds. This was the first hike since December 2015 and was widely expected. What was perhaps more surprising was the notable hawkish tilt in the accompanying communication. The median dot for 2017 moved up from two hikes to three while the statement noted a "considerable" pick-up in inflation expectations. There was little effort by Fed chair Janet Yellen to soften the hawkish message at the press conference in December and she seemed to explicitly talk down both the need for fiscal stimulus and any intention to "run the economy hot". The fall in the unemployment rate to a level the Fed believes is below full-employment is clearly weighing on policy makers' thinking.

Portfolio review

The portfolio outperformed the index by more than 125bps for the period ending December 2016. This performance was due to the spread tightening across all sectors during the period. The majority of the performance came from the corporate sector, in particular the Industrials sector (+52bps). All sectors contributed to positive performance with securitized contributing 25bps and Municipals contributing 12bps. The remainder of the excess returns were from the corporate sector. We believe our focus on security selection and high quality assets will benefit the portfolio going forward.

Outlook

The economy is likely to see a shake-up in policy, with Trump pledging to boost infrastructure spending and cut taxes. The focus is now increasingly turning to the degree of monetary response to the prospect of fiscal easing in 2017, especially given the current dot forecasts do not account for President Trump's proposed stimulus.

Aberdeen North American Fixed Income Team
January 2017

US Dollar Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	45,200
Cash at bank		163
Amounts held at futures clearing houses and brokers		25
Interest receivable		252
Receivable for investments sold		2,716
Total assets		48,356
Liabilities		
Payable for investments purchased		2,503
Taxes and expenses payable		49
Redemptions payable		58
Other liabilities		51
Total liabilities		2,661
Net assets at the end of the period		45,695

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		56,502
Net gains from investments		274
Net realised losses		(65)
Net unrealised losses		(2,211)
Proceeds from shares issued		882
Payments for shares redeemed		(9,603)
Net equalisation paid	10	(33)
Dividends paid	5	(51)
Net assets at the end of the period		45,695

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	600
Total income		600
Expenses		
Management fees	4.2	237
Operating, administrative and servicing fees	4.3	88
Operational expenses		1
Total expenses		326
Net gains from investments		274
Realised losses on investments		(61)
Realised losses on future contracts		(4)
Net realised losses		(65)
Decrease in unrealised appreciation on investments		(2,179)
Decrease in unrealised appreciation on future contracts		(32)
Net unrealised losses		(2,211)
Net decrease in assets as a result of operations		(2,002)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	J-2	X-2
Shares outstanding at the beginning of the period	9,078	10,790	816	104,578
Shares issued during the period	311	117	-	417
Shares redeemed during the period	(1,954)	(1,805)	(40)	(16,964)
Shares outstanding at the end of the period	7,435	9,102	776	88,031
Net asset value per share	1,337.9457	3,665.8600	1,887.8807	10.3887

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

US Dollar Bond

Portfolio Statement

As at 31 December 2016

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					98.92%
Bonds 98.92%					
Asset Backed Bonds / Mortgage Backed Bonds 13.63%					
United States 13.63%					
American Homes 4 Rent 2014-SFR1	FRN	17/06/31	372,438	371	0.81
Bank of America Merrill Lynch Commercial Mortgage Securities Trust 2015-200P	VAR	14/04/33	200,000	199	0.44
Citigroup Commercial Mortgage Trust 2007-C6	VAR	10/12/49	207,187	209	0.46
Citigroup Mortgage Loan Trust 2014-A	VAR	25/01/35	125,685	131	0.29
COMM 2007-C9 Mortgage Trust	FRN	10/12/49	260,000	257	0.56
COMM 2015-PC1 Mortgage Trust	3.9020	10/07/50	230,000	241	0.53
Commercial Mortgage Trust 2006-GG7	VAR	10/07/38	109,822	110	0.24
Credit Suisse Mortgage Trust 2009-8R	VAR	26/05/37	50,785	51	0.11
Fannie Mae REMICS	4.0000	25/03/33	553,394	596	1.31
Fannie Mae REMICS	3.5000	25/07/41	347,648	362	0.79
Freddie Mac REMICS	3.0000	15/08/44	229,069	235	0.51
Freddie Mac REMICS	5.5000	15/03/37	60,600	66	0.14
FREMF 2011-K11 Mortgage Trust	VAR	25/12/48	260,000	275	0.60
FREMF 2011-K14 Mortgage Trust	VAR	25/02/47	170,000	186	0.41
Ginnie Mae 2015-57 AB	2.0000	20/04/45	198,103	192	0.42
Government National Mortgage Association	3.0000	20/05/43	272,699	278	0.61
GS Mortgage Securities Trust 2013-NYC5	VAR	10/01/30	410,000	417	0.91
JP Morgan Mortgage Trust 2014-IVR3	FRN	25/09/44	157,045	160	0.35
JP Morgan Resecuritization Trust Series 2009-5	VAR	26/01/37	23,485	24	0.05
SFAVE Commercial Mortgage Securities Trust 2015-5AVE	VAR	05/01/35	212,000	171	0.37
Structured Agency Credit Risk 2016-HQA2	FRN	25/11/28	250,000	255	0.56
Structured Agency Credit Risk 2016-HQA3	FRN	25/03/29	250,000	250	0.55
Structured Asset Securities Series 2003-34A	FRN	25/11/33	189,226	191	0.42
Synchrony Credit Card Master Note Trust	2.2200	15/01/22	500,000	504	1.11
Wachovia Bank Commercial Mortgage Trust Series 2007-C32	5.7030	15/06/49	300,000	303	0.66
WaMu Mortgage Pass-Through Certificates Series 2004-AR3 Trust	FRN	25/06/34	192,461	194	0.42
				6,228	13.63
Total Asset Backed Bonds / Mortgage Backed Bonds				6,228	13.63
Corporate Bonds 28.75%					
Belgium 0.15%					
Anheuser-Busch InBev Finance	4.9000	01/02/46	64,000	69	0.15
Canada 0.41%					
Canadian Natural Resources	6.2500	15/03/38	90,000	103	0.22
Canadian Natural Resources	3.8000	15/04/24	86,000	86	0.19
				189	0.41

US Dollar Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Germany 0.61%					
Deutsche Bank	2.8500	10/05/19	280,000	279	0.61
United Kingdom 1.77%					
BP Capital Markets	2.7500	10/05/23	233,000	229	0.50
Pentair Finance	3.6250	15/09/20	325,000	330	0.73
Santander UK	2.8750	05/08/21	254,000	249	0.54
				808	1.77
United States 25.81%					
AbbVie	4.4500	14/05/46	76,000	73	0.16
Allstate	4.2000	15/12/46	135,000	138	0.30
AT&T	3.4000	15/05/25	390,000	377	0.82
AT&T	4.7500	15/05/46	110,000	105	0.23
AutoNation	3.3500	15/01/21	151,000	152	0.33
AutoNation	4.5000	01/10/25	135,000	137	0.30
Bank of America (MTN)	2.5030	21/10/22	252,000	244	0.53
Buckeye	4.3500	15/10/24	252,000	258	0.56
Cisco Systems	1.8500	20/09/21	134,000	131	0.29
Citigroup	FRN	08/12/21	225,000	226	0.49
ConocoPhillips	5.9500	15/03/46	45,000	56	0.12
Crown Castle Towers	6.1130	15/01/20	120,000	130	0.28
Energy Transfer Partners	4.0500	15/03/25	268,000	266	0.58
Entergy Louisiana Investment Recovery	2.0400	01/09/23	560,532	556	1.22
Exelon	5.6250	15/06/35	170,000	189	0.41
Exxon Mobil	4.1140	01/03/46	154,000	158	0.35
First Tennessee Bank	2.9500	01/12/19	385,000	386	0.85
General Motors	6.2500	02/10/43	45,000	50	0.11
General Motors Financial	3.4500	10/04/22	270,000	267	0.59
Gilead Sciences	2.5500	01/09/20	205,000	207	0.45
Gilead Sciences	4.7500	01/03/46	110,000	114	0.25
Goldman Sachs	2.0000	25/04/19	285,000	284	0.62
Goldman Sachs	2.3500	15/11/21	285,000	277	0.61
Goldman Sachs	3.5000	16/11/26	230,000	225	0.49
HSBC Finance	6.6760	15/01/21	410,000	461	1.01
International Paper	5.1500	15/05/46	165,000	173	0.38
Johnson & Johnson	3.7000	01/03/46	100,000	99	0.22
Kinder Morgan	5.0500	15/02/46	50,000	50	0.11
Kinder Morgan Energy	3.5000	01/09/23	187,000	185	0.40
MetLife	4.6000	13/05/46	42,000	44	0.10
Microsoft	2.4000	08/08/26	221,000	209	0.46
Morgan Stanley (MTN)	4.3500	08/09/26	130,000	133	0.29
Municipal Electric Authority of Georgia	6.6370	01/04/57	370,000	459	1.01
NBC Universal Media	4.4500	15/01/43	85,000	87	0.19
Oracle	2.4000	15/09/23	184,000	178	0.39
Penske Truck Leasing	3.3750	01/02/22	435,000	439	0.96
Perrigo	5.3000	15/11/43	400,000	388	0.85
Pfizer	4.1250	15/12/46	70,000	71	0.16

US Dollar Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
PG&E	2.4000	01/03/19	195,000	196	0.43
Plains All American Pipeline Finance	4.6500	15/10/25	215,000	223	0.49
Port Authority New York & New Jersey	6.0400	01/12/29	315,000	394	0.86
Premier Health	2.9110	15/11/26	133,000	123	0.27
Public Services Company of New Mexico	7.9500	15/05/18	305,000	329	0.72
Quest Diagnostics	4.7000	30/03/45	170,000	170	0.37
San Diego Gas & Electric	1.9140	01/02/22	80,929	80	0.17
SBA Tower Trust	2.9330	15/12/17	45,000	45	0.10
Southern Power	4.1500	01/12/25	104,000	108	0.24
Southwestern Electric Power	6.2000	15/03/40	125,000	151	0.33
Southwestern Electric Power	3.9000	01/04/45	130,000	122	0.27
SunTrust Bank	2.7000	27/01/22	503,000	505	1.10
United Technologies	3.7500	01/11/46	90,000	86	0.19
Verizon Communications	5.1500	15/09/23	170,000	188	0.41
Verizon Communications	5.0120	21/08/54	171,000	171	0.38
Viacom	3.8750	01/04/24	150,000	146	0.32
Walt Disney (MTN)	7.5500	15/07/93	370,000	459	1.00
Wells Fargo	3.0000	23/10/26	195,000	186	0.41
21st Century Fox America	7.3000	30/04/28	102,000	128	0.28
				11,792	25.81
Total Corporate Bonds				13,137	28.75
Government Bonds 55.15%					
United States 55.15%					
Bay Area California Toll Authority	6.7930	01/04/30	325,000	397	0.87
US Treasury	0.5000	31/07/17	6,481,000	6,476	14.17
US Treasury	1.1250	30/09/21	5,105,000	4,924	10.78
US Treasury	1.3750	30/09/23	4,015,000	3,802	8.32
US Treasury	1.0000	15/11/19	3,165,000	3,127	6.84
US Treasury	2.5000	15/02/46	1,643,000	1,460	3.20
US Treasury	4.2500	15/05/39	1,075,000	1,306	2.86
US Treasury	1.6250	15/02/26	1,369,700	1,280	2.80
US Treasury	3.8750	15/08/40	1,100,000	1,263	2.76
US Treasury	2.7500	15/08/42	1,150,000	1,087	2.38
US Treasury	1.5000	31/03/23	81,200	78	0.17
				25,200	55.15
Total Government Bonds				25,200	55.15
Municipal Bonds 1.39%					
United States 1.39%					
Chicago Illinois Transit Authority	6.8990	01/12/40	405,000	510	1.12
New Jersey Transportation Trust Fund Authority	5.7540	15/12/28	120,000	125	0.27
				635	1.39
Total Municipal Bonds				635	1.39

US Dollar Bond

	Market Value US\$'000	Total Net Assets %
Total Bonds	45,200	98.92
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market	45,200	98.92
Total investments	45,200	98.92
Other net assets	495	1.08
Total net assets	45,695	100.00

US Dollar Credit Bond

For the six months ending 31 December 2016

Performance

For the six months to 31 December 2016, the value of the US Dollar Credit Bond - A Accumulation shares decreased by 1.86% compared to a decrease of 1.78% in the benchmark, Barclays US 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 second half of 2016 began with a financial markets rebound following the volatility that arose from the Brexit vote, as central banks lent support. This included a new corporate bond purchase programme from the Bank of England, although sterling's weakness persisted. Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the 'reflation' theme.

In oil news, OPEC, the oil cartel led by Saudi Arabia, announced a preliminary agreement among its members in which aggregate production would be cut to between 32.5-33.0 million barrels per day at some point after November's meeting. Oil prices were volatile over concerns that members would fail to adhere to the deal. A deal was struck, however, and prices finished the calendar year strongly at nearly US\$57 – more than double the January lows of \$27.88.

The US economy continued to improve with data generally positive. Victory for Donald Trump in the Presidential elections was a surprise to many, with most polls showing early favourite Hillary Clinton well ahead in the lead up to Election Day. The economy is likely to see a shake-up in policy, with Trump pledging to boost infrastructure spending and cut taxes.

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Portfolio review

The Fund underperformed its benchmark over the six month period. The total return in the period was driven by a tightening in credit spreads more than offset by a selloff in Treasuries. Credit spreads tightened 32 bps during the period, measured by the Barclays U.S. Aggregate Corporate OAS, to a spread of +123 and ended the year 42 bps tighter compared to a year ago. The US Treasury curve flattened in the period as 30 year Treasury yields increased approximately 84 bps while 5 year Treasuries increased 93 bps. Credit spreads in the 7-10 year and 10 year plus part of the curve outperformed during the period. Lower quality issuers generally performed better as credit spreads tightened more relative to higher quality issuers. Our performance was driven by strong outperformance in Energy and Telecom partially offset by an underperformance in Basics, Capital Goods and Media. Holdings in issuers who outperformed in the period included Enterprise Transfer Partners, Marathon Petroleum, Buckeye Partners, Plains All American, Phillips 66, Conoco Phillips, British Telecom, Schlumberger, and Ford. Issuers who weighed on performance in the period included Seagate, One Oak, Vale, Williams Partners, CenturyLink, Pemex, Goldman Sachs, Lloyds and Nat Rural.

Outlook

The economy is likely to see a shake-up in policy, with Trump pledging to boost infrastructure spending and cut taxes. The focus is now increasingly turning to the degree of monetary response to the prospect of fiscal easing in 2017, especially given the current dot forecasts do not account for President Trump's proposed stimulus.

Aberdeen North American Fixed Income Team
January 2017

US Dollar Credit Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	13,622
Cash at bank		211
Amounts held at futures clearing houses and brokers		25
Interest receivable		129
Receivable for investments sold		112
Total assets		14,099
Liabilities		
Payable for investments purchased		297
Taxes and expenses payable		6
Unrealised losses on future contracts	2.7	2
Unrealised losses on forward currency exchange contracts	2.6	2
Other liabilities		76
Total liabilities		383
Net assets at the end of the period		13,716

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		10,878
Net gains from investments		147
Net realised losses		(17)
Net unrealised losses		(347)
Proceeds from shares issued		3,088
Net equalisation received	10	43
Dividends paid	5	(76)
Net assets at the end of the period		13,716

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	182
Total income		182
Expenses		
Management fees	4.2	22
Operating, administrative and servicing fees	4.3	13
Total expenses		35
Net gains from investments		147
Realised gains on investments		103
Realised gains on future contracts		19
Realised losses on forward currency exchange contracts		(163)
Realised currency exchange gains		24
Net realised losses		(17)
Decrease in unrealised appreciation on investments		(447)
Decrease in unrealised depreciation on future contracts		46
Decrease in unrealised depreciation on forward currency exchange contracts		54
Net unrealised losses		(347)
Net decrease in assets as a result of operations		(217)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-2	I-2	I(EUR)-1 [^]	X-2	Z-2
Shares outstanding at the beginning of the period	200,000	200,000	200,000	200,000	200,000
Shares issued during the period	-	-	295,860	-	-
Shares redeemed during the period	-	-	-	-	-
Shares outstanding at the end of the period	200,000	200,000	495,860	200,000	200,000
Net asset value per share	10.4891	10.5325	10.1181	10.5285	10.5725

[^] Base currency exposure share class.

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

US Dollar Credit Bond

Portfolio Statement

As at 31 December 2016

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					98.55%
Bonds 98.55%					
Corporate Bonds 95.60%					
Australia 2.02%					
Commonwealth Bank of Australia (EMTN)	1.7500	07/11/19	145,000	144	1.05
Westpac Banking	VAR	23/11/31	133,000	134	0.97
				278	2.02
Belgium 0.36%					
Anheuser-Busch InBev Finance	4.9000	01/02/46	45,000	49	0.36
Canada 4.39%					
Bank of Montreal (MTN)	1.5000	18/07/19	139,000	136	0.99
Bank of Nova Scotia	2.3500	21/10/20	130,000	130	0.94
Barrick Gold	5.2500	01/04/42	23,000	22	0.16
Barrick North America Finance	5.7500	01/05/43	23,000	24	0.18
Canadian Natural Resources	3.8000	15/04/24	52,000	52	0.38
Canadian Natural Resources	6.2500	15/03/38	40,000	46	0.34
Enbridge	VAR	15/01/77	60,000	60	0.44
Toronto-Dominion Bank	2.5000	14/12/20	130,000	131	0.96
				601	4.39
France 0.69%					
Total Capital International	2.7000	25/01/23	95,000	94	0.69
Germany 0.62%					
Deutsche Bank	2.8500	10/05/19	85,000	85	0.62
Israel 0.63%					
Teva Pharmaceutical Finance Netherlands III	3.1500	01/10/26	94,000	87	0.63
Japan 0.79%					
Sumitomo Mitsui Financial Group	2.4420	19/10/21	110,000	108	0.79
Mexico 0.59%					
Petroleos Mexicanos	5.3750	13/03/22	79,000	81	0.59
Netherlands 1.44%					
Cooperatieve Rabobank	3.8750	08/02/22	125,000	132	0.96
Shell International Finance	4.3750	11/05/45	65,000	66	0.48
				198	1.44
Norway 0.68%					
Statoil	4.8000	08/11/43	85,000	93	0.68

US Dollar Credit Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Switzerland 3.28%					
Credit Suisse Funding Guernsey	3.8000	09/06/23	250,000	250	1.82
UBS Funding Jersey	2.9500	24/09/20	200,000	200	1.46
				450	3.28
United Kingdom 4.19%					
BP Capital Markets	2.7500	10/05/23	124,000	122	0.89
British Telecommunications	9.6250	15/12/30	30,000	46	0.33
Pentair Finance	3.6250	15/09/20	130,000	132	0.97
Pentair Finance	3.1500	15/09/22	70,000	69	0.50
Royal Bank of Scotland	6.0000	19/12/23	125,000	130	0.95
WPP Finance 2010	5.6250	15/11/43	70,000	75	0.55
				574	4.19
United States 75.92%					
AbbVie	4.4500	14/05/46	28,000	27	0.20
Aetna	3.9500	01/09/20	165,000	174	1.26
Alexandria Real Estate Equities	3.9500	15/01/27	68,000	68	0.49
Alexandria Real Estate Equities	4.3000	15/01/26	15,000	15	0.11
Allstate	4.2000	15/12/46	60,000	62	0.45
American Electric Power	1.6500	15/12/17	55,000	55	0.40
American Express Credit (MTN)	1.7000	30/10/19	145,000	144	1.05
American Honda Finance (MTN)	2.4500	24/09/20	160,000	161	1.16
Amgen	4.4000	01/05/45	80,000	77	0.56
Anadarko Petroleum	4.8500	15/03/21	26,000	28	0.20
Anadarko Petroleum	5.5500	15/03/26	22,000	25	0.18
Anadarko Petroleum	6.6000	15/03/46	15,000	19	0.14
Appalachian Power	4.4500	01/06/45	65,000	67	0.49
Apple	4.6500	23/02/46	80,000	87	0.63
AT&T	3.4000	15/05/25	105,000	101	0.74
AT&T	4.7500	15/05/46	50,000	48	0.35
AutoNation	3.3500	15/01/21	110,000	111	0.81
Bank of America	4.1000	24/07/23	50,000	52	0.38
Bank of America (MTN)	2.5030	21/10/22	111,000	107	0.78
Bank of America (MTN)	3.2480	21/10/27	80,000	77	0.56
Bank of New York Mellon (PERP)	VAR	29/12/49	113,000	104	0.76
Baxalta	3.6000	23/06/22	130,000	131	0.96
Becton Dickinson	2.6750	15/12/19	149,000	151	1.10
Berkshire Hathaway Energy	5.9500	15/05/37	40,000	49	0.36
Buckeye	4.3500	15/10/24	65,000	66	0.48
Buckeye	3.9500	01/12/26	8,000	8	0.06
Burlington Northern Santa Fe	4.7000	01/09/45	95,000	104	0.76
Cardinal Health	4.9000	15/09/45	50,000	53	0.39
Carnival	3.9500	15/10/20	125,000	132	0.96
CBS	5.7500	15/04/20	109,000	120	0.88
CBS	4.6000	15/01/45	45,000	43	0.31
Cisco Systems	1.8500	20/09/21	60,000	59	0.43
Citigroup	4.4500	29/09/27	100,000	102	0.74
Citigroup	3.2000	21/10/26	40,000	38	0.28

US Dollar Credit Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Citigroup	2.9000	08/12/21	25,000	25	0.18
Citizens Financial	VAR	29/06/23	200,000	208	1.51
ConocoPhillips	4.2000	15/03/21	125,000	133	0.97
ConocoPhillips	5.9500	15/03/46	17,000	21	0.15
Crown Castle International	5.2500	15/01/23	115,000	124	0.91
Dominion Resources	VAR	01/07/19	20,000	20	0.15
Electronic Arts	4.8000	01/03/26	49,000	52	0.38
Energy Transfer Partners	4.0500	15/03/25	90,000	89	0.65
Energy Transfer Partners	5.2000	01/02/22	60,000	64	0.47
Enterprise Products Operating	4.0500	15/02/22	105,000	111	0.81
E*TRADE Financial	4.6250	15/09/23	60,000	61	0.45
Exelon Generation	6.2000	01/10/17	95,000	98	0.72
Express Scripts	6.1250	15/11/41	19,000	22	0.16
Express Scripts	4.8000	15/07/46	15,000	14	0.11
Exxon Mobil	4.1140	01/03/46	52,000	53	0.39
FedEx	4.1000	01/02/45	60,000	56	0.41
FedEx	4.5500	01/04/46	10,000	10	0.07
Ford Motor	4.7500	15/01/43	65,000	62	0.45
Ford Motor Credit	2.5510	05/10/18	200,000	201	1.46
General Motors	6.7500	01/04/46	4,000	5	0.03
General Motors Financial	3.4500	10/04/22	150,000	149	1.08
Gilead Sciences	2.5500	01/09/20	90,000	91	0.66
Gilead Sciences	4.8000	01/04/44	45,000	47	0.34
Gilead Sciences	4.7500	01/03/46	45,000	47	0.34
Goldman Sachs	2.3500	15/11/21	178,000	173	1.25
Goldman Sachs	3.7500	25/02/26	35,000	35	0.26
Goldman Sachs Capital III (PERP)	FRN	29/09/49	95,000	77	0.56
HollyFrontier	5.8750	01/04/26	110,000	113	0.82
Home Depot	4.4000	15/03/45	70,000	75	0.55
HSBC Finance	6.6760	15/01/21	185,000	208	1.51
Ingersoll-Rand Luxembourg Finance	4.6500	01/11/44	65,000	67	0.49
Intel	4.9000	29/07/45	25,000	28	0.20
International Paper	5.1500	15/05/46	85,000	89	0.65
Johnson & Johnson	3.7000	01/03/46	26,000	26	0.19
JPMorgan Chase	4.2500	15/10/20	100,000	106	0.77
JPMorgan Chase	3.6250	01/12/27	63,000	61	0.45
JPMorgan Chase (PERP)	VAR	29/12/49	110,000	111	0.81
Kimberly-Clark	3.2000	30/07/46	60,000	52	0.38
Kinder Morgan	5.0500	15/02/46	20,000	20	0.14
Kinder Morgan Energy	3.4500	15/02/23	90,000	89	0.65
Kinder Morgan Energy	3.5000	01/09/23	79,000	78	0.57
Kroger	2.6000	01/02/21	145,000	145	1.06
Kroger	3.8750	15/10/46	50,000	46	0.33
Lockheed Martin	2.5000	23/11/20	110,000	111	0.81
Marathon Oil	3.8500	01/06/25	57,000	55	0.40
Marathon Petroleum	4.7500	15/09/44	5,000	4	0.03
Medtronic	4.6250	15/03/45	50,000	54	0.40
Medtronic	4.6250	15/03/44	50,000	54	0.39
Merck	1.8500	10/02/20	125,000	125	0.91
Merck	2.3500	10/02/22	95,000	94	0.69

US Dollar Credit Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
MetLife	4.6000	13/05/46	14,000	15	0.11
Metropolitan Life Global Funding I	3.4500	18/12/26	150,000	152	1.10
Microsoft	2.4000	08/08/26	91,000	86	0.63
Microsoft	4.0000	12/02/55	50,000	47	0.35
Morgan Stanley	4.0000	23/07/25	75,000	77	0.56
Morgan Stanley (MTN)	2.6250	17/11/21	60,000	59	0.43
Morgan Stanley (MTN)	4.3500	08/09/26	40,000	41	0.30
MPLX	4.8750	01/12/24	80,000	83	0.60
MPLX	4.0000	15/02/25	43,000	42	0.31
NBC Universal Media	4.4500	15/01/43	40,000	41	0.30
Newell Brands	5.5000	01/04/46	26,000	30	0.22
Newmont Mining	4.8750	15/03/42	30,000	28	0.21
NextEra Energy Capital	2.3000	01/04/19	145,000	146	1.07
NIKE	3.8750	01/11/45	80,000	79	0.58
Oglethorpe Power	5.2500	01/09/50	35,000	37	0.27
Ohio Power	5.8500	01/10/35	55,000	64	0.47
Omnicom	3.6000	15/04/26	62,000	61	0.45
Oncor Electric Delivery	6.8000	01/09/18	90,000	97	0.71
Oracle	2.4000	15/09/23	80,000	78	0.57
Perrigo	5.3000	15/11/43	200,000	194	1.41
Pfizer	4.1250	15/12/46	27,000	28	0.20
PG&E	2.4000	01/03/19	65,000	65	0.48
Philip Morris International	4.2500	10/11/44	50,000	49	0.36
Phillips 66 Partners	4.6800	15/02/45	100,000	93	0.68
Plains All American Pipeline Finance	4.6500	15/10/25	95,000	98	0.72
Premier Health	2.9110	15/11/26	49,000	45	0.33
Procter & Gamble	2.4500	03/11/26	65,000	62	0.45
Quest Diagnostics	4.7000	30/03/45	80,000	80	0.58
Roper Technologies	3.8000	15/12/26	17,000	17	0.13
Schlumberger Investment	3.6500	01/12/23	120,000	126	0.92
Southern Power	4.1500	01/12/25	47,000	49	0.36
Southern Power	4.9500	15/12/46	46,000	45	0.33
Southwestern Public Service	6.0000	01/10/36	50,000	60	0.44
SunTrust Bank	2.7000	27/01/22	137,000	137	1.00
Thermo Fisher Scientific	3.0000	15/04/23	82,000	81	0.59
Time Warner	3.8750	15/01/26	30,000	30	0.22
Toyota Motor Credit	1.9000	08/04/21	94,000	92	0.67
Trinity Acquisition	4.4000	15/03/26	61,000	62	0.45
Union Pacific	4.0500	15/11/45	90,000	91	0.66
United Parcel Service	2.4500	01/10/22	110,000	110	0.80
United Parcel Service	2.4000	15/11/26	60,000	57	0.41
United Technologies	4.1500	15/05/45	65,000	66	0.48
Verizon Communications	5.1500	15/09/23	135,000	149	1.09
Verizon Communications	5.0120	21/08/54	125,000	125	0.91
Viacom	3.8750	01/04/24	50,000	49	0.35
Viacom	3.2500	15/03/23	13,000	12	0.09
Viacom	4.2500	01/09/23	10,000	10	0.07
Voya Financial	3.6500	15/06/26	46,000	45	0.33
Wal-Mart Stores	4.3000	22/04/44	80,000	85	0.62

US Dollar Credit Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Walt Disney (MTN)	1.8500	30/07/26	62,000	56	0.41
Walt Disney (MTN)	7.5500	15/07/93	45,000	56	0.41
Wells Fargo	3.0000	23/10/26	64,000	61	0.44
Wells Fargo (MTN)	4.4000	14/06/46	77,000	74	0.54
Western Gas Partners	4.6500	01/07/26	47,000	49	0.36
Williams	5.1000	15/09/45	45,000	43	0.31
21st Century Fox America	7.2800	30/06/28	60,000	76	0.55
				10,414	75.92
Total Corporate Bonds				13,112	95.60
Government Bonds 1.38%					
United States 1.38%					
Bay Area California Toll Authority	6.7930	01/04/30	80,000	98	0.71
US Treasury	2.5000	15/02/46	103,300	92	0.67
				190	1.38
Total Government Bonds				190	1.38
Municipal Bonds 1.57%					
United States 1.57%					
Chicago Illinois Transit Authority	6.2000	01/12/40	70,000	83	0.60
New Jersey Transportation Trust Fund Authority	5.7540	15/12/28	55,000	57	0.42
North Texas Tollway Authority	8.9100	01/02/30	65,000	76	0.55
				216	1.57
Total Municipal Bonds				216	1.57
Total Bonds				13,518	98.55
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				13,518	98.55
Other transferable securities and money market instruments 0.76%					
Bonds 0.76%					
Corporate Bonds 0.76%					
Australia 0.76%					
Suncorp-Metway (EMTN)	2.1000	03/05/19	105,000	104	0.76
Total Corporate Bonds				104	0.76
Total Bonds				104	0.76
Total Other transferable securities and money market instruments				104	0.76

US Dollar Credit Bond

Derivatives (0.03%)

Future contracts (0.01%)

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US Long Bond	22/03/17	(2)	(1)	-
CBT US 10 Year Note	22/03/17	1	-	-
CBT US 10 Year Ultra	22/03/17	(1)	(1)	(0.01)
CBT US 2 Year Note	31/03/17	1	-	-
CBT US 5 Year Note	31/03/17	(7)	-	-
Unrealised losses on future contracts			(2)	(0.01)

Forward currency exchange contracts (0.02%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
BNP Paribas	EUR	USD	15/03/17	2,998,955	3,126,255	49	0.35
BNP Paribas	EUR	USD	15/03/17	2,036,721	2,207,531	(51)	(0.37)
BNP Paribas	EUR	USD	15/03/17	17,337	18,104	-	-
BNP Paribas	USD	EUR	15/03/17	12,700	11,920	-	-
Unrealised losses on forward currency exchange contracts						(2)	(0.02)

Unrealised losses on derivatives (4) (0.03)

Total investments	13,618	99.28
Other net assets	98	0.72
Total net assets	13,716	100.00

Currently forwards positions are not collateralised.

US Dollar High Yield Bond

For the six months ending 31 December 2016

Performance

For the six-month period ended 31 December 2016, the value of US Dollar High Yield Bond - I Accumulation shares increased by 6.49% compared to an increase of 7.47% for the benchmark Bank of America Merrill Lynch US High Yield Master II Index.

Source: Aberdeen Asset Management and BNP Paribas. Basis: total return, Special Month End Price NAV to NAV, gross of fees, 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 gained ground over the six month period ended 31 December 2016. The benchmark Bank of America Merrill Lynch (BofA ML) U.S. High Yield Master II Index was up 7.47% for the period, significantly outpacing the -1.49% return of the BofA ML U.S. Corporate Master Index, the US investment-grade market benchmark. The high-yield sector was bolstered mainly by higher oil and commodity prices, as well as the release of generally positive US economic data reports. The West Texas Intermediate (WTI) crude oil price increased by more than 11%, ending the period at US\$53.72, its highest level since July 2015. In line with the upturn in the oil and commodity markets, the energy and basic industry sectors were the strongest performers within the BofA ML U.S. High Yield Master II Index for the six month review period. Conversely, while the healthcare sector recorded a modest positive return, it was the primary market laggard amid uncertainty surrounding the impact of the policies of the incoming US presidential administration of Donald Trump. Among the credit rating categories within the index, CCC, B and BB rated issues gained 15.07%, 8.30% and 4.94%, respectively, for the review period.

During the six month period, the US high yield par-weighted default rate declined 22 basis points to 3.77%, slightly below its 4.22% historical average. New issuance averaged US\$16.1 billion per month, in line with the historical monthly average of \$16.0 billion.

Portfolio review

The Fund's underperformance versus the benchmark BofA ML U.S. High Yield Constrained Index for the review period was attributable mainly to security selection in the energy and services sectors. Within the energy sector, Fund performance was hampered by the underweight to the riskier credits in the space due to our view that valuations do not adequately support the risks that remain despite the rally in commodity prices. Fund performance benefited from underweight allocations to the healthcare and media sectors.

Outlook

There has been discussion over whether the US high-yield market is currently rich or cheap. At a yield to worst around 6.1%, as measured by the BofA ML U.S. High Yield Master II Index, we do not think that the market is overvalued, but we would not call it a "screaming buy," either. Our central scenario is that high-yield bond valuations may potentially cheapen at some point over the next two quarters, and the catalyst could emanate from outside of the high-yield market, especially in light of how relatively subdued it was during the modest sell-off of late October and early November 2016.

Aberdeen US High Yield Team

January 2017

US Dollar High Yield Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	25,966
Cash at bank		3,584
Interest receivable		408
Subscriptions receivable		4
Unrealised gains on swap contracts	2.8	158
Total assets		30,120
Liabilities		
Payable for investments purchased		158
Taxes and expenses payable		25
Redemptions payable		108
Unrealised losses on forward currency exchange contracts	2.6	167
Other liabilities		32
Total liabilities		490
Net assets at the end of the period		29,630

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		46,105
Net gains from investments		827
Net realised losses		(115)
Net unrealised gains		829
Proceeds from shares issued		13,993
Payments for shares redeemed		(31,776)
Net equalisation paid	10	(170)
Dividends paid	5	(63)
Net assets at the end of the period		29,630

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	987
Bank interest		4
Total income		991
Expenses		
Management fees	4.2	131
Operating, administrative and servicing fees	4.3	32
Other operational expenses		1
Total expenses		164
Net gains from investments		827
Realised gains on investments		285
Realised losses on future contracts		(2)
Realised gains on swap contracts		87
Realised losses on forward currency exchange contracts		(488)
Realised currency exchange gains		3
Net realised losses		(115)
Decrease in unrealised depreciation on investments		710
Increase in unrealised appreciation on swap contracts		27
Decrease in unrealised depreciation on forward currency exchange contracts		92
Net unrealised gains		829
Net increase in assets as a result of operations		1,541

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

US Dollar High Yield Bond

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2	A(EUR)-2 [^]	I-1	I-2
Shares outstanding at the beginning of the period	225,684	508,142	304,895	216,089	623,759
Shares issued during the period	23,046	16,003	53,175	40,559	392,390
Shares redeemed during the period	(26,277)	(44,740)	(66,382)	(216,090)	(588,890)
Shares outstanding at the end of the period	222,453	479,405	291,688	40,558	427,259
Net asset value per share	9.1915	9.7541	9.9731	8.8715	27.8042

	I(EUR)-2 [^]	X-1	Z-2
Shares outstanding at the beginning of the period	256,103	100,878	815,319
Shares issued during the period	38,211	18	68,553
Shares redeemed during the period	(155,962)	(7,627)	(692,274)
Shares outstanding at the end of the period	138,352	93,269	191,598
Net asset value per share	31.9911	8.6617	11.0920

[^] Base currency exposure share class.

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

US Dollar High Yield Bond

Portfolio Statement

As at 31 December 2016

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					87.63%
Bonds 87.63%					
Corporate Bonds 87.63%					
Brazil 0.77%					
JBS Finance	5.7500	15/06/25	225,000	229	0.77
Canada 2.99%					
Bombardier	5.7500	15/03/22	52,000	49	0.17
First Quantum Minerals	6.7500	15/02/20	160,000	160	0.54
Kissner	8.3750	01/12/22	107,000	108	0.37
MEG Energy	6.3750	30/01/23	334,000	300	1.00
MEG Energy	7.0000	31/03/24	85,000	77	0.26
Teck Resources	8.0000	01/06/21	175,000	193	0.65
				887	2.99
France 0.69%					
Numericable	7.3750	01/05/26	200,000	206	0.69
Netherlands 1.24%					
Ziggo Secured Finance	5.5000	15/01/27	375,000	366	1.24
United Kingdom 3.48%					
Ashtead Capital	5.6250	01/10/24	170,000	179	0.60
Inmarsat Finance	4.8750	15/05/22	375,000	366	1.23
Lloyds Bank (EMTN) (PERP)	VAR	29/01/49	115,000	250	0.85
Noble	7.7500	15/01/24	40,000	38	0.13
Royal Bank of Scotland	5.1250	28/05/24	100,000	100	0.34
Royal Bank of Scotland (PERP)	VAR	29/08/49	85,000	98	0.33
				1,031	3.48
United States 78.46%					
Aircastle	7.6250	15/04/20	140,000	159	0.54
Albertson's	6.6250	15/06/24	23,000	24	0.08
Ally Financial	5.7500	20/11/25	396,000	395	1.33
American Equity Investment Life	6.6250	15/07/21	125,000	131	0.44
AmeriGas Finance	5.8750	20/08/26	227,000	232	0.78
Avis Budget Car Rental	6.3750	01/04/24	218,000	219	0.74
Avis Budget Car Rental	5.2500	15/03/25	131,000	123	0.41
Bank of America (PERP)	VAR	29/09/49	260,000	260	0.88
Belden	5.2500	15/07/24	175,000	177	0.60
Blue Racer Finance	6.1250	15/11/22	323,000	325	1.10
Boyd Gaming	6.8750	15/05/23	260,000	280	0.95
Cable One	5.7500	15/06/22	315,000	325	1.10
Cablevision Systems	5.8750	15/09/22	372,000	364	1.23
CalAtlantic	5.2500	01/06/26	158,000	154	0.52
Callon Petroleum	6.1250	01/10/24	32,000	33	0.11

US Dollar High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Calpine	5.7500	15/01/25	210,000	204	0.69
Carrizo Oil & Gas	7.5000	15/09/20	185,000	192	0.65
Carrizo Oil & Gas	6.2500	15/04/23	85,000	88	0.30
CCO Capital	5.7500	15/02/26	400,000	414	1.39
Cengage Learning	9.5000	15/06/24	150,000	134	0.45
Centene	5.6250	15/02/21	295,000	311	1.05
CenturyLink	7.5000	01/04/24	222,000	234	0.79
Cheniere Corpus Christi	5.8750	31/03/25	72,000	74	0.25
Citgo	10.7500	15/02/20	175,000	189	0.64
Cogent Communications	5.3750	01/03/22	180,000	187	0.63
Compass Minerals International	4.8750	15/07/24	249,000	237	0.80
Continental Resources	3.8000	01/06/24	307,000	285	0.96
Dana	6.0000	15/09/23	210,000	220	0.74
Dynegy	7.6250	01/11/24	285,000	264	0.89
EMI Music Publishing	7.6250	15/06/24	186,000	202	0.68
Endo Finance	6.0000	15/07/23	259,000	228	0.77
Energy Future Intermediate	11.7500	01/03/22	281,666	384	1.30
EnSCO	5.2000	15/03/25	212,000	184	0.62
Equinix	5.8750	15/01/26	175,000	185	0.62
First Data	5.0000	15/01/24	390,000	394	1.32
Freeport-McMoRan	3.5500	01/03/22	335,000	313	1.06
Fresh Market	9.7500	01/05/23	120,000	103	0.35
Frontier Communications	10.5000	15/09/22	317,000	334	1.13
Gardner Denver	6.8750	15/08/21	215,000	215	0.73
General Motors	4.8750	02/10/23	235,000	247	0.83
Goodyear Tire & Rubber	5.0000	31/05/26	241,000	241	0.81
Grinding Media	7.3750	15/12/23	22,000	23	0.08
Hardwoods Acquisition	7.5000	01/08/21	210,000	179	0.60
HCA	5.8750	15/02/26	570,000	588	1.98
HCA	5.2500	15/06/26	200,000	207	0.70
HD Supply	5.7500	15/04/24	227,000	240	0.81
Hilcorp Energy Finance	5.0000	01/12/24	210,000	209	0.71
Hilcorp Energy Finance I	5.7500	01/10/25	40,000	41	0.14
Hornbeck Offshore Services	5.0000	01/03/21	155,000	105	0.35
JC Penney	5.8750	01/07/23	40,000	41	0.14
KB Home	7.0000	15/12/21	145,000	154	0.52
Kindred Healthcare	8.7500	15/01/23	250,000	235	0.79
Kratos Defense & Security Solutions	7.0000	15/05/19	162,000	158	0.53
Landry's	6.7500	15/10/24	300,000	305	1.03
Lennar	4.8750	15/12/23	179,000	178	0.60
Level 3 Financing	5.3750	01/05/25	290,000	297	1.00
Manitowoc Foodservice	9.5000	15/02/24	133,000	154	0.52
Masco	6.5000	15/08/32	119,000	129	0.44
Mediacom Broadband	6.3750	01/04/23	210,000	222	0.75
Meritage Homes	7.0000	01/04/22	220,000	239	0.81
MGM Resorts International	6.6250	15/12/21	150,000	168	0.57
Momentive Performance	3.8800	24/10/21	295,000	279	0.94
Multi-Color	6.1250	01/12/22	160,000	168	0.57
Murphy Oil	6.8750	15/08/24	34,000	36	0.12

US Dollar High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Nationstar Mortgage	6.5000	01/06/22	334,000	334	1.13
Neiman Marcus	8.0000	15/10/21	130,000	97	0.33
NewStar Financial	7.2500	01/05/20	160,000	160	0.54
Oasis Petroleum	6.5000	01/11/21	268,000	274	0.93
Owens-Brockway Glass Container	5.3750	15/01/25	290,000	293	0.99
PaperWorks Industries	9.5000	15/08/19	151,000	131	0.44
Park-Ohio Industries	8.1250	01/04/21	168,000	174	0.59
PBF Finance	7.0000	15/11/23	118,000	118	0.40
PBF Logistics Finance	6.8750	15/05/23	115,000	114	0.38
PDC Energy	6.1250	15/09/24	50,000	51	0.17
Penn National Gaming	5.8750	01/11/21	280,000	293	0.99
Post	5.0000	15/08/26	405,000	389	1.31
QVC	4.4500	15/02/25	230,000	221	0.75
Rite Aid	6.1250	01/04/23	305,000	329	1.11
Rowan	4.8750	01/06/22	185,000	176	0.59
Sabine Pass Liquefaction	5.6250	15/04/23	155,000	165	0.56
Sabine Pass Liquefaction	5.0000	15/03/27	115,000	116	0.39
Sabine Pass Liquefaction	5.8750	30/06/26	105,000	114	0.38
Scientific Games International	7.0000	01/01/22	220,000	237	0.80
Scotts Miracle-Gro	6.0000	15/10/23	201,000	214	0.72
Sealed Air	5.5000	15/09/25	300,000	311	1.05
Sensata Technologies	5.0000	01/10/25	315,000	310	1.05
Service International	5.3750	15/05/24	220,000	230	0.78
Sinclair Television	5.8750	15/03/26	158,000	159	0.54
Sinclair Television	5.6250	01/08/24	145,000	149	0.50
Spectrum Brands	5.7500	15/07/25	140,000	146	0.49
Springs Industries	6.2500	01/06/21	370,000	385	1.30
Sprint	7.8750	15/09/23	30,000	32	0.11
Sprint Communications	11.5000	15/11/21	329,000	404	1.36
Steel Dynamics	5.5000	01/10/24	360,000	383	1.29
Summit Materials	8.5000	15/04/22	125,000	139	0.47
Sunoco Finance	6.2500	15/04/21	227,000	232	0.78
Tenet Healthcare	8.1250	01/04/22	318,000	302	1.02
TerraForm Power Operating	5.8750	01/02/23	380,000	387	1.30
T-Mobile USA	6.5000	15/01/26	358,000	388	1.31
TransDigm	6.5000	15/07/24	225,000	237	0.80
TransDigm	6.3750	15/06/26	58,000	60	0.20
Triumph	5.2500	01/06/22	157,000	147	0.50
United Rentals North America	6.1250	15/06/23	255,000	272	0.92
Valeant Pharmaceuticals	5.8750	15/05/23	209,000	159	0.54
Valeant Pharmaceuticals	6.3750	15/10/20	90,000	78	0.26
Valeant Pharmaceuticals	5.8750	15/05/23	58,000	44	0.15
Western Digital	10.5000	01/04/24	131,000	155	0.52
WR Grace & Co-Conn	5.1250	01/10/21	155,000	162	0.55
XPO Logistics	6.1250	01/09/23	75,000	79	0.27
Zayo Capital	6.3750	15/05/25	265,000	278	0.94
				23,247	78.46

US Dollar High Yield Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %		
Total Corporate Bonds				25,966	87.63		
Total Bonds				25,966	87.63		
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				25,966	87.63		
Other transferable securities and money market instruments nil							
Bonds nil							
Corporate Bonds nil							
United States nil							
Momentive Performance	8.8750	15/10/20	890,000	-	-		
Thunderbird Resources	9.0000	02/03/18	3,825,000	-	-		
Total Corporate Bonds				-	-		
Total Bonds				-	-		
Total Other transferable securities and money market instruments				-	-		
Derivatives (0.03%)							
Forward currency exchange contracts (0.56%)							
Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
BNP Paribas	EUR	USD	15/03/17	3,382,575	3,666,255	(86)	(0.28)
BNP Paribas	EUR	USD	15/03/17	2,862,862	3,102,956	(73)	(0.24)
BNP Paribas	EUR	USD	15/03/17	1,004,134	1,073,906	(11)	(0.04)
BNP Paribas	EUR	USD	15/03/17	18,564	19,352	-	-
BNP Paribas	EUR	USD	15/03/17	14,874	15,903	-	-
BNP Paribas	EUR	USD	15/03/17	2,873	3,009	-	-
Goldman Sachs	USD	EUR	11/01/17	134,292	121,000	7	0.02
Royal Bank of Canada	EUR	USD	11/01/17	121,000	129,931	(2)	(0.01)
Royal Bank of Canada	USD	GBP	11/01/17	243,555	199,000	(2)	(0.01)
Unrealised losses on forward currency exchange contracts						(167)	(0.56)
Swaps 0.53%							
Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
JP Morgan	USD	20/12/21	2,500,000	North America High Yield Series 27	5.00%	158	0.53
Unrealised gains on swap contracts						158	0.53
Unrealised losses on derivatives						(9)	(0.03)
Total investments						25,957	87.60
Other net assets						3,673	12.40
Total net assets						29,630	100.00

Currently forward positions are not collateralised.

US Dollar Short Term Bond

For the six months ending 31 December 2016

Performance

For the six months ended 31 December 2016, the value US Dollar Short Term Bond - A Accumulation shares decreased by 0.29% compared to a decrease of 0.53% 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 second half of 2016 began with a financial markets rebound following the volatility that arose from the Brexit vote, as central banks lent support. Macro-politics remained in focus throughout the period, notably the US presidential election. A Trump win was expected to unsettle markets but initial jitters were transient, as the result conferred strength to the US dollar and to the 'reflation' theme.

The US economy continued to improve with data generally positive during the period. Victory for Donald Trump in the Presidential elections was a surprise to many, with most polls showing early favourite Hillary Clinton well ahead in the lead up to Election Day. The economy is likely to see a shake-up in policy, with Trump pledging to boost infrastructure spending and tax cuts.

The Federal Open Market Committee (FOMC) failed to raise rates during the summer months suggesting the economy was not robust enough at the time, however, they were still suggesting that 2 hikes were still likely in 2016. This was contrary to the market, which was looking for just the one hike, with no move at earlier meetings expectations moved to December when the Federal Reserve (Fed) eventually raised rates by 0.25% taking the target range to 0.5-0.75%. What was perhaps more surprising was the notable hawkish tilt in the accompanying communication. The median dot for 2017 moved up from two hikes to three while the statement noted a "considerable" pick-up in inflation expectations. There was little effort by Fed chair Janet Yellen to soften the hawkish message at the press conference in December and she seemed to explicitly talk down both the need for fiscal stimulus and any intention to "run the economy hot". The fall in the unemployment rate to a level the Fed believes is below full-employment is clearly weighing on policy makers' thinking.

Portfolio review

The Fund has been positioned short duration for a period of time, despite a Fed move failing to materialise until December 2016. During the earlier part of the period some of this positioning was removed with the Fed remaining on hold. As it became increasingly likely that a move at year end was almost a certainty, the Fund was repositioned again for a potential hike by reducing duration during November, as well as reducing some of the 3-5 year exposure on the basis the curve was likely to steepen. This was indeed the case and the Fund has benefitted from this, which has helped mitigate the move higher across the yield curve. The allocation to corporate bonds has been relatively static as the yield carry has remained attractive. Treasuries have underperformed corporate bonds during the period, although corporate bonds also felt the effect of higher yields albeit to a lesser extent. The Fund continues to run a 30% allocation to floating rate notes which offers some protection against a higher yielding environment.

Outlook

The economy is likely to see a shake-up in policy, with Trump pledging to boost infrastructure spending and cut taxes. The focus is now increasingly turning to the degree of monetary response to the prospect of fiscal easing in 2017, especially given the current dot forecasts from the Fed which do not account for President Trump's proposed stimulus to the economy.

Aberdeen Money Markets Team

January 2017

US Dollar Short Term Bond

Statement of Net Assets

As at 31 December 2016

	Notes	US\$'000
Assets		
Investments in securities at market value	2.2	82,870
Cash at bank		648
Amounts held at futures clearing houses and brokers		50
Interest receivable		299
Subscriptions receivable		75
Unrealised gains on future contracts	2.7	1
Total assets		83,943
Liabilities		
Taxes and expenses payable		54
Redemptions payable		13
Other liabilities		21
Total liabilities		88
Net assets at the end of the period		83,855

Statement of Changes in Net Assets

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Net assets at the beginning of the period		107,501
Net gains from investments		316
Net realised gains		466
Net unrealised losses		(1,073)
Proceeds from shares issued		1,783
Payments for shares redeemed		(25,097)
Net equalisation paid	10	(20)
Dividends paid	5	(21)
Net assets at the end of the period		83,855

Statement of Operations

For the period from 1 July 2016 to 31 December 2016

	Notes	US\$'000
Income		
Investment income	2.3	652
Total income		652
Expenses		
Management fees	4.2	226
Operating, administrative and servicing fees	4.3	109
Other operational expenses		1
Total expenses		336
Net gains from investments		316
Realised gains on investments		672
Realised losses on future contracts		(206)
Net realised gains		466
Decrease in unrealised appreciation on investments		(1,024)
Decrease in unrealised appreciation on future contracts		(49)
Net unrealised losses		(1,073)
Net decrease in assets as a result of operations		(291)

Share Transactions

For the period from 1 July 2016 to 31 December 2016

	A-1	A-2
Shares outstanding at the beginning of the period	60,533	327,035
Shares issued during the period	1,677	5,194
Shares redeemed during the period	(4,209)	(79,849)
Shares outstanding at the end of the period	58,001	252,380
Net asset value per share	103.2835	308.5221

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

US Dollar Short Term Bond

Portfolio Statement

As at 31 December 2016

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					95.97%
Bonds 95.97%					
Corporate Bonds 90.00%					
Australia 9.53%					
Australia & New Zealand Banking (EMTN)	FRN	16/11/18	1,500,000	1,506	1.79
Commonwealth Bank of Australia	FRN	13/03/17	1,000,000	1,000	1.19
Commonwealth Bank of Australia	1.7500	02/11/18	1,000,000	998	1.19
Macquarie Bank (EMTN)	1.6000	27/10/17	1,500,000	1,500	1.79
Suncorp Metway	2.3500	27/04/20	1,000,000	987	1.18
Westpac Banking	1.5500	25/05/18	1,500,000	1,497	1.79
Westpac Banking	FRN	19/08/19	500,000	501	0.60
				7,989	9.53
Canada 4.93%					
Bank of Montreal (MTN)	1.5000	18/07/19	633,000	625	0.75
Royal Bank of Canada	1.2000	23/01/17	1,000,000	1,000	1.19
Royal Bank of Canada	1.6250	15/04/19	1,000,000	995	1.19
Toronto-Dominion Bank (MTN)	FRN	22/01/19	1,500,000	1,513	1.80
				4,133	4.93
Denmark 0.60%					
Danske Bank	FRN	06/09/19	500,000	501	0.60
France 9.74%					
Banque Federative du Credit Mutuel	1.7000	20/01/17	400,000	400	0.48
Banque Federative du Credit Mutuel (EMTN)	2.0000	12/04/19	270,000	269	0.32
BPCE (MTN)	FRN	10/02/17	1,500,000	1,501	1.79
Dexia Credit Local	1.8750	28/03/19	1,500,000	1,492	1.78
Dexia Credit Local	FRN	23/03/18	1,000,000	1,002	1.20
Electricite de France	FRN	20/01/17	2,000,000	2,001	2.38
Engie	1.6250	10/10/17	1,500,000	1,500	1.79
				8,165	9.74
Germany 3.59%					
Bayer US Finance	1.5000	06/10/17	667,000	666	0.79
BMW US Capital	1.5000	11/04/19	600,000	595	0.71
Daimler Finance North America	1.6000	03/08/17	750,000	751	0.90
Erste Abwicklungsanstalt (EMTN)	FRN	29/01/18	1,000,000	1,000	1.19
				3,012	3.59
Hong Kong 1.19%					
Hutchison Whampoa International 14	1.6250	31/10/17	1,000,000	998	1.19

US Dollar Short Term Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Japan 6.10%					
Bank of Tokyo-Mitsubishi	1.4500	08/09/17	1,500,000	1,498	1.78
Mitsubishi Trust & Banking	1.6000	16/10/17	1,250,000	1,249	1.49
Sumitomo Mitsui Banking Corporation	FRN	23/07/18	1,000,000	1,004	1.20
Sumitomo Mitsui Banking Corporation	FRN	16/01/18	1,000,000	1,001	1.19
Sumitomo Mitsui Banking Corporation	2.4500	16/01/20	367,000	366	0.44
				5,118	6.10
Netherlands 4.78%					
ING Bank (EMTN)	2.3000	22/03/19	1,000,000	1,003	1.20
Neder Financierings-Maat (EMTN)	FRN	12/06/17	2,000,000	2,001	2.38
Shell International Finance	FRN	10/11/18	1,000,000	1,007	1.20
				4,011	4.78
New Zealand 2.07%					
ANZ New Zealand (Int'l)	2.1250	28/07/21	750,000	730	0.87
BNZ International Funding	2.3500	04/03/19	1,000,000	1,004	1.20
				1,734	2.07
Norway 1.19%					
Statoil	FRN	09/11/17	1,000,000	1,001	1.19
South Korea 1.17%					
Korea Expressway	1.6250	28/04/17	985,000	985	1.17
Sweden 4.04%					
Nordea Bank (EMTN)	1.8750	17/09/18	1,500,000	1,499	1.80
Nordea Bank (EMTN)	FRN	04/04/17	900,000	901	1.07
Skandinaviska Enskilda Banken	1.5000	13/09/19	1,000,000	984	1.17
				3,384	4.04
Switzerland 7.76%					
Nestle (EMTN)	1.2500	16/01/18	3,000,000	2,997	3.57
UBS	2.3750	14/08/19	2,500,000	2,513	3.00
UBS	1.3750	01/06/17	1,000,000	1,000	1.19
				6,510	7.76
United Kingdom 9.46%					
Barclays Bank	FRN	17/02/17	900,000	900	1.07
BP Capital Markets	1.3750	06/11/17	2,500,000	2,499	2.98
HSBC Bank	1.5000	15/05/18	3,550,000	3,531	4.22
Standard Chartered	FRN	08/09/17	1,000,000	999	1.19
				7,929	9.46
United States 23.85%					
Apple	1.0000	03/05/18	3,000,000	2,988	3.57
Apple	0.9000	12/05/17	1,000,000	1,000	1.19
Berkshire Hathaway Finance	FRN	15/03/19	1,000,000	1,013	1.21
Caterpillar Financial Services	1.5000	23/02/18	1,000,000	1,000	1.19

US Dollar Short Term Bond

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value US\$'000	Total Net Assets %
Cisco Systems	1.4000	20/09/19	500,000	495	0.59
eBay	2.5000	09/03/18	367,000	370	0.44
International Business Machines	FRN	12/02/19	1,500,000	1,507	1.81
International Business Machines	1.1250	06/02/18	1,500,000	1,497	1.79
Kraft Heinz Foods	1.6000	30/06/17	1,000,000	1,001	1.19
Microsoft	1.8500	12/02/20	1,000,000	1,000	1.19
Microsoft	0.8750	15/11/17	700,000	700	0.83
Microsoft	1.1000	08/08/19	500,000	493	0.59
New York Life Global Funding	1.4500	15/12/17	1,000,000	1,001	1.19
Oracle	1.2000	15/10/17	2,750,000	2,750	3.29
Procter & Gamble	1.7000	03/11/21	1,000,000	984	1.17
Schlumberger	1.9000	21/12/17	1,000,000	1,004	1.20
Toyota Motor Credit	1.5500	13/07/18	1,000,000	1,000	1.19
Xcel Energy	1.2000	01/06/17	188,000	188	0.22
				19,991	23.85
Total Corporate Bonds				75,461	90.00
Government Bonds 5.97%					
Denmark 1.19%					
Kommunekredit (EMTN)	1.0000	17/01/17	1,000,000	1,000	1.19
France 2.99%					
Agence Francaise Development	1.6250	04/10/17	2,500,000	2,506	2.99
Germany 1.79%					
State of North Rhine-Westphalia (EMTN)	FRN	17/09/18	1,500,000	1,502	1.79
Total Government Bonds				5,008	5.97
Total Bonds				80,469	95.97
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				80,469	95.97
Other transferable securities and money market instruments 2.86%					
Bonds 2.86%					
Corporate Bonds 2.86%					
Australia 0.48%					
Suncorp-Metway (EMTN)	2.1000	03/05/19	407,000	404	0.48
Germany 2.38%					
Volkswagen America Finance	1.2500	23/05/17	2,000,000	1,997	2.38
Total Corporate Bonds				2,401	2.86
Total Bonds				2,401	2.86
Total Other transferable securities and money market instruments				2,401	2.86

US Dollar Short Term Bond

Derivatives nil

Future contracts nil

Future	Maturity	Notional	Unrealised Gains/(Losses) US\$'000	Total Net Assets %
CBT US 2 Year Note	31/03/17	36	1	-
Unrealised gains on future contracts			1	-
Unrealised gains on derivatives			1	-
Total investments			82,871	98.83
Other net assets			984	1.17
Total net assets			83,855	100.00

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 2016, the Company comprises 17 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 30 December 2016, the NAVs shown throughout the report may differ from those advertised on 30 December 2016 for dealing in these Funds. Those NAVs may include dividend declarations effective for the distribution on 30 December 2016 and certain accounting adjustments relating to the six months ended 31 December 2016.

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 2016, 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 30 December 2016 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 (such as FT-IDC evaluated prices) 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	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		

Notes to the Financial Statements

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.

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 30 December 2016.

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 30 December 2016. 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 30 December 2016 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

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

Notes to the Financial Statements

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).

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

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 30 December 2016 disclosed in this report do not include any dilution adjustments and hence may differ from those published on 30 December 2016 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 2016 the following management fees were applicable:

Fund	Classes of shares (%)		
	A,C,D, E, and W	I,R,X, and Y	J
Asia Pacific Multi Asset	1.50	0.75	0.75
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 Absolute Return Bond	1.00	0.50	0.50
Euro Corporate Bond	0.90	0.50	0.50

Notes to the Financial Statements

Fund	Classes of shares (%)		
	A,C,D, E, and W	I,R,X, and Y	J
Euro Government Bond	0.75	0.40	0.40
Euro Short Term Bond	0.50	0.25	0.25
European Convertibles Bond	1.20	0.70	0.50
Global Bond	0.90	0.50	0.50
Global Government Bond	0.90	0.50	0.50
Global High Yield Bond	1.00	0.50	0.50
US Dollar Bond	0.90	0.50	0.50
US Dollar Credit Bond	0.80	0.40	0.40
US Dollar High Yield Bond	1.25	0.70	0.65
US Dollar Short Term Bond	0.50	0.25	0.25

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

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 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 Depository 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.

Notes to the Financial Statements

5 DIVIDENDS (DISTRIBUTION CLASS)

The Directors declared quarterly dividends for the Funds as listed below, for the six months 1 July 2016 to 31 December 2016 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 2016	0.041547	0.020620
December 2016	0.021848	-

Asian Bond

Date	A-1
September 2016	0.786879
December 2016	0.686304

Australian Dollar Bond (expressed in AUD)

Date	A-1	X-1
September 2016	3.127105	0.036515
December 2016	3.591176	0.039801

Emerging Markets Total Return Bond

Date	I-1	Z-1
September 2016	0.024383	0.151191
December 2016	0.017571	-

Global High Yield Bond

Date	A-1	A(EUR)-1 [^]	E(EUR)-1	I-1
September 2016	0.122427	0.107926	0.141643	0.135586
December 2016	0.104495	0.095083	0.129084	0.117877

US Dollar High Yield Bond

Date	A-1	I-1	X-1
September 2016	0.098658	0.098819	0.105005
December 2016	0.084446	0.104233	0.091583

The Directors declared six monthly dividends for the Funds as listed below, for the six months 1 July 2016 to 31 December 2016 to all shareholders on record on the last day of the relevant quarter (expressed in USD unless otherwise stated).

Canadian Dollar Bond (expressed in CAD)

Date	A-1	X-1
December 2016	3.900634	0.049921

Euro Corporate Bond (expressed in EUR)

Date	A-1
December 2016	0.016564

Euro Government Bond (expressed in EUR)

Date	A-1	X-1
December 2016	-	-

Euro Short Term Bond (expressed in EUR)

Date	A-1	X-1
December 2016	-	-

[^] Base currency exposure share class.

Notes to the Financial Statements

European Convertibles Bond (expressed in EUR)

Date	I-1
December 2016	0.066024

Global Government Bond

Date	D(GBP)-1
December 2016	-

US Dollar Bond

Date	A-1
December 2016	6.900950

US Dollar Credit Bond

Date	I(EUR)-1^
December 2016	0.144444

US Dollar Short Term Bond

Date	A-1
December 2016	0.366134

^ 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 six months or at 31 December 2016.

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.

8 TRANSACTIONS WITH CONNECTED PERSONS

Transactions with connected persons outlined in the previous notes (4.2 to 4.3) have been entered into in the ordinary course of business and on normal commercial terms.

As at 31 December 2016, other Aberdeen Funds/Trust and mandates managed by Aberdeen Asset Management PLC held investments in the company valued at US\$514,935,017.

9 SOFT COMMISSION/COMMISSION SHARING

There are no soft commission arrangements for the Company.

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.

Notes to the Financial Statements

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
Asia Pacific Multi Asset	USD	4,011
Asian Bond	USD	11,023

13 PROVISIONS FOR SOUTH KOREAN TAXES

Korea Treasury bond and monetary stabilization bond sale transactions settling on or after January 1, 2011 are subject to a statutory tax rate of 22% of the capital gain.

The following provisions have been recorded within Other liabilities caption of the financial statements.

Fund Name	Currency	Provision for Unrealised Gain on KRW holdings
Asia Pacific Multi Asset	USD	29,421
Asian Bond	USD	19,121

14 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
Asia Pacific Multi Asset	USD	13,393
Asian Bond	USD	31,845
Emerging Markets Total Return Bond	USD	2,889

Notes to the Financial Statements

15 TRANSACTION CHARGES

For the six months ended 31 December 2016, 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:

	Currency	Commissions '000	Taxes '000	Total '000
Asia Pacific Multi Asset	USD	45	8	53
Asian Bond	USD	-	-	-
Australian Dollar Bond	AUD	-	-	-
Canadian Dollar Bond	CAD	-	-	-
Emerging Europe Bond	EUR	-	-	-
Emerging Markets Total Return Bond	USD	-	-	-
Euro Absolute Return Bond	EUR	1	-	1
Euro Corporate Bond	EUR	-	-	-
Euro Government Bond	EUR	6	-	6
Euro High Yield Bond	EUR	-	-	-
Euro Short Term Bond	EUR	-	-	-
European Convertibles Bond	EUR	-	-	-
Global Bond	USD	14	-	14
Global Government Bond	USD	4	-	4
Global High Yield Bond	USD	-	-	-
US Dollar Bond	USD	-	-	-
US Dollar Credit Bond	USD	-	-	-
US Dollar High Yield Bond	USD	-	-	-
US Dollar Short Term Bond	USD	1	-	1

16 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.

17 FUTURE EXPOSURE

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

Fund	Currency	Fund Exposure'000
Asia Pacific Multi Asset	USD	(2,001)
Asian Bond	USD	(4,536)
Euro Absolute Return Bond	EUR	(7,302)
Euro Short Term Bond	EUR	18,816
Global Bond	USD	29,927
Global Government Bond	USD	7,017
US Dollar Credit Bond	USD	(918)
US Dollar Short Term Bond	USD	7,801

Notes to the Financial Statements

18 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	20/12/2019	1,900,000	1.00%	Colombia Government International Bond	Credit Default Swaps	2,779

Euro Absolute Return Bond

Counterparty	CCY	Termination	Notional	Fund Pays	Fund Receives	Instruments	Exposure €'000
Citigroup	EUR	20/06/2021	910,000	5.00%	Itraxx Crossover Series 25	Credit Default Swaps	995
Citigroup	EUR	20/06/2021	225,000	5.00%	Itraxx Crossover Series 25	Credit Default Swaps	246
Citigroup	EUR	20/12/2021	450,000	5.00%	Itraxx Crossover Series 26	Credit Default Swaps	492
Citigroup	USD	20/12/2020	145,000	5.00%	North America High Yield Series 25	Credit Default Swaps	158

Global High Yield Bond

Counterparty	CCY	Termination	Notional	Fund Pays	Fund Receives	Instruments	Exposure US\$'000
Barclays Capital	USD	20/12/2020	290,000	North America High Yield Series 25	5.00%	Credit Default Swaps	334
Citigroup	USD	20/12/2020	450,000	North America High Yield Series 25	5.00%	Credit Default Swaps	518
Goldman Sachs	USD	20/12/2020	73,000	North America High Yield Series 25	5.00%	Credit Default Swaps	84
JP Morgan	USD	20/06/2021	90,000	North America High Yield Series 26	5.00%	Credit Default Swaps	96
JP Morgan	USD	20/06/2021	350,000	North America High Yield Series 26	5.00%	Credit Default Swaps	374

US Dollar High Yield Bond

Counterparty	CCY	Termination	Notional	Fund Pays	Fund Receives	Instruments	Exposure US\$'000
Citigroup	USD	20/12/2021	2,500,000	North America High Yield Series 27	5.00%	Credit Default Swaps	2,653

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 Market Total Return Bond

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

Euro Absolute Return Bond

Counterparty	Instrument Type	€'000
Barclays	Index Rate / Interest Rate Swaps	(40)
Citigroup	Credit Default / Interest Rate / Overnight Indexed Swaps	140

Global Bond

Counterparty	Instrument Type	US\$'000
Citigroup	Interest Rate Swaps	(700)
Goldman Sachs	Interest Rate Swaps	180

Notes to the Financial Statements

Global Government Bond

Counterparty	Instrument Type	US\$'000
Citigroup	Interest Rate Swaps	(230)

Global High Yield Bond

Counterparty	Instrument Type	US\$'000
Barclays Capital	Credit Default Swaps	(20)
Citigroup	Credit Default Swaps	(30)
JP Morgan	Credit Default Swaps	(30)

19 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 six months ended 31 December 2016.

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 annual accounts and the external audit process (including the appointment and remuneration of the external Auditor, subject to Shareholders approval), and reviewing and monitoring the internal financial control systems and risk management systems on which the Fund is reliant.

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 88,050 for the six months ended 31 December 2016.

20 REMUNERATION

The Management Company has approved and adopted a UCITS V Remuneration Policy Statement in conjunction with the remuneration policy of the Aberdeen Asset Management group of companies. In accordance with the European Securities and Markets Authority (ESMA) Guidelines, the UCITS V Remuneration requirements will come into effect on 1 January 2017 following the first full performance period, accordingly there is no remuneration disclosures for this accounting period.

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:
Asia Pacific Multi Asset	AAM Asia and AAM Inc
Asian Bond	AAM Asia and AAM Inc
Australian Dollar Bond	AAM Limited, AAM Inc, and AAM Asia
Canadian Dollar Bond	AAM Limited and AAM Inc
Emerging Markets Total Return Bond	AAM Limited and AAM Inc
Euro Absolute Return Bond	AAM Limited and AAM Inc
Euro Corporate Bond	AAM Limited and AAM Inc
Euro Government Bond	AAM Limited and AAM Inc
Euro Short Term Bond	AAM Limited and AAM Inc
European Convertibles Bond	AAM Limited and AAM Inc
Global Bond	AAM Limited and AAM Inc
Global Government Bond	AAM Limited and AAM Inc
Global High Yield Bond	AAM Inc and AAM Limited
US Dollar Bond	AAM Inc and AAM Limited
US Dollar Credit Bond	AAM Inc and AAM Limited
US Dollar High Yield Bond	AAM Inc and AAM Limited
US Dollar Short Term	AAM Inc and AAM Limited

Cross Trade

The Manager/Investment Advisor may, as appropriate, make sales and purchases of assets of the Portfolio to or from its Associates or other clients in the same manner as if the other party were at arm's length with the Client or Manager/Investment Advisor.

Management and Administration

Chairman

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

Directors

Hugh Young
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Grand Duchy of Luxembourg

Roger Barker (from 15 July 2016)
Aberdeen Global II
35a, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Management and Administration

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

Depositary 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

Aberdeen Fund Management Ireland Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Swiss Paying Agent and Representative

BNP Paribas Securities Services, Paris
Succursale de Zurich
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
Via Ansperto no. 5, 20123
Milano
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 Avenue Louise 489
1050 Brussels

Danish Paying Agent

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

General Information

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

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.

Subscription, redemption and conversion prices of the shares will also be available at aberdeen-asset.com and at the offices of the Transfer Agent. Any notices to the shareholders will be published on aberdeen-asset.de.

In March 2013, the German government agreed new legislation that required the calculation of daily Aktiengewinn II (AGII) figures for corporate investors in addition to the Aktiengewinn I (AGI) figures that are currently produced. These have been produced daily from 1 July 2013 for each shareclass and are released as part of the daily price file distributed by the Fund's administrator BNP Paribas Securities Services.

For the period 1 March to 28 June 2013, the German tax authorities have confirmed that the AGII figures may be retrospectively calculated due to the short-time period allowed to the Fund Industry to develop and implement the new AGII calculations. The AGII figures for this period have been calculated and can be found on the Managers website at the following address: aberdeen-asset.de

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).
- 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).
- c. All Shareholder notices will be published on the electronic platform of fundinfo AG Zurich (www.fundinfo.com).

Further Information

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 17 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.

Aberdeen Asset Management PLC

Aberdeen Asset Management PLC is an international investment management group, managing assets for both institutions and private investors from offices around the world. "Our goal is to deliver superior fund performance across diverse asset classes in which we believe we have a sustainable competitive edge. Listed on the London Stock Exchange, we manage fixed income and equities (quoted and private) in segregated, closed and open-ended pooled structures.

Over three decades we have expanded through a combination of organic growth and acquisition, first in the UK, then by seeking selectively to manage and (or) market funds in countries in which we already invest. We operate flat management structures to facilitate local decision-making, underpinned by clear lines of control and central reporting.

Our investment style is driven by fundamental analysis, with an emphasis on active management and team decision-making supported by strong process disciplines.

Aberdeen Asset Manager PLC is a pure asset manager, without the distractions of other financial services activities, we are able to concentrate all our resources on our core business. We believe this is key to our performance. Assets are only managed for third parties, not our own balance sheet, which helps reduce conflicts of interest.

We dislike unnecessary obscurity and complexity so our investment processes strive to be simple and clear. We aim to seek out investments that display those qualities too. Finally, we focus on taking a long-term view of our investments.

Our business is predominantly the active management of financial assets, using first-hand research to make our investment decisions. Active investment spans equities, fixed income securities and property, sharing resources and a common investment approach. We have also developed a solutions business that can blend our abilities across different asset classes to provide tailored investment outcomes to meet specific client needs. This can incorporate skills in both quantitative equities and alternatives.

Our investment expertise is delivered through both segregated and pooled products – allowing us to serve a range of clients from institutions to private investors."

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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