# abrdn Investment Trusts

Latest Reports for November 2023

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UK INVESTOR MAGAZINE
AWARDS 2023
Best Investment Trust Manager

# Contents

# abrdn Equity Income Trust plc

## Equity income using an index-agnostic approach focusing on our best ideas from the full UK market cap spectrum

Performance Data and Analytics to 30 November 2023

## Investment objective

To provide shareholders with an above average income from their equity investment while also providing real growth in capital and income.

## Benchmark

FTSE All-Share Index.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 299.0p | (0.3) | (5.4) | (3.1) | (1.9) | 21.3 | (3.9) |
| NAV | 301.6p | 2.4 | (3.0) | (3.8) | (11.1) | 10.0 | (6.4) |
| FTSE All-Share Index | | 3.3 | (0.9) | (1.6) | (11.1) | 11.0 | (5.5) |
| FTSE 350 Higher Yield Index | | 2.6 | 3.1 | 5.1 | 2.8 | 46.7 | 27.5 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (1.9) | 1.4 | 21.9 | (18.3) | (3.1) |
| NAV | (11.1) | 5.2 | 18.7 | (17.3) | 3.0 |
| FTSE All-Share Index | (11.1) | 6.5 | 17.4 | (10.3) | 11.0 |
| FTSE 350 Higher Yield Index | 2.8 | 18.7 | 20.3 | (18.4) | 6.6 |

Source: abrdn, total returns. The percentage growth figures are calculated over periods on a mid to mid basis.
**Past performance is not a guide to future results.**

## Morningstar Analyst Rating™

Bronze™

aic DIVIDEND HERO

**A Morningstar Analyst Rating™**
Morningstar analysts assign the ratings globally on a five-tier scale with three positive ratings of Gold, Silver and Bronze.

## Morningstar Rating™

★

**A Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Twenty largest equity holdings (%)

| | |
|---|---|
| SSE | 5.1 |
| Shell | 4.9 |
| BP | 4.9 |
| National Grid | 4.6 |
| Imperial Brands | 3.6 |
| BAE Systems | 3.3 |
| Close Brothers | 3.0 |
| Barclays | 2.9 |
| BHP | 2.9 |
| NatWest | 2.8 |
| Smith (DS) | 2.7 |
| Glencore | 2.7 |
| Diversified Energy | 2.7 |
| Conduit | 2.6 |
| HSBC | 2.6 |
| OSB | 2.4 |
| Rio Tinto | 2.3 |
| LondonMetric Property | 2.2 |
| Chesnara | 2.1 |
| Thungela | 2.0 |
| **Total** | **62.3** |

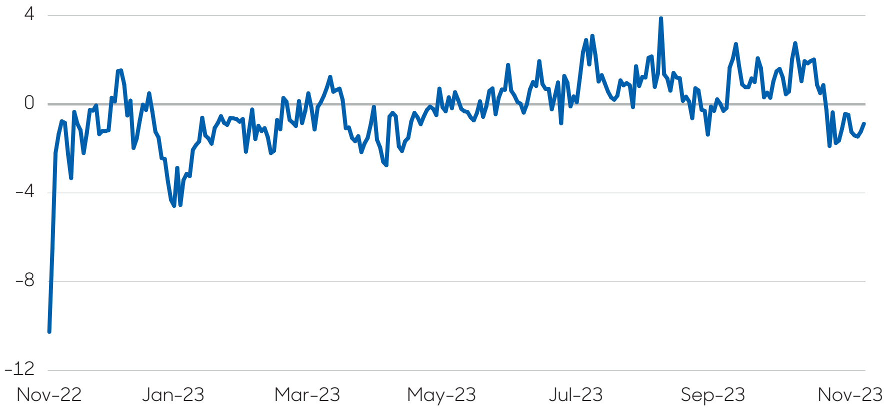
## Total number of investments 53

All sources (unless indicated): abrdn: 30 November 2023.


The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.

# abrdn Equity Income Trust plc

## 1 year Premium/(Discount) Chart (%)




## Ten largest positions relative to the benchmark (%)

| Overweight Stocks | Portfolio | Benchmark | Relative |
|---|---|---|---|
| Imperial Brands | 3.8 | 0.7 | 3.1 |
| Close Brothers | 3.0 | 0.1 | 2.9 |
| BHP | 2.6 | - | 2.6 |
| National Grid | 4.1 | 1.7 | 2.4 |
| Smith (DS) | 2.5 | 0.2 | 2.3 |
| Conduit | 2.3 | - | 2.3 |
| Diversified Energy | 2.3 | 0.0 | 2.3 |
| NatWest | 2.6 | 0.5 | 2.1 |
| OSB | 2.1 | 0.1 | 2.0 |
| Thungela | 2.0 | - | 2.0 |

## Fund managers' report

### Market review

UK markets recovered some of their recent losses in November as inflation continued to fall and hopes rose that interest rate cuts could materialise in the first half of 2024. However, large-cap energy and mining stocks underperformed as oil and commodity prices fell back on concerns about slowing global growth. As a result, the FTSE 100 Index returned 2.3% over the month, lagging its peers in Europe and US, while the more domestically focused FTSE 250 Index gained 7.1%

The UK Consumer Prices Index fell sharply to 4.6% in October, although this was largely as a result of a steep decline in energy costs when compared with a year earlier. The Bank of England (BoE) followed other central banks in keeping interest rates unchanged at the start of the month, but BoE governor Andrew Bailey warned that investors were downplaying inflation risks, adding that talk of rate cuts was premature. Private-sector performance during the month was mixed, according to data published by S&P Global: although output stabilised, there were signs that input costs and prices charged by businesses were rising.

### Performance

On a net asset value total return basis, the Trust outperformed the total return of the FTSE All-Share Index in November. The Trust continues to deliver a dividend yield of 7.6%, almost twice that of the FTSE All-Share Index. We benefited from the holding in SSE after the company announced solid results and upgraded its capital investment expectations, driving upgrades to estimates of its regulatory asset base.

**Fund managers' report continues overleaf**

## Sector allocation (%)

| | |
|---|---|
| Financials | 33.6 |
| Energy | 17.4 |
| Industrials | 11.0 |
| Basic Materials | 10.3 |
| Utilities | 9.6 |
| Consumer Staples | 6.2 |
| Real Estate | 6.0 |
| Consumer Discretionary | 2.9 |
| Telecommunications | 1.1 |
| Health Care | 0.7 |
| Cash | 1.2 |
| **Total** | **100.0** |

## Composition by market capitalisation (Ex Cash) (%)

| | |
|---|---|
| FTSE 100 | 54.6 |
| FTSE 250 | 25.1 |
| FTSE SC | 10.0 |
| FTSE AIM | 2.7 |
| Other | 7.6 |
| **Total** | **100.00** |

## Key information Calendar

| | |
|---|---|
| Launch Date | 14 Nov 1991 |
| Accounts Published | December |
| Annual General Meeting | February |
| Dividends Paid | March, June, September, January |

## Trust information

| | |
|---|---|
| Fund Manager | Thomas Moore |
| Gross Assets | £165.1 million |
| Borrowing | £20.9 million |
| Yield (Net) | 7.6% |
| Current Annual Dividend Rate (Per Share) | 22.8p |
| Market Capitalisation | £142.9 million |
| Premium / (Discount) | (0.9)% |
| 12 Month High | 3.9% |
| 12 Month Low | (10.3)% |
| Current Equity Net Gearing | 13.3% |
| Potential Gearing | (5%) to 25% |

# abrdn Equity Income Trust plc

## Fund managers' report – continued

We also benefited from the holding in OSB, which announced an encouraging trading update, upgrading its loan growth guidance thanks to better-than-expected retentions.

Conversely, the Trust's holding in Thungela Resources detracted from returns. Its shares fell in response to weaker commodity prices. International Personal Finance also dragged on performance as the stock retraced some of its recent gains on no particular news.

### Activity

The Trust started a new position in Assura, the primary healthcare property group. We last owned this stock in 2021, at a time when it was trading at a large premium to its net asset value. Since then, the share price has fallen due mainly to higher interest rates. Operationally, the business remains strong, with evidence of attractive rental growth and a pipeline of new developments. We also bought a new holding in Sirius Real Estate after taking part in a placing. We see potential for the company to use the funds to acquire attractively valued assets, driving up income. Finally, we reduced the Trust's holdings in Glencore and Shell, in both cases with the aim of managing the position size following strong performance.

### Outlook

The fluctuating macroeconomic landscape has created sharp recent swings in performance in UK equities. Against this uncertain backdrop, we remain focused on companies that have the ability to generate strong cash flows that can be used to pay dividends. We believe that many companies with these characteristics have been overlooked by the wider market in recent years, resulting in valuation opportunities. Historically, dividends have tended to represent a relatively high proportion of total return, especially when investors shift their focus from growth to value and income stocks. We have consciously tilted the portfolio towards shares that offer a high free cash flow yield, underpinning an attractive dividend yield.

Looking ahead, we see several reasons to remain confident in the outlook for the Trust. Recent market movements have only increased our conviction in a potential valuation re-rating, with our companies typically trading at meaningful valuation discounts to the FTSE All-Share Index despite the solid returns they are generating. Therefore, we see low valuations as primarily reflecting recession fears rather than operational issues. This has been one of the most anticipated recessions in history, giving management teams plenty of time to prepare their businesses for a more challenging environment. Recent economic data has surprised on the upside, suggesting that the market's fears might have been exaggerated. But if recession does eventually strike, we are reassured by the high level of dividend cover in the portfolio and the modest level of balance-sheet gearing.

The UK stands out as offering a rich seam of dividend payers. We see this as a mark of strength as it reflects rigorous corporate governance standards, disciplined capital allocation and robust cash generation. Having come through recent crises, we believe our holdings have demonstrated a level of resilience not reflected in their valuations. We see potential for share prices to respond to further evidence of resilience in cash flows and dividends in the months ahead.

Dividend cover is running at a multiple of 2.5 for the UK equity market, suggesting some cushion for corporates in the event that macroeconomic conditions deteriorate further. Our portfolio is well diversified, providing a range of earnings drivers. Trading remains solid across the bulk of our holdings, supporting our confidence in the continued progression of our dividend per share into 2024.

[B] Expressed as a percentage of average daily net assets for the year ended 30 September 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[C] The 'Active Share' percentage is a measure used to describe what portion of the Trust's holdings differ from the benchmark index holdings.

Important information overleaf

### Trust information continued

| | |
|---|---|
| Trust Annual Management Fee | 0.55% per annum of net assets |
| Ongoing Charges[B] | 0.94% |
| Active Share percentage[C] | 69.7% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 3x |
| Commitment | 2x |

### Capital structure

| | |
|---|---|
| Ordinary shares | 47,781,522 |
| Treasury shares | 1,397,245 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 70% |
| Revenue | 30% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code: | AEI |
| ISIN code | GB0006039597 |
| Sedol code | 0603959 |
| Stockbrokers | J.P. Morgan Cazenove |
| Market makers | CENK, JPMS, NUMS, PEEL, WINS |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.abrdnequityincome.com

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## Important information

**Risk factors you should consider prior to investing:**

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- The Alternative Investment Market (AIM) is a flexible, international market that offers small and growing companies the benefits of trading on a world-class public market within a regulatory environment designed specifically for them. AIM is owned and operated by the London Stock Exchange. Companies that trade on AIM may be harder to buy and sell than larger companies and their share prices may move up and down very sharply because they have lower trading volumes and also because of the nature of the companies themselves. In times of economic difficulty, companies listed on AIM could fail altogether and you could lose all your money.
- The Company invests in the securities of smaller companies which are likely to carry a higher degree of risk than larger companies.

**Other important information:**

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For more information visit invtrusts.co.uk

# Dunedin Income Growth Investment Trust PLC

## Targeting income and long-term growth from mainly UK companies chosen for their quality and commitment to improving sustainability

Performance Data and Analytics to 30 November 2023

## Investment objective

To achieve growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom that meet the Company's Sustainable and Responsible investing criteria as set by the Board.

## Benchmark

FTSE All-Share Index total return.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 273.0p | 8.4 | 2.0 | (2.9) | (1.0) | 12.5 | 43.4 |
| NAV[A] | 298.9p | 4.5 | 0.3 | 0.6 | 6.5 | 17.9 | 40.7 |
| FTSE All-Share | | 3.0 | 0.6 | 1.6 | 1.8 | 27.3 | 26.8 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (1.0) | (4.7) | 19.2 | 4.9 | 21.5 |
| NAV[A] | 6.5 | (1.7) | 12.5 | 0.4 | 18.9 |
| FTSE All-Share | 1.8 | 6.5 | 17.4 | (10.3) | 11.0 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

## Morningstar Sustainability Rating™

## Morningstar Rating™

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Twenty largest equity holdings (%)

| | |
|---|---|
| AstraZeneca | 7.6 |
| Unilever | 5.8 |
| TotalEnergies | 5.8 |
| RELX | 5.7 |
| London Stock Exchange | 5.0 |
| Diageo | 4.6 |
| Chesnara | 3.2 |
| SSE | 3.2 |
| Sage | 3.1 |
| Intermediate Capital | 3.0 |
| Prudential | 2.9 |
| Games Workshop | 2.8 |
| Taylor Wimpey | 2.8 |
| M & G | 2.4 |
| Volvo | 2.3 |
| Sirius Real Estate | 2.3 |
| Weir | 2.3 |
| Novo Nordisk | 2.2 |
| ASML | 2.2 |
| Pets at Home | 2.2 |
| **Total** | **71.4** |

## Total number of investments 35

evolving for shareholders since 1873
150 years

[A] Including current year revenue.
[B]  The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf. The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.

All sources (unless indicated): abrdn: 30 November 2023.

# Dunedin Income Growth Investment Trust PLC

## 1 Year Premium/Discount Chart (%)


## Fund managers' report

Equity markets recovered in November after the sharp decline of the month before, with the FTSE All-Share rallying c.3%.This was sparked by weaker economic data and softer inflation figures sending bond yields sharply lower, encouraging greater risk appetite amongst investors after the angst of the previous month. There was also relief that so far the conflict in the Middle East has not expanded into a wider regional conflict. Areas within the market perceived as higher risk performed strongest and as a result mid-caps and smaller companies rebounded sharply. Company level operating performance though continued to be divergent with a number of significant profit warnings from companies such as Diageo while on the other hand we saw very strong and encouraging updates from the likes of Sage, Intermediate Capital and London Stock Exchange Group. This reflects slowing global economic demand but also the opportunities presented for attractive structural growth for companies in the right areas of technology and innovation.

It was a busier month for portfolio activity as market volatility created additional opportunities. We exited Coca-Cola Hellenic Bottling, having been gradually reducing in recent months following a strong recovery in the share price after the very negative reaction to the Russian invasion of Ukraine. We also modestly reduced our very large positions in AstraZeneca and Unilever in order to better reflect our absolute enthusiasm for their future prospects. This capital was recycled into a number of holdings whose share prices have been weaker such as Pets at Home, Assura and Mercedes-Benz and where we see attractive future return potential. In a similar vein, our stake was increased in Diageo after their profit warning and we still see it as a very strong business and one whose attractions may only increase if we see continued deceleration in

**Fund managers' report continues overleaf**

[C] Expressed as a percentage of average daily net assets for the year ended 31 January 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[D] Calculated using the Company's historic net dividends and month end share price.
[E] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.

## Sector allocation (%)

| | |
|---|---|
| Financials | 22.5 |
| Consumer Discretionary | 16.5 |
| Industrials | 12.2 |
| Health Care | 11.1 |
| Consumer Staples | 10.5 |
| Technology | 6.6 |
| Energy | 5.8 |
| Utilities | 5.3 |
| Real Estate | 4.4 |
| Telecommunications | 2.0 |
| Basic Materials | 1.8 |
| Cash | 1.5 |
| **Total** | **100.0** |

## Key information Calendar

| | |
|---|---|
| Year end | 31 January |
| Accounts published | March |
| Annual General Meeting | May |
| Dividend paid | February, May, August, November |
| Established | 1873 |
| Fund managers | Ben Ritchie<br>Rebecca Maclean |
| Ongoing charges[C] | 0.64% |
| Annual management fee | 0.45% on the first £225m, 0.35% on the next £200m and 0.25% over £425m per annum of the net assets of the Company. |
| Premium/(Discount) with Debt at Par | (7.4)% |
| Premium/(Discount) with Debt at fair value | (8.7)% |
| Yield[D] | 4.9% |
| Active share[E] | 75.9% |

## Gearing (%)

| | |
|---|---|
| Net gearing[F] | 8.4 |
| Net gearing with Debt at market value[F] | 6.9 |

## AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

# Dunedin Income Growth Investment Trust PLC

## Fund managers' report - continued

the global economy.  Asian life and savings leader Prudential was also added to as concerns over exposure to China continue to mask the long-term growth potential of its wider business with exposure to geographies with compelling demographic dynamics. We also participated in Sirius Real Estate's capital increase to fund further highly accretive acquisitions in the German and UK industrial property markets.  Finally, additional options were written to generate further income and potentially cap exposure to companies where we are less enthused around the long-term prospects vis-a-vis the position size.

We retain our cautious stance as we look forward into 2024 given the delayed impact of tight monetary policy and an increasingly challenging global demand picture to navigate for companies. In this environment the Trust should benefit from its focus on higher quality companies with less reliance on the economic cycle and its attention to diversification and resilience of income. Overall we will continue to seek to keep a balance to our positioning giving ourselves the potential to perform in a range of market environments.  Our primary attention  remains on seeking to protect capital, but we will continue to look to participate in opportunities where share prices in good companies with attractive long-term prospects have been oversold and at the same time focus on those that meet our sustainable and responsible investing criteria.

**The risk outlined overleaf relating to gearing is particularly relevant to this trust, but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

### Assets/Debt

| Gross Assets | £'000 | % |
|---|---|---|
| Equities - UK | 378,929 | 20.3 |
| - Overseas | 87,927 | 87.5 |
| Total investments | 466,856 | 107.8 |
| Cash & cash equivalents | 6,974 | 1.7 |
| Other net assets | 2,226 | 0.5 |
| Short-term borrowings | (13,445) | (3.1) |
| 3.99% Senior Secured Note 2045 | (29,738) | (6.9) |
| **Net assets** | **432,873** | **100.0** |

### Capital structure

| | |
|---|---|
| Ordinary shares | 146,817,513 |
| Treasury shares | 6,860,422 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 60% |
| Revenue | 40% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | DIG |
| ISIN code | GB0003406096 |
| Sedol code | 0340609 |
| Stockbrokers | J.P. Morgan Cazenove |
| Market makers | SETSmm |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at
www.invtrusts.co.uk/signup
www.dunedinincomegrowth.co.uk

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## Important information

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- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Derivatives may be used, subject to restrictions set out for the Company, in order to manage risk and generate income. The market in derivatives can be volatile and there is a higher than average risk of loss.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- Certain trusts may seek to invest in higher yielding securities such as bonds, which are subject to credit risk, market price risk and interest rate risk. Unlike income from a single bond, the level of income from an investment trust is not fixed and may fluctuate.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

**Other important information:**

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For more information visit invtrusts.co.uk

# Murray Income Trust PLC

## An investment trust founded in 1923 aiming for high and growing income with capital growth

Performance Data and Analytics to 30 November 2023

## Investment objective

To achieve a high and growing income combined with capital growth through investment in a portfolio principally of UK equities.

## Benchmark

FTSE All-Share Index.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 821.0p | 6.8 | 1.2 | 0.2 | 2.5 | 15.1 | 40.0 |
| NAV[A] | 887.3p | 4.6 | 0.0 | 0.1 | 2.7 | 21.4 | 35.7 |
| FTSE All-Share | | 3.0 | 0.6 | 1.6 | 1.8 | 27.3 | 26.8 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | 2.5 | 0.6 | 11.6 | (1.1) | 23.1 |
| NAV[A] | 2.7 | 0.2 | 18.0 | (5.4) | 18.3 |
| FTSE All-Share | 1.8 | 6.5 | 17.4 | (10.3) | 11.0 |

## Five year dividend table (p)

| Financial year | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| Total dividend (p) | 37.50 | 36.00 | 34.50 | 34.25 | 34.00 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

## Morningstar Rating™

★★★★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Morningstar Sustainability Rating™

ELITE RATED by FundCalibre.com

Keeping an eye on the long term 100 years since 1923

aic DIVIDEND HERO

UK INVESTOR MAGAZINE AWARDS 2023 Best Equity Income Trust

## Twenty largest equity holdings (%)

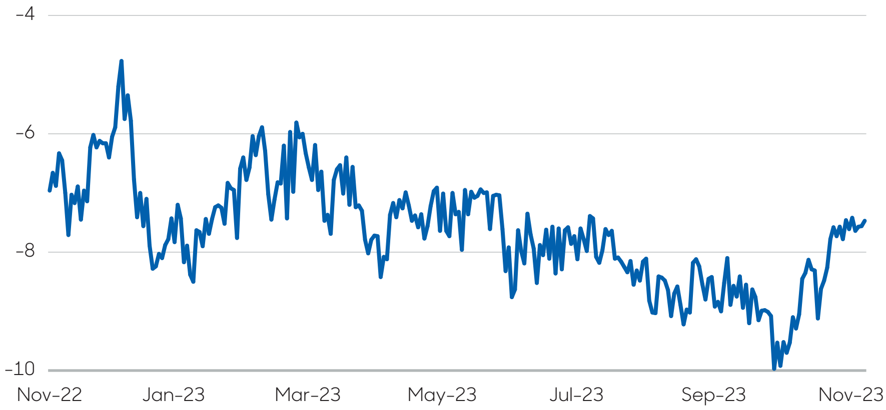
| | |
|---|---|
| RELX | 5.9 |
| AstraZeneca | 4.9 |
| Unilever | 4.8 |
| Diageo | 4.3 |
| BP | 3.8 |
| TotalEnergies | 3.8 |
| Sage | 3.4 |
| London Stock Exchange | 3.4 |
| BHP | 2.7 |
| Experian | 2.6 |
| National Grid | 2.5 |
| Anglo American | 2.5 |
| Intermediate Capital | 2.5 |
| SSE | 2.4 |
| Oversea-Chinese Banking | 2.3 |
| Close Brothers | 2.2 |
| Howden Joinery | 2.2 |
| Rentokil Initial | 1.9 |
| Convatec | 1.9 |
| Microsoft | 1.9 |
| **Total** | **61.9** |

All sources (unless indicated): abrdn: 30 November 2023.

[A] Including current year revenue.
[B]  The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.

# Murray Income Trust PLC

## 1 year Premium/(Discount) Chart (%)




## Fund managers' report

### Market commentary

November was a strong month for global markets as investor optimism that interest rates had peaked across major economies increased, leading to the best monthly performance in global equity markets since 2020. Stocks rose in the US, Europe, UK, Japan and emerging markets. The MSCI World Index returned 9.4% over the month (on a total return basis in US dollars). Investors took comfort in softer economic data, which suggested the rate-hiking cycle could finally be coming to an end. Inflation data showed price rises are slowing, and US employment figures indicated a cooler jobs market. Furthermore, commodity prices, particularly energy, dipped over the month. In the UK, the FTSE 100 Index rose, but returns were tempered by weaker performance from large-cap energy and mining stocks which underperformed as oil and other commodity prices fell back on concerns about slowing global growth. The mid-cap FTSE 250 Index was stronger.

The Bank of England ("BoE") held rates flat at its meeting in early November and increased the pace of its quantitative tightening process. October's Consumer Prices Index reading showed year-on-year inflation of 4.6%, down from 6.7% in September. However, the BoE governor, Andrew Bailey, was quick to stress that the central bank would not be cutting rates in the near future, reiterating the Bank's commitment to bring inflation back within the 2% target. This is despite stagnant third quarter GDP growth in the UK. Other signals were mixed, with a pick-up in PMI (Purchasing Managers' Index) data in November whereas October retail sales were much weaker than expected, falling by 0.3% over the month.

### Performance

The benchmark FTSE All-Share Index returned approximately 3% in November on a total return basis. The portfolio outperformed the benchmark by approximately 1.1% on a gross assets basis. At a sector level, the portfolio's overweight positions in the Technology, Consumer Discretionary and

**Fund managers' report continues overleaf**

[C] Expressed as a percentage of average daily net assets for the year ended 30 June 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different companies.
[D] The management fee is 0.55% per annum on net assets up to £350m, 0.45% per annum on net assets between £350m and £450m, and 0.25% per annum on net assets above £450m.
[E] Calculated using the Company's historic net dividends and month end share price.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.
[G] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

| Total number of investments | 50 |
|---|---|

### Sector allocation (%)

| | |
|---|---|
| Financials | 18.6 |
| Industrials | 15.8 |
| Consumer Discretionary | 12.4 |
| Health Care | 12.2 |
| Consumer Staples | 11.4 |
| Energy | 7.7 |
| Technology | 5.3 |
| Basic Materials | 5.2 |
| Utilities | 4.9 |
| Telecommunications | 1.9 |
| Real Estate | 1.5 |
| Cash | 3.1 |
| **Total** | **100.0** |

Figures may not add up to 100 due to rounding.

### Key information Calendar

| | |
|---|---|
| Year end | 30 June |
| Accounts published | September |
| Annual General Meeting | November |
| Dividend paid | March, June, September and December |
| Established | 1923 |
| Fund manager | Charles Luke |
| Ongoing charges[C] | 0.50% |
| Annual management fee[D] | 0.55% per annum on the first £350m of net assets, 0.45% on the next £100m and 0.25% on the excess over £450m. |
| Premium/(Discount) | (7.5)% |
| Yield[E] | 4.7% |
| Net gearing[F] | 8.7% |
| Active share[G] | 69.9% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

# Murray Income Trust PLC

## Fund managers' report - continued

Industrials sectors contributed most positively to relative performance. The lower exposure than the benchmark to the Consumer Staples sector detracted from relative performance.

At the stock level, not holding Shell which underperformed as oil prices fell back had the largest positive impact on relative performance. Of stocks held, the positions in Sage and Intermediate Capital contributed most positively. Intermediate Capital outperformed as the company reported results ahead of expectations. The stock also benefited from optimism around the prospect of lower interest rates. Sage shares jumped on third quarter results which were strong. On the other hand, the holdings in Diageo and TotalEnergies detracted most from relative performance. Diageo shares fell after the company issued a profit warning due to weak performance in Latin America as a result of challenging economic conditions. TotalEnergies and other stocks in the energy sector underperformed as oil prices fell due to concerns about weak demand from the US and China and easing tensions in the Middle East.

### Trading

Trading in November included selling the remaining small position in Marshalls given concerns around the current trading environment and the impact on the company's balance sheet. The holding in VAT Group was trimmed following strong share price performance, which made the valuation less attractive. We continued to write options to gently increase the income available to the Trust including calls in AstraZeneca, BHP, Microsoft, RELX, Sage, and Smith & Nephew, and a put option in Diageo.

### Outlook

There are signs that central bank actions to counter high inflation are starting to slow growth in the UK and the Eurozone. The US economy remains more resilient, however with leading indicators such as bank credit conditions and industrial surveys consistent with an eventual downturn, we still think the US economy will enter a mild recession during 2024. We believe a downturn will lead to central banks beginning to cut interest rates over the next year. In China, the economy has faced headwinds from subdued consumer confidence and challenges in the real estate sector, but substantial policy easing is coming through which we think will be supportive for the growth outlook.

The portfolio is jam-packed with high quality, predominantly global businesses capable of delivering appealing long-term earnings and dividend growth at a modest aggregate valuation. Our focus on quality companies should provide protection through a downturn: those companies with pricing power, high margins and strong balance sheets are better placed to navigate a more challenging economic environment and emerge in a strong position. Furthermore, these quality characteristics are helpful in underpinning the portfolio's income generation.

The valuations of UK-listed companies remain attractive on a relative and absolute basis. Apart from the global financial crisis, the UK's market multiple is nearing its lowest point for 30 years. It is cheap in absolute terms, relative to history and also relative to global equities. Investors are benefitting from global income at a knock-down price. Moreover, the dividend yield of the UK market remains at an appealing premium to other regional equity markets.

In summary, we feel optimistic that our long-term focus on investments in high quality companies with robust competitive positions and strong balance sheets, which are led by experienced management teams will be capable of delivering premium earnings and dividend growth.

**The risk outlined overleaf relating to gearing is particularly relevant to this trust, but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

### Assets/Debt (£m)

| | |
|---|---|
| Gross | 1,060.2 |
| Debt | 114.9 |
| Cash & cash equivalents | 32.4 |

### Capital structure

| | |
|---|---|
| Ordinary shares | 108,412,001 |
| Treasury shares | 11,117,531 |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | MUT |
| ISIN code | GB0006111123 |
| Sedol code | 0611112 |
| Stockbrokers | Investec |
| Market makers | SETSmm |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at
www.invtrusts.co.uk/signup
www.murray-income.co.uk

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## Important information

**Risk factors you should consider prior to investing:**

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Derivatives may be used, subject to restrictions set out for the Company, in order to manage risk and generate income. The market in derivatives can be volatile and there is a higher than average risk of loss.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- Certain trusts may seek to invest in higher yielding securities such as bonds, which are subject to credit risk, market price risk and interest rate risk. Unlike income from a single bond, the level of income from an investment trust is not fixed and may fluctuate.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

**Other important information:**

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# Shires Income PLC

## Looking for high-quality investments for a high, regular income

Performance Data and Analytics to 30 November 2023

## Proposed combination with abrdn Smaller Companies Income Trust plc

On 26th July 2023, the Board was pleased to announce that it has agreed terms with the board of abrdn Smaller Companies Income Trust (ASCI) for a combination of the assets of ASCI and Shires. Both investment trusts, which are managed by abrdn, have UK equity income as a key part of their investment objectives, including exposure to UK smaller companies.

## Investment objective

The Company's investment objective is to provide shareholders with a high level of income, together with the potential for growth of both income and capital from a diversified portfolio substantially invested in UK equities but also in preference shares, convertibles and other fixed income securities.

## Benchmark

FTSE All-Share Index total return.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 224.0p | 1.8 | (0.4) | (6.0) | (9.4) | 15.1 | 23.4 |
| NAV[A] | 242.9p | 4.5 | (1.5) | 0.1 | (1.4) | 15.1 | 26.8 |
| FTSE All-Share | | 3.0 | 0.6 | 1.6 | 1.8 | 27.3 | 26.8 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (9.4) | 7.1 | 18.6 | (13.0) | 23.3 |
| NAV[A] | (1.4) | 0.5 | 16.2 | (6.0) | 17.1 |
| FTSE All-Share | 1.8 | 6.5 | 17.4 | (10.3) | 11.0 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

[A] Including current year revenue.


## Morningstar Rating™

★★

**[B] Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Morningstar Sustainability Rating™

## Ten largest equity holdings (%)

| | |
|---|---|
| abrdn Smaller Companies Income Trust | 7.8 |
| Shell | 4.6 |
| AstraZeneca | 4.0 |
| BP | 3.2 |
| Diversified Energy | 2.9 |
| SSE | 2.6 |
| Anglo American | 2.4 |
| National Grid | 2.2 |
| Diageo | 2.2 |
| Total Energies | 2.2 |
| **Total** | **34.1** |

## Fixed income holdings (%)

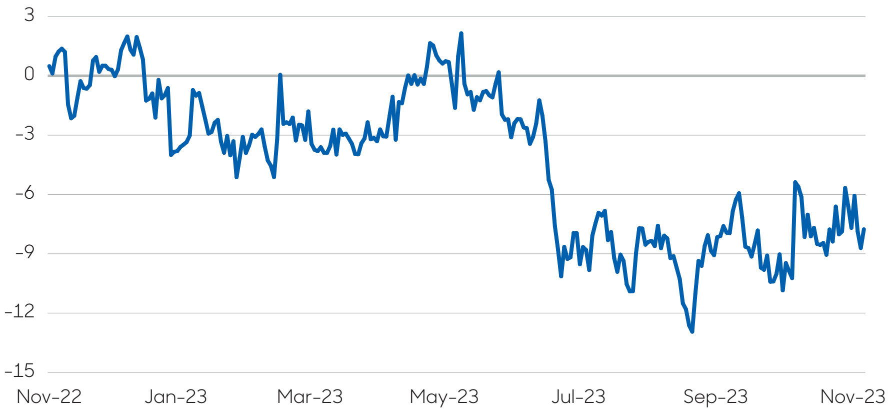
| | |
|---|---|
| Ecclesiastical Insurance 8.875% | 5.6 |
| Royal & Sun Alliance 7.375% | 5.1 |
| General Accident 7.875% | 4.3 |
| Santander 10.375% | 4.1 |
| Standard Chartered 8.25% | 3.3 |
| Rea Holdings 9% | 0.7 |
| **Total** | **23.1** |

## Total number of investments 60

All sources (unless indicated): abrdn: 30 November 2023.

# Shires Income PLC

## 1 Year Premium/Discount Chart (%)




## Fund managers' report

**Market Commentary**

November was characterised by a sharp rally across markets, as investors increased bets that central banks would start to cut interest rates sooner rather than later. Bonds rallied, recording one of the best monthly gains in decades. At the start of the month, the US Federal Reserve (Fed) held interest rates, its second consecutive meeting without a rise. Inflation has continued to moderate, with the annual core Personal Consumption Expenditure Index rising by 3.5%, its lowest level in more than two-and-a-half years. Elsewhere, ratings agency Moody's downgraded its outlook for US sovereign debt, flagging the threat of political discordance to the US government developing a fiscal plan.

The Bank of England (BoE) also held rates in early November and increased the pace of its quantitative tightening process. October's Consumer Prices Index reading showed year-on-year inflation of 4.6%, down from 6.7% in September. BoE Governor Andrew Bailey was quick to stress that the central bank will not be cutting rates soon, reiterating the Bank's commitment to bring inflation back within the 2% target. The European Central Bank is expected to hold rates unchanged in December's monetary policy meeting. Eurozone inflation rose by an annual 2.4% in November, down from 2.9% in October, with energy prices continuing to fall. Globally, government bonds rose, pushing yields lower, and corporate bonds outperformed as investors grew more positive on riskier credit.

Global equity markets soared in November, recording the best monthly performance since 2020. Investors took comfort in softer economic data, which suggested the rate-hiking cycle could finally have finished. Inflation data showed price rises are slowing, and US employment figures indicated a cooler jobs market. Furthermore, commodities prices, especially for energy, also dipped in the month. Brent crude prices fell as cuts from the OPEC+ group of oil producers were smaller than expected. Gas prices also fell as European inventories remained at seasonally high levels. In metals markets, the price of copper fell back due to weaker economic forecasts. However, precious metal prices rose, with gold finishing the month above $2,000 per troy ounce.

US equities performed strongly, with the Dow Jones Industrial Average hitting a recent high point; the NASDAQ Composite Index and the S&P 500 index both recorded their strongest gains in over a year. Technology stocks outperformed the wider market, rebounding from underperformance in October. European market performance was also towards the top of the table; Germany and Spain were notably strong, while France, Switzerland and Italy rose by less than the regional average. In the UK, the FTSE 100 Index rose, but returns were tempered by weaker performance from oil producers. The FTSE 250 Index was stronger, as we would

**Fund managers' report continues overleaf**

[C] Expressed as a percentage of average daily net assets for the year ended 31 March 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[D] Calculated using the Company's historic net dividends and month end share price.
[E] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.
[F] Expressed as a percentage of total equities held divided by shareholders' funds.
[G] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.

## Sector allocation (%)

| | |
|---|---|
| Financials | 45.9 |
| Energy | 15.2 |
| Health Care | 7.4 |
| Utilities | 7.2 |
| Industrials | 7.0 |
| Consumer Staples | 5.6 |
| Basic Materials | 4.2 |
| Consumer Discretionary | 3.3 |
| Real Estate | 2.1 |
| Technology | 1.2 |
| Telecommunications | 0.9 |
| **Total** | **100.0** |

## Key information Calendar

| | |
|---|---|
| Year end | 31 March |
| Accounts published | June |
| Annual General Meeting | July |
| Dividend paid | January, April, July, October |
| Established | 1929 |
| Fund manager | Iain Pyle |
| Ongoing charges[C] | 1.17% |
| Annual management fee | 0.45% up to £100m and 0.4% over £100m on net assets and long term borrowings |
| Premium/(Discount) | (7.8)% |
| Yield[D] | 6.3% |
| Active share[E] | 64.4% |

## Gearing (%)

| | |
|---|---|
| Equities[F] | (5.7) |
| Total net[G] | 23.9 |

## AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

# Shires Income PLC

## Fund managers' report – continued

expect in an environment of falling rate expectations. Japan rose, and the yen recovered from recent weakness. In emerging markets, Brazil and Latin America were among the top performers, while Indian and Asian indices also rose. However, China underperformed, with domestic A-shares falling slightly in November.

### Performance

The NAV of the trust increased by 4.5% in the month, outperforming the FTSE All-Share benchmark which rose by 3%. This is a strong performance in a rising market for a portfolio which is generally defensive and lags rapidly rising markets. The largest contributor was the Aberdeen Smaller Companies Income Trust, which increased in value by 7.7% on completion of the merger. The preference share holdings also performed well as bond yields contracted in the month.

On an individual stock basis, Energean performed well, increasing in value by 18% after a reassuring update reporting no interruptions to operations post the start of the conflict in the Middle East. Other companies which reported strong earnings progress included OneSavingsBank (+25%) and Melrose (+11%). There were a number of rate-sensitive stocks which also clearly benefitted from falling rate expectations, such as IP Group (+15%), Sirius Real Estate (+10%) and Intermediate Capital (+20%).

The main detractor was Dr Martens, which delivered another disappointing update as it is taking longer than expected to return to growth in the US. Shares fell 22% having already been weak and we see the reaction as overdone. The issues in the US are related to changes in the distribution structure, which can be resolved in time and the company continues to deliver good sales growth in Europe and Asia. At <10x earnings and a 6% dividend yield the shares do not fully capture the brand value and we are happy to retain the position, especially given limited consumer exposure within the portfolio.

### Trading

There was limited trading this month as the trust prepared for the, now completed, merger with the Aberdeen Smaller Companies Income Trust. There was one exit from the portfolio as we sold out of the position in Norwegian telco operator Telenor. We have some concerns around dividend sustainability as interest rates rise and with no income due until May 2024, see it as time to move on to other ideas. Shares have rebounded from lows in the last 12 months and look reasonably valued, while the position was using up limited capacity to invest overseas. In addition, we made trims to Novo Nordisk, Unilever and Shell to raise cash during the month.

### Outlook

This is the last monthly update of 2023 and a good time to look forward to next year. Making annual predictions just because it's the year-end is a somewhat futile exercise, given companies, economies and markets don't adhere to any annual cycle, but after 2023 it feels like we have reached an interesting point in the outlook. Most obviously, after a year dominated by interest rate movements, it does seem that we have reached "peak rates" and the next move, when it happens, will be down. This is important for the economy, which could struggle with high interest charges, and for markets even if some valuations seem to be reaching for lower rates already. The more important question is why rates will come down? It can be from a position of strength, i.e., inflation has dropped, and the Bank of England can adopt a more expansionary process. But it can also come from a position of weakness, i.e., the economy has entered a recession and a sharp fall in rates is needed in order to stimulate growth. The implication of each scenario is different, but the Shires portfolio is hopefully set up to deliver resilient income in both instances. And compared to pure equity funds, any fall in rates is likely to be a positive for the preference shares.

The second, more hopeful, change for 2024 is an improvement in sentiment and valuation in UK equities, and specifically UK mid-cap stocks. It has been a difficult few years, with investors de-allocating from the UK and liquidity being reduced. At least this is now on the radar of politicians and there is some hope of action to improve the situation. Furthermore, we should not downplay the significance of politics to international allocators, and a general election in 2024 resulting in a period of political stability could be enormously helpful in closing the valuation gap with international markets. The recent merger with the Aberdeen Smaller Companies Income Trust has increased our weighting to high quality UK mid-cap companies at an opportune time in my view, and the portfolio is well set to benefit from any recovery.

**The risk outlined overleaf relating to gearing is particularly relevant to this trust, but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

### Assets/Debt

| | £'000 | % |
|---|---|---|
| Equities (inc. Cnv's) | 68,775 | 94.3 |
| Fixed Income | 21,114 | 29.0 |
| Total investments | 89,889 | 123.3 |
| Cash & cash equivalents | 1,550 | 2.1 |
| Other net assets | 427 | 0.6 |
| Debt | (18,959) | (26.0) |
| **Net Assets** | **72,907** | **100.0** |

### Capital structure

| | |
|---|---|
| Ordinary shares | 30,219,012 |
| 3.5% Cumulative Preference shares | 50,000 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 50% |
| Revenue | 50% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | SHRS |
| ISIN code | GB0008052507 |
| Sedol code | 0805250 |
| Stockbrokers | J.P. Morgan Cazenove |
| Market makers | CFEP, JPMS,NITE, WINS, INV |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.shiresincome.co.uk

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+44 (0)131 222 1863

## Important information

**Risk factors you should consider prior to investing:**

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- Certain trusts may seek to invest in higher yielding securities such as bonds, which are subject to credit risk, market price risk and interest rate risk. Unlike income from a single bond, the level of income from an investment trust is not fixed and may fluctuate.
- With funds investing in bonds there is a risk that interest rate fluctuations could affect the capital value of investments. Where long term interest rates rise, the capital value of shares is likely to fall, and vice versa. In addition to the interest rate risk, bond investments are also exposed to credit risk reflecting the ability of the borrower (i.e. bond issuer) to meet its obligations (i.e. pay the interest on a bond and return the capital on the redemption date). The risk of this happening is usually higher with bonds classified as 'sub-investment grade'. These may produce a higher level of income but at a higher risk than investments in 'investment grade' bonds. In turn, this may have an adverse impact on funds that invest in such bonds.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

**Other important information:**

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For more information visit invtrusts.co.uk

# abrdn UK Smaller Companies Growth Trust plc

## Capturing the growth potential of UK smaller companies

Performance Data and Analytics to 30 November 2023

## Investment objective

To achieve long term capital growth by investment in UK quoted smaller companies.

## Benchmark

The Numis Smaller Companies plus AIM (excluding Investment Companies) Index.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 407.5p | 10.5 | (0.3) | (2.6) | (11.1) | (25.9) | 4.5 |
| NAV | 461.2p | 7.2 | (1.3) | (5.8) | (11.4) | (21.3) | 7.0 |
| Reference Index[A] | | 5.9 | (3.1) | (3.7) | (6.0) | (3.4) | 8.3 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (11.1) | (33.4) | 25.1 | 4.8 | 34.6 |
| NAV | (11.4) | (30.5) | 27.8 | 7.4 | 26.6 |
| Reference Index[A] | (6.0) | (17.5) | 24.5 | 3.8 | 8.0 |

Source: Thomson Reuters Datastream, total returns. The percentage growth figures above are calculated over periods on a mid to mid basis.
**Past performance is not a guide to future results.**

## Ten largest positions relative to the reference index (%)

| Overweight Stocks | Portfolio | Benchmark | Relative |
|---|---|---|---|
| Diploma | 4.0 | – | 4.0 |
| Cranswick | 3.7 | – | 3.7 |
| Games Workshop | 3.4 | – | 3.4 |
| Hill & Smith | 4.1 | 0.7 | 3.4 |
| Ashtead Technology Holdings | 3.3 | 0.2 | 3.1 |
| Morgan Sindall | 3.4 | 0.5 | 2.9 |
| 4Imprint | 3.4 | 0.6 | 2.8 |
| JTC | 3.2 | 0.6 | 2.6 |
| Hilton Food Group | 2.9 | 0.3 | 2.6 |
| Bytes Technology | 3.2 | 0.7 | 2.5 |

[A] Reference Index is the Numis Smaller Companies (ex Investment Companies) Index up to 31 December 2017, and the Numis Smaller Companies plus AIM (excluding Investment Companies) Index thereafter.
[B]  The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.

## Morningstar Analyst Rating™

Silver

[B] **Morningstar Analyst Rating™**
Morningstar analysts assign the ratings globally on a five-tier scale with three positive ratings of Gold, Silver and Bronze.

## Morningstar Sustainability Rating™

## Morningstar Rating™

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Twenty largest equity holdings (%)

| | |
|---|---|
| Hill & Smith | 4.1 |
| Diploma | 4.0 |
| Cranswick | 3.7 |
| Games Workshop | 3.4 |
| Morgan Sindall | 3.4 |
| 4imprint | 3.4 |
| Ashtead Technology | 3.3 |
| JTC | 3.2 |
| Bytes Technology | 3.2 |
| Hilton Food | 2.9 |
| Paragon Banking | 2.6 |
| Hollywood Bowl | 2.4 |
| Volution | 2.3 |
| Sirius Real Estate | 2.3 |
| Alpha FMC | 2.3 |
| discoverIE | 2.3 |
| CVS | 2.3 |
| XPS Pensions | 2.2 |
| Coats | 2.2 |
| Gamma Communications | 2.1 |
| **Total** | **57.6** |

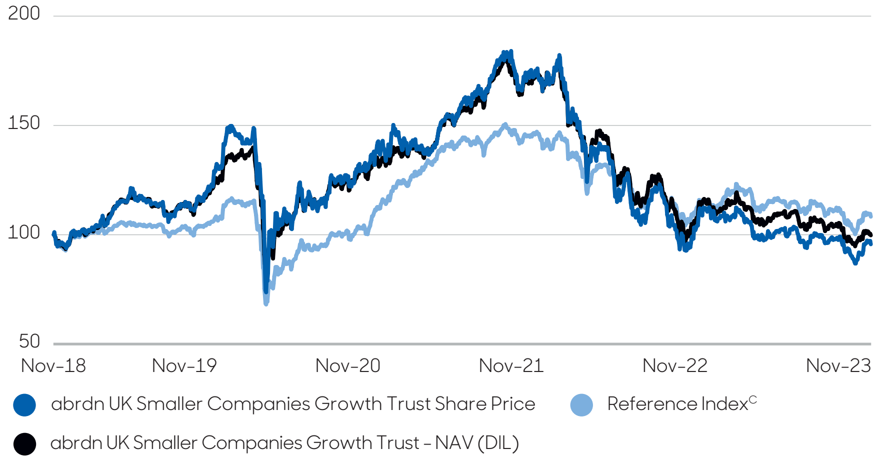
## Total number of investments 54

All sources (unless indicated): abrdn: 30 November 2023.

# abrdn UK Smaller Companies Growth Trust plc

## 1 Year Premium/Discount Chart (%)


## 5 year trust performance - price indexed




## Fund managers' report

**Market Review**

UK markets recovered some of their recent losses in November as inflation continued to fall and hopes rose that interest rate cuts could materialise in the first half of 2024. Large-cap energy and mining stocks underperformed as oil and commodity prices fell back on concerns about slowing global growth. As a result, the FTSE 100 Index returned 2.3% over the month, lagging its peers in Europe and US. However, the more domestically focused FTSE 250 Index gained 7.1% while the FTSE Small Cap Index returned 5.4%.

The UK Consumer Prices Index fell sharply to 4.6% in October, although this was largely as a result of a steep decline in energy costs when compared with a year earlier. The Bank of England (BoE) followed other central banks in keeping interest rates unchanged at the start of the month, but BoE governor Andrew Bailey warned that investors were downplaying inflation risks, adding that talk of rate cuts was premature. Private-sector performance during the month was mixed, according to data published by S&P Global: although output stabilised, there were signs that input costs and prices charged by businesses were rising. Meanwhile, UK house prices continued to fall and reports from the

**Fund managers' report continues overleaf**

[C] Reference Index is the Numis Smaller Companies (ex Investment Companies) Index up to 31 December 2017, and the Numis Smaller Companies plus AIM (excluding Investment Companies) Index thereafter.
[D] Net Asset Value including income.
[E] Expressed as a percentage of average daily net assets for the year ended 30 June 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[F] The 'Active Share' percentage is a measure used to describe what portion of the portfolio's holdings differ from the reference index holdings.

## Sector allocation (%)

| | |
|---|---|
| Industrials | 23.5 |
| Consumer Discretionary | 18.9 |
| Financial Services | 16.1 |
| Technology | 9.7 |
| Consumer Staples | 7.4 |
| Energy | 6.2 |
| Basic Materials | 5.4 |
| Real Estate | 4.6 |
| Telecommunications | 4.3 |
| Health Care | 1.3 |
| Cash | 2.6 |
| **Total** | **100.0** |

## Key information

### Calendar

| | |
|---|---|
| Accounts Published | September |
| Annual General Meeting | October |
| Launch Date | 1993 |
| Dividends Paid | April/October |

### Trust information

| | |
|---|---|
| Fund Manager | Abby Glennie / Amanda Yeaman |
| Gross Assets | £407.0 million |
| Borrowing | £24.9 million |
| Market Capitalisation | £337.5 million |
| Share Price | 407.5p |
| Net Asset Value[D] | 461.2p |
| (Discount)/Premium<br>12 Month High<br>12 Month Low | (11.6)%<br>(8.2)%<br>(16.5)% |
| Net yield | 2.7% |
| Current Equity Net Gearing The levels of gearing and yield change on a daily basis. | 3.6% |
| Trust Annual Management Fee | 0.75% on Net Assets up to £175m, 0.65% on Net Assets between £175m and £550m and 0.55% on Net Assets over £550m |
| Ongoing Charges[E] | 0.95% |
| Active Share percentage[F] | 82.9% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 3x |
| Commitment | 2x |

# abrdn UK Smaller Companies Growth Trust plc

## Fund managers' report - continued

retail sector indicated that businesses were worried about a slowdown in spending over the Christmas period.

### Performance

The Trust's net asset value total return during the month rose but underperformed its benchmark. The main detractor from returns was the Trust's holding in 4imprint. Its share price responded negatively to indications from the management team that demand was weakening, although the long-term outlook remains positive. Shares in Marlowe lagged the market after the company published results that came in below expectations. Team17 also weighed on returns after issuing an unexpected profit warning.

Conversely, the Trust's holding in Diploma added to relative performance as its shares rose on results that demonstrated accelerating organic growth in the previous quarter. The company also said it expected profit margins to improve faster than had been expected. Shares in Cranswick advanced after the firm issued robust interim results, while the holding in JTC added to returns following the announcement of a new acquisition target.

### Activity

We introduced three holdings to the Trust during the month: food manufacturer Premier Foods, aerospace and defence business Chemring and Johnson Service, a supplier of workwear. Premier Foods has made considerable progress in the last five years in reducing debt, resolving its pension issues and, importantly, generating consistent growth from its brands. Recent momentum should also be sustained by its well-defined domestic and international opportunities, as well as the firm's record in innovation and execution. Chemring benefits from good cash conversion, while the quality of its order book is underpinned by strong, long-term customer relationships. Johnson Service, meanwhile, has higher organic growth and margins than its peers, and its investment strategy has helped to widen its competitive advantage.

We also topped up our positions in Ashtead Technology, Sirius Real Estate and Hollywood Bowl. Meanwhile, the Trust exited its position in Team17 following its profit warning.

### ESG engagement

We had an introductory meeting on environmental, social and governance (ESG) matters with electronics manufacturer Volex. The company's emissions profile is not overly challenging but there are opportunities to improve: it has set targets of reaching net zero for scope 1 and 2 emissions by 2035, and for scope 3 emissions by 2050. A formal plan is to be published during the current financial year. As sustainability is valued by Volex's customers and helps drive growth opportunities, the company is fully aware of its importance. However, as the firm has tens of thousands of suppliers, it is currently only able to directly audit and engage with tier 1 suppliers, which represents around 500 businesses.

### Outlook

While there has been some positive news in the UK with regard to interest rates and inflation prints, the global picture is less supportive. The outlook for UK consumer spending is arguably improving, with inflation seemingly past its worst, continued wage rises helping affordability and ongoing resilience in the labour market, although difficulties around mortgage renewals and rent increases persist.

The final months of the year have been more challenging for company earnings and we have seen a downwards move in earnings reporting across the market, with significant downgrades prompting large and sudden declines in the prices of individual shares. This is a disappointing development after a strong trend of improving earnings since the start of 2023. The theme of delayed decision-making remains a risk, as do downgrades of businesses exposed to more cyclical industries.

Despite the recession risks, there have been only limited signs of UK markets favouring businesses with strong quality characteristics. To date, the key drivers of sentiment have been earnings momentum, upgrades and downgrades and, as such, our focus remains strongly on those company-specific fundamentals. Externally, we continue to see unsettling geopolitical events such as conflict in Israel, the continuation of the war in Ukraine and possible further rises in oil prices as risks.

[G] FTSE 250 are mid cap holdings that are above market cap for Numis Smaller Companies holdings.

**Important information overleaf**

## Composition by market capitalisation (Ex Cash) (%)

| | |
|---|---|
| Numis Smaller Companies plus AIM (ex investment companies) | 84.2 |
| FTSE 250[G] | 11.7 |
| FTSE 100 | 4.1 |
| **Total** | **100.0** |

## Capital structure

| | |
|---|---|
| Ordinary shares | 82,829,237 |
| Treasury shares | 21,335,185 |

## Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 75% |
| Revenue | 25% |

## Trading details

| | |
|---|---|
| Reuters/Epic/Bloomberg code | AUSC |
| ISIN code | GB0002959582 |
| Sedol code | 0295958 |
| Stockbrokers | WINS Investment Trusts |
| Market makers | INV, JPMS, NUMS, PEEL, WINS |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.abrdnuksmallercompaniesgrowthtrust.co.uk

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InvestmentTrustInvestorRelations-UK@abrdn.com
+44 (0)20 7463 5971
+44 (0)131 222 1863

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- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- The Alternative Investment Market (AIM) is a flexible, international market that offers small and growing companies the benefits of trading on a world-class public market within a regulatory environment designed specifically for them. AIM is owned and operated by the London Stock Exchange. Companies that trade on AIM may be harder to buy and sell than larger companies and their share prices may move up and down very sharply because they have lower trading volumes and also because of the nature of the companies themselves. In times of economic difficulty, companies listed on AIM could fail altogether and you could lose all your money.
- The Company invests in smaller companies which are likely to carry a higher degree of risk than larger companies.
- Specialist funds which invest in small markets or sectors of industry are likely to be more volatile than more diversified trusts.

**Other important information:**

An investment trust should be considered only as part of a balanced portfolio. The information contained in this document should not be considered as an offer, solicitation or investment recommendation to deal in the shares of any securities or financial instruments. It is not intended for distribution or use by any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares and is by way of information only. Investment should only be following a review of the current Key Information Document (KID) and pre-investment disclosure document (PIDD) both of which are available on www.invtrusts.co.uk. Any data contained herein which is attributed to a third party ("Third Party Data") is the property of (a) third party supplier(s) (the "Owner") and is licensed for use by abrdn*. Third Party Data may not be copied or distributed. Third Party Data is provided "as is" and is not warranted to be accurate, complete or timely. To the extent permitted by applicable law, none of the Owner, abrdn* or any other third party (including any third party involved in providing and/or compiling Third Party Data) shall have any liability for Third Party Data or for any use made of Third Party Data. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates. * abrdn means the relevant member of abrdn group, being abrdn plc together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.



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# abrdn Asian Income Fund Limited

## Targeting the income and growth potential of Asia's most compelling and sustainable companies

Performance Data and Analytics to 30 November 2023

## Investment objective

To provide investors with a total return primarily through investing in Asia Pacific securities, including those with an above average yield. Within its overall investment objective, the Company aims to grow its dividends over time.

## Benchmark

The Company's portfolio is constructed without reference to the composition of any stock market index or benchmark. It is likely, therefore, that there will be periods when its performance will be quite unlike that of any index or benchmark and there can be no assurance that such divergence will be wholly or even primarily to the Company's advantage. The Manager utilises two general regional indices, the MSCI AC Asia Pacific ex Japan Index (currency adjusted) and the MSCI AC Asia Pacific ex Japan High Dividend Yield Index (MXAPJ) (currency adjusted) for Board reporting.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 195.5p | 5.7 | (0.9) | (1.7) | (6.9) | 6.4 | 25.7 |
| NAV[A] | 224.6p | 3.5 | 0.6 | 0.0 | (5.3) | 8.6 | 26.6 |
| MSCI AC Asia Pacific ex Japan | | 3.0 | 0.4 | 0.7 | (3.7) | (6.7) | 19.2 |
| MSCI AC Asia Pacific ex Japan HDY | | 2.1 | 2.6 | 4.3 | 3.6 | 20.3 | 26.9 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (6.9) | 3.2 | 10.8 | 6.8 | 10.6 |
| NAV[A] | (5.3) | 0.4 | 14.2 | 9.5 | 6.5 |
| MSCI AC Asia Pacific ex Japan | (3.7) | (5.8) | 2.8 | 18.0 | 8.3 |
| MSCI AC Asia Pacific ex Japan HDY | 3.6 | 8.2 | 7.4 | 0.0 | 5.4 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

## Morningstar Sustainability Rating™

## Morningstar Rating™

★★★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Ten largest holdings (%)

| | | |
|---|---|---|
| TSMC | Taiwan | 8.3 |
| Samsung Electronics | Korea | 6.4 |
| BHP | Australia | 4.2 |
| Power Grid | India | 3.6 |
| DBS | Singapore | 3.5 |
| Oversea-Chinese Banking | Singapore | 3.3 |
| United Overseas Bank | Singapore | 2.5 |
| Venture | Singapore | 2.5 |
| Taiwan Mobile | Taiwan | 2.4 |
| LG Chem | Korea | 2.4 |
| **Total** | | **39.1** |

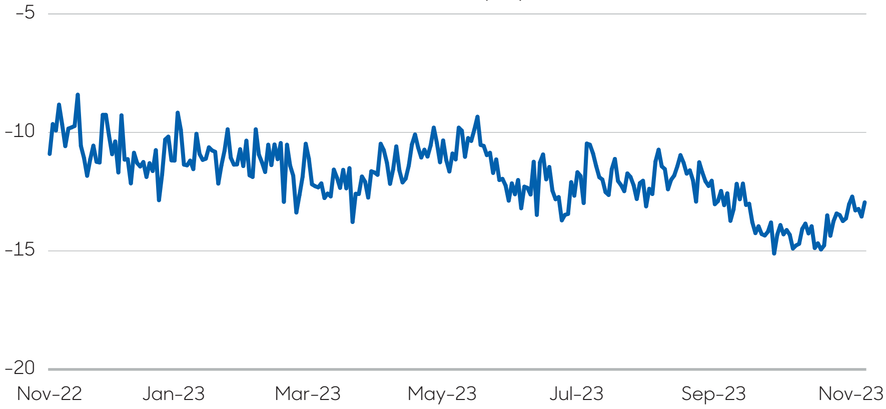
**Total number of investments 62**

[A] Including current year revenue.


All sources (unless indicated): abrdn: 30 November 2023.

# abrdn Asian Income Fund Limited

## 1 Year Premium/Discount Chart (%)




## Fund managers' report

### Market and portfolio review

Asian markets rebounded in November as investors became increasingly confident that interest rates are nearing their peak. Market sentiment rose on the back of lower-than-expected US inflation data and the US Federal Reserve's (Fed) decision to keep rates on hold for the second consecutive meeting. There were further signs of improving US-China relations as President Xi Jinping met US President Joe Biden ahead of the annual Asia-Pacific Economic Cooperation (APEC) summit in California.

Across Asia, the markets in Korea and Taiwan were among the strongest performers owing to gains by technology heavyweights, amid positive third-quarter results and guidance. Singapore lagged the broader Asia Pacific region, due to weakness in the financials sector that comprises almost half of the domestic benchmark index. Stocks in China underperformed following mixed macro data, but the Indian market was largely in line with the region as investors awaited the outcome of state elections. At the time of writing, the Bharatiya Janata Party (BJP)'s win in three state elections was much better than exit polls had suggested and reinforced the consensus expectation of a win by Prime Minister Narendra Modi in the 2024 national elections. This augurs well for domestic cyclical sectors, namely banking, industrial, power, property and mid-caps.

With the third-quarter reporting season well under way, there were some notable results from our holdings. Insurance group AIA announced a 35% year-on-year rise in new business value, which was better than expected, alongside improving profit margins. Among our bank holdings, Oversea-Chinese Banking

**Fund managers' report continues overleaf**

[C] Expressed as a percentage of average daily net assets for the year ended 31 December 2022. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[D] With effect from 1 January 2022 the management fee was moved to a tiered basis: 0.8% of the average value of net assets up to £350 million and 0.6% of the average value of net assets in excess of £350 million.
[E] Calculated using the Company's historic net dividends and month end share price.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.
[G] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

## Country allocation (%)

| | Trust | Regional Index | Month's market change |
|---|---|---|---|
| Taiwan | 20.4 | 15.3 | 8.5 |
| Singapore | 20.3 | 3.0 | (2.0) |
| Australia | 15.6 | 16.0 | 5.3 |
| Korea | 8.8 | 12.3 | 11.4 |
| China | 8.1 | 27.5 | (1.7) |
| India | 7.0 | 15.2 | 2.3 |
| Hong Kong | 6.0 | 4.8 | (3.8) |
| Thailand | 5.6 | 1.7 | (2.9) |
| New Zealand | 4.4 | 0.4 | 10.1 |
| Indonesia | 1.8 | 1.8 | 2.3 |
| Japan | 1.0 | – | – |
| Malaysia | – | 1.3 | (1.3) |
| Philippines | – | 0.6 | 3.7 |
| Cash | 1.0 | – | – |
| **Total** | **100.0** | **100.0** | |

Month's market change represents the individual country returns calculated using the MSCI Index series (£). Market change is Total Return in GBP.
Index may not add up to 100 due to rounding.
Source: abrdn Investments Limited and MSCI.

## Fund risk statistics

| | 3 Years | 5 Years |
|---|---|---|
| Annualised Standard Deviation of Fund | 12.47 | 13.67 |
| Beta | 0.81 | 0.88 |
| Sharpe Ratio | 0.19 | 0.34 |
| Annualised Tracking Error | 5.61 | 5.53 |
| Annualised Information Ratio | 1.20 | 0.42 |
| R-Squared | 0.86 | 0.86 |

Source: abrdn & Factset.
Basis: Total Return, Gross of Fees, GBP.
Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value(NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

## Key information Calendar

| | |
|---|---|
| Year end | 31 December |
| Accounts published | April |
| Annual General Meeting | May |
| Dividend paid | February, May, August, November |
| Launch date | December 2005 |
| Fund manager | Asian Equities Team |
| Ongoing charges[C] | 1.01% |
| Annual management fee[D] | 0.80% (tiered) |
| Premium/(Discount) | (13.0)% |
| Yield[E] | 5.4% |
| Net gearing[F] | 7.5% |
| Active share[G] | 75.4% |

# abrdn Asian Income Fund Limited

## Fund managers' report – continued

Corporation (OCBC) showed impressive increases in both net interest income and net profit in its results, albeit management turned more cautious in its guidance given the prevailing weak macro environment. DBS's results were better than expected, although the bank signaled that the net interest margin has likely peaked as it was not expecting another rate increase by the Fed in the current cycle. Elsewhere, Power Grid Corporation of India declared an interim dividend in its second quarter results as its balance sheet continues to show improvement. The company also confirmed it is in talks regarding a possible sub-sea cable between India and Singapore.

In key portfolio changes in November, we introduced a new holding in Bank Mandiri Persero (BMRI), one of Indonesia's largest banks. It offers a dividend yield higher than the benchmark along with double-digit dividend growth. BMRI has done well in recent years to close the gap with its main rival, Bank Central Asia, particularly around funding and risk management. BMRI's growth strategy is centred on its "ecosystem lending" approach in which the bank targets existing corporate customers, which provides it with better visibility on the health of prospective customers. Another key focus for BMRI is on growing its share of payroll loans which is a lucrative segment. These efforts are supported by a clear edge in its digitalisation strategy. We see further progress ahead, especially given the structural trends around digitalisation across the broader domestic economy.

### Outlook

Asia is benefiting from global supply chain diversification. India is in the early stages of a cyclical upswing. As AI-related apps and chips start to proliferate, rising demand will boost the region's semiconductor and consumer electronics segments. Asian valuations remain attractive versus markets like the US, along with expectations of better earnings performance in the fourth quarter and early 2024. There is also dividend support. Dividends of companies in the regional MXAPJ benchmark have been growing steadily, with Asia having the best dividend growth across major markets compared with pre-Covid levels. In addition, Asia's 2024 dividend growth is likely to be healthy. Consensus estimates suggest that MXAPJ dividend growth is set to accelerate from a forecast 0.3% for 2023 to an expected 6.7% for 2024, led by consumer services, insurance, and staples retail.

At the portfolio level, a "higher for longer" rate environment could pressure growth stocks and we have a relatively lighter positioning here. We remain focused on ensuring our conviction is appropriately reflected in our positioning. We are finding the most attractive opportunities around these structural themes: Aspiration, Building Asia, Digital Future, Going Green, Health & Wellness and Tech Enablers. We continue to favour fundamental themes, which we believe will deliver good dividends for shareholders over the long run.

**The risks outlined overleaf relating to gearing, emerging markets, exchange rate movements and warrants are particularly relevant to this investment company but should be read in conjunction with all warnings and comments given. Important information overleaf**

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

### Assets/Debt (£m)

| | |
|---|---|
| Equities | 402.3 |
| Fixed Income | 3.4 |
| Gross Assets | 408.3 |
| Debt | 32.2 |
| Cash & cash equivalents | 4.0 |

### Capital structure

| | |
|---|---|
| Ordinary shares | 167,441,872 |
| Treasury Shares | 27,491,517 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 60% |
| Revenue | 40% |

### Borrowing policy

Up to 25% of net assets (measured at the time any borrowings are drawn down).

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | AAIF |
| ISIN code | GB00B0P6J834 |
| Sedol code | B0P6J83 |
| Stockbrokers | Stifel Nicolaus Europe Limited |
| Market makers | SETSmm |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup www.asian-income.co.uk

### Contact

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## Important information

### Risk factors you should consider prior to investing:

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.
- Derivatives may be used, subject to restrictions set out for the Company, in order to manage risk and generate income. The market in derivatives can be volatile and there is a higher than average risk of loss.

### Other important information:



For more information visit invtrusts.co.uk

# abrdn Asia Focus plc

## A fundamental, high conviction portfolio of well-researched Asian small caps

Performance Data and Analytics to 30 November 2023

## Investment objective

The Company aims to maximise total return to shareholders over the long term from a portfolio made up predominantly of quoted smaller companies in the economies of Asia excluding Japan.

The full investment policy is available for download on the Company's website.

## Comparative benchmark

With effect from 1 August 2021 the MSCI AC Asia ex Japan Small Cap Index (currency adjusted) has been adopted as the comparative index and performance is also measured against the peer group. Given the Manager's investment style, it is likely that performance will diverge, possibly quite dramatically in either direction, from the comparative index. The Manager seeks to minimise risk by using in depth research and does not see divergence from an index as risk.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | Since BM Change 31/7/21 |
|---|---|---|---|---|---|---|---|---|
| Share Price | 255.0p | 6.3 | (0.1) | 5.0 | 7.0 | 27.0 | 43.8 | 4.1 |
| Diluted NAV[A] | 303.1p | 4.3 | 0.6 | 5.9 | 7.0 | 30.1 | 44.1 | 5.3 |
| Composite Benchmark | | 5.1 | 2.4 | 9.2 | 9.9 | 25.0 | 52.2 | 5.4 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | 7.0 | (10.1) | 32.1 | 4.0 | 8.9 |
| Diluted NAV[A] | 7.0 | (8.7) | 33.2 | 5.9 | 4.6 |
| Composite Benchmark | 9.9 | (7.5) | 22.9 | 19.5 | 2.0 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited and Morningstar.
**Past performance is not a guide to future results.**

[A] Including current year revenue.
[B]  The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.

## Morningstar Rating™

★★★★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

Kepler GROWTH RATING

## Ten largest equity holdings (%)

| | | |
|---|---|---|
| Park Systems | Korea | 4.2 |
| Bank OCBC Nisp | Indonesia | 4.2 |
| Cyient | India | 3.7 |
| Prestige Estate Project | India | 3.4 |
| FPT | Vietnam | 3.3 |
| AKR Corporindo | Indonesia | 3.3 |
| John Keells | Sri Lanka | 3.0 |
| AEGIS Logistics | India | 3.0 |
| Mega Lifesciences | Thailand | 2.6 |
| Leeno Industrial | Korea | 2.5 |
| **Total** | | **33.2** |

## Country allocation (%)

| | Trust | MSCI AC Asia ex Japan Small Cap Index | Month's market change |
|---|---|---|---|
| India | 19.2 | 31.0 | 4.4 |
| Indonesia | 11.4 | 2.2 | (2.6) |
| China | 10.7 | 8.2 | (3.4) |
| Taiwan | 10.6 | 26.1 | 9.5 |
| Korea | 7.0 | 16.3 | 12.0 |
| Malaysia | 6.7 | 2.7 | (0.4) |
| Thailand | 6.1 | 3.6 | (1.1) |
| Vietnam | 5.7 | – | – |
| Singapore | 4.1 | 4.9 | 3.0 |
| Philippines | 4.0 | 0.9 | (1.7) |
| Hong Kong | 3.1 | 4.1 | (4.3) |
| Sri Lanka | 3.0 | – | – |
| United Kingdom | 2.4 | – | – |
| Denmark | 2.0 | – | – |
| New Zealand | 1.4 | – | – |
| Myanmar | 0.6 | – | – |
| Cash | 2.0 | – | – |
| **Total** | **100.0** | **100.0** | |

MSCI AC Asia ex Japan Small Cap. Month's market change represents the individual country returns calculated using the MSCI Index series (£). Market change is Total Return in GBP. Index may not add up to 100 due to rounding. Source: abrdn Investments Limited and MSCI.

All sources (unless indicated): abrdn: 30 November 2023.

# abrdn Asia Focus plc

## 1 Year Premium/Discount Chart (%)


## Fund managers' report

### Market review

Asian small cap stocks rebounded in November as investors became increasingly confident that interest rates had peaked. Market sentiment rose on the back of lower-than-expected US inflation data and the US Federal Reserve's (Fed) decision to keep rates on hold for the second consecutive meeting. There were further signs of improving US-China relations as President Xi Jinping met US President Joe Biden ahead of the annual Asia-Pacific Economic Cooperation (APEC) summit in California. The benchmark MSCI AC Asia Ex Japan Small Cap Index returned 5.1% in sterling terms, while the Trust underperformed the benchmark by 0.8% (on a NAV basis).

Across Asia, the markets in South Korea and Taiwan were among the strongest performers thanks to renewed interest in technology stocks. Stocks in China underperformed the wider region following mixed macro data. Elsewhere, the Indian market performed largely in line with the region as investors awaited the outcome of state elections. At the time of writing, the Bharatiya Janata Party (BJP)'s win in the three state elections of Madhya Pradesh, Rajasthan and Chhattisgarh was much better than what exit polls suggested and reinforced the consensus expectation of a win by Prime Minister Narendra Modi in the 2024 national elections with a greater likelihood of 300-plus seats for the BJP. This boost to investor sentiment should augur well for domestic cyclical sectors, namely banking, industrial, power, property and mid-caps. Competitive populism from both the BJP and Congress is also clearly visible.

In corporate news, India's Aegis Logistics reported a stable performance supported by both its LPG and liquids businesses. Results from Prestige Estates showed residential pre-sales more than doubling and management raised guidance for the 2024 fiscal year. Among our leading contributors in November were South Korean Leeno Industrial, which manufactures probes used for testing printed circuit boards (PCBs), and India-based engineering company Cyient.

**Fund managers' report continues overleaf**

[C] Expressed as a percentage of average daily net assets for the year ended 31 July 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The Ongoing Charges figure can help you compare the annual operating expenses of different Companies.
[D] with effect from 1 August 2021, 0.85% per annum for the first £250 million of the Company's market capitalisation, 0.6% per annum for the next £500 million, and 0.5% per annum for market capitalisation of £750 million and above, based on the closing Ordinary share price quoted on the London Stock Exchange multiplied by the number of Ordinary Shares in issue (excluding those held in treasury), valued monthly.
[E] Calculated using the Company's publicly announced target dividend yield of 6.4p for the year ending 31 July 2022 and month end share price.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.
[G] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

| Total number of investments | 59 |
|---|---|

### Fund risk statistics

| | 3 Years | 5 Years |
|---|---|---|
| Annualised Standard Deviation of Fund | 11.46 | 14.83 |
| Beta | 0.85 | 0.87 |
| Sharpe Ratio | 0.59 | 0.41 |
| Annualised Tracking Error | 4.50 | 5.39 |
| Annualised Information Ratio | 0.20 | (0.22) |
| R-Squared | 0.87 | 0.89 |

Source: abrdn & Factset.
Basis: Total Return, Gross of Fees, GBP.
Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value(NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

### Key information Calendar

| | |
|---|---|
| Year end | 31 July |
| Accounts published | October |
| Annual General Meeting | December |
| Dividends paid | March, June, September, December |
| Launch date | October 1995 |
| Fund managers | Flavia Cheong, Gabriel Sacks, Xin-Yao Ng, Hugh Young |
| Ongoing charges[C] | 0.92% |
| Annual management fee[D] | 0.85% Market Cap (tiered) |
| Premium/(Discount) with debt at fair value | (15.9)% |
| Yield[E] | 3.4% |
| Net gearing with debt at par[F] | 11.9% |
| Active share[G] | 97.6% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

# abrdn Asia Focus plc

## Fund managers' report – continued

On the other hand, leading detractors from relative returns included Hong Kong-based Dah Sing Banking Group and Thailand's Hana Microelectronics, which reported disappointing quarterly performance figures. Sri Lanka's John Keells Holdings, a diversified conglomerate, also came under pressure following the release of its earnings report although the Group's prospects are brightening as we approach the launch of its integrated resort in Colombo.

In terms of portfolio trades, we bought Taiwan-based Chroma Ate, a strong player that excels in the core power testing industry with high entry barriers. Its business and profits have grown steadily through the years and it has growing exposure to exciting industries like electric vehicles, 3D testing and semiconductors. Another portfolio addition was China-based Zhejiang Shuanghuan Driveline, which has more than 40 years of experience manufacturing gears that have wide application areas in internal combustion engines (ICEs), electric vehicles (EVs), motorcycles, construction machinery and power tools. The company's value proposition has changed thanks to higher precision requirement of EV gears, growing outsourcing of gear manufacturing in the automobile industry and rising automatic transmission penetration. Shuanghuan has become one of the few high-precision gear manufacturers in China to supply Grade 4 gears. It has around 50% market share in the China EV gear set and has just signed a multiple years' contract with a global EV powertrain company. The Trust also participated in a share placement by India-based Apar Industries, offered at a considerable discount to the prevailing market price. Apar is a play on rising global investments in transmission and renewables where the company generates half of its revenues from India and the other half in exports, mainly to the US, Europe and Australia. It produces conductors, specialty oil lubricants and cables, most of which are supplied to the power industry at various parts of the value chain. Apar's balance sheet and cash flows are healthy, and the controlling family has a good reputation. Finally, the Trust exited South Korea-based Koh Young Technology to fund opportunities elsewhere.

### Outlook

We still see significant potential for China's economy and market to spring back, given that much of the bad news has been priced in while a fundamental recovery is gathering pace. The rollout of more supportive policies, in a coordinated manner which was unseen so far this year, sends a strong signal to the market that the government is intensifying its effort to prop up the economy. The Trust has modest exposure to China directly, but we are positive on a market recovery.

Outside of China, the rest of Asia is benefiting from global supply chain diversification and a post-Covid economic recovery. India is in the early stages of a cyclical upswing while several ASEAN markets are seeing healthy growth and benign levels of inflation. As AI-related apps and chips start to proliferate, rising demand will boost the region's semiconductor and consumer electronics segments too, primarily in Taiwan and South Korea.

We remain focused on ensuring our conviction is appropriately reflected in our positioning. As a result, we continue to favour quality small-cap companies with solid balance sheets and sustainable earnings prospects that can emerge stronger in tough times. In the broader region, we are finding the most attractive opportunities around structural growth themes related to the aspiration of consumers, urbanisation, health & wellness, technology, urbanisation and the move towards clean energy.

**The risks outlined overleaf relating to gearing, emerging markets, small companies and exchange rate movements are particularly relevant to this trust but should be read in conjunction with all warnings and comments given.**

**Important information overleaf**

### Assets/Debt (£m)

| | |
|---|---|
| Gross Assets | 535.8 |
| Debt (CULS + bank loan) | 66.2 |
| Cash & cash equivalents | 10.5 |

### Capital structure as at 31 July 2022[H]

| | |
|---|---|
| Ordinary shares | 155,372,978 |
| Treasury shares | 53,329,590 |
| Convertible Unsecured Loan Stock 2025 (CULS) at nominal value | £36,629,659 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 75% |
| Revenue | 25% |

### Trading details

| | |
|---|---|
| Reuters/Epic/Bloomberg code | AAS |
| ISIN Code | GB00BMF19B58 |
| Sedol code | BMF19B5 |
| Stockbrokers | Panmure Gordon |
| Market makers | SETSmm |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.asia-focus.co.uk

### Contact

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trusts@abrdn.com

**Institutional investors**
InvestmentTrustInvestorRelations-UK@abrdn.com

+44 (0)20 7463 5971
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## Important information

### Risk factors you should consider prior to investing:

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- Past performance is not a guide to future results.
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- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- The Company invests in smaller companies which are likely to carry a higher degree of risk than larger companies.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Specialist funds which invest in small markets or sectors of industry are likely to be more volatile than more diversified trusts.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

### Other important information:

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For more information visit invtrusts.co.uk

# Asia Dragon Trust plc

## Capturing growth from world-class Asian companies

Performance Data and Analytics to 30 November 2023

## Combination with abrdn New Dawn Investment Trust plc

The combination of the company with abrdn New Dawn Investment Trust plc ("New Dawn") was approved by New Dawn Shareholders on 8 November 2023 and the company acquired approximately £214.7 million of net assets from New Dawn in consideration for the issue of 52,895,670 New Shares to New Dawn Shareholders.

## Investment objective

The Company aims to achieve long-term capital growth principally through investment in companies in the Asia Pacific region, excluding Japan (the "Investment Region").

## Benchmark

MSCI AC Asia ex Japan Index. This benchmark excludes Japan, Australia, New Zealand and Sri Lanka.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | Since 1/9/21[A] |
|---|---|---|---|---|---|---|---|---|
| Share Price | 354.0p | 7.9 | 2.3 | (3.5) | (12.2) | (22.5) | 5.5 | (27.4) |
| NAV[B] | 407.3p | 2.1 | (1.7) | (4.3) | (12.4) | (20.5) | 7.4 | (25.0) |
| MSCI AC Asia ex Japan | | 2.5 | 0.2 | 0.2 | (3.5) | (10.8) | 15.3 | (14.7) |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (12.2) | (15.9) | 4.8 | 21.6 | 12.0 |
| NAV[B] | (12.4) | (13.7) | 5.2 | 21.8 | 10.9 |
| MSCI AC Asia ex Japan | (3.5) | (9.0) | 1.6 | 21.3 | 6.6 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

[A] At the AGM in 2021, shareholders voted in favour of the introduction of a performance-related conditional tender offer, which provides that, in the event that the NAV total return per share fails to equal or exceed the MSCI All Country Asia ex Japan Index (sterling adjusted) over a five year assessment period commencing 1 September 2021, the Board will put forward proposals to shareholders to undertake a tender offer.
[B] Including current year revenue.
[C]  The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.

### Morningstar Analyst Rating™

Bronze ™

[C] **Morningstar Analyst Rating™**
Morningstar analysts assign the ratings globally on a five-tier scale with three positive ratings of Gold, Silver and Bronze.

### Morningstar Sustainability Rating™

### Morningstar Rating™

★★

[C] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

### Ten largest equity holdings (%)

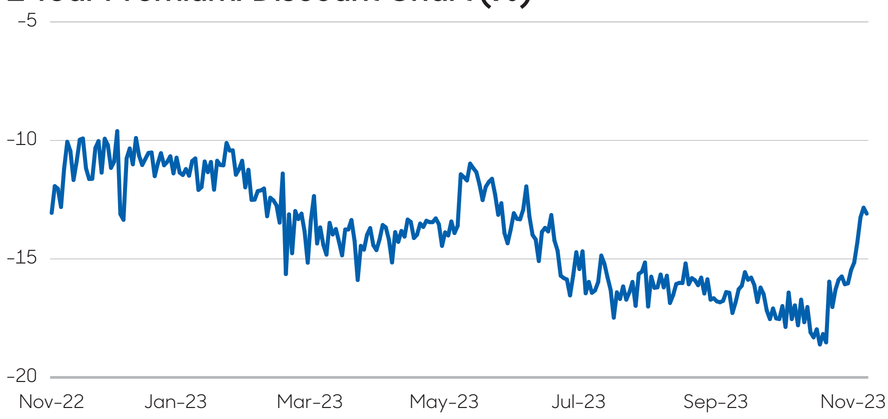
| | | |
|---|---|---|
| TSMC | Taiwan | 9.5 |
| Tencent | China | 7.7 |
| Samsung Electronics Pref. | Korea | 7.3 |
| AIA | Hong Kong | 5.3 |
| Housing Development Finance | India | 3.0 |
| Alibaba | China | 2.9 |
| Oversea-Chinese Banking Corp | Singapore | 2.6 |
| SBI Life Insurance | India | 2.1 |
| DBS | Singapore | 2.0 |
| Kweichow Moutai | China | 2.0 |
| **Total** | | **44.4** |

### Total number of investments 67

All sources (unless indicated): abrdn: 30 November 2023.

# Asia Dragon Trust plc

## 1 Year Premium/Discount Chart (%)




## Fund managers' report

### Market and portfolio review

Asian markets rebounded in November as investors became increasingly confident that interest rates were nearing their peaks. Market sentiment rose on the back of lower-than-expected US inflation data and the US Federal Reserve's (Fed) decision to keep rates on hold for the second consecutive meeting. There were further signs of improving US-China relations as President Xi Jinping met US President Joe Biden ahead of the annual Asia-Pacific Economic Cooperation (APEC) summit in California. Across Asia, the markets in Korea and Taiwan were among the strongest performers owing to gains by technology heavyweights, amid positive third-quarter results and guidance. Stocks in China fell in Sterling terms and underperformed the wider region following mixed macro data.

Elsewhere, the Indian market performed largely in line with the region as investors awaited the outcome of state elections. At the time of writing, the Bharatiya Janata Party (BJP)'s win in three state elections was much better than exit polls had suggested and reinforced the consensus expectation of a win by Prime Minister Narendra Modi in the 2024 national elections with a greater likelihood of 300-plus seats for the BJP. This boost to investor sentiment augurs well for domestic cyclical sectors, namely banking, industrial, power and property. Competitive populism from both the BJP and Congress parties is clearly visible.

With the third-quarter reporting season well under way, there were some notable results from our holdings. Chinese internet giant Tencent posted better-than-expected operating profits, as margins and revenue grew from the more profitable parts of the business. The latest quarterly results from online marketplace Alibaba were rather mixed. However, the market's attention was focused more on its major restructuring programme as Alibaba shelved the Alibaba Cloud spin-off due to US bans on advanced chips. We have made the decision to reduce our position.

Turning to the financial sector, insurance group AIA announced a 35% year-on-year rise in new business value (NBV) in its third-quarter results, which was better than expected, alongside improving profit margins. Among our bank holdings, Oversea-Chinese Banking Corporation (OCBC) showed an

**Fund managers' report continues overleaf**

[C] Represents the individual country returns calculated using the MSCI Index Series (£). Market change is total return in GBP.
[D] Expressed as a percentage of average daily net assets for the year ended 31 August 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.

## Country allocation (%)

| | Trust | Regional Index | Month's market change[C] |
|---|---|---|---|
| China | 24.2 | 32.9 | (1.7) |
| India | 17.0 | 18.2 | 2.3 |
| Taiwan | 15.5 | 18.3 | 8.5 |
| Korea | 10.2 | 14.7 | 11.4 |
| Hong Kong | 9.7 | 5.7 | (3.8) |
| Australia | 4.8 | – | – |
| Singapore | 4.7 | 3.6 | (2.0) |
| Indonesia | 4.4 | 2.2 | 2.3 |
| Netherlands | 3.1 | – | – |
| Vietnam | 1.8 | – | – |
| Philippines | 1.5 | 0.7 | 3.7 |
| United Kingdom | 1.3 | – | – |
| Malaysia | – | 1.6 | (1.3) |
| Thailand | – | 2.0 | (2.9) |
| Cash | 1.8 | – | – |
| **Total** | **100.0** | **100.0** | |

Source: abrdn Investments Limited and MSCI.
Figures may not add up to 100 due to rounding.

## Fund risk statistics

| | 3 Years | 5 Years |
|---|---|---|
| Annualised Standard Deviation of Fund | 14.86 | 15.23 |
| Beta | 0.95 | 0.99 |
| Sharpe Ratio | (0.52) | 0.07 |
| Annualised Tracking Error | 3.75 | 4.01 |
| Annualised Information Ratio | (0.56) | (0.13) |
| R-Squared | 0.94 | 0.93 |

Source: abrdn & Factset.
Basis: Total Return, Gross of Fees, GBP.
Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value(NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

## Key information
## Calendar

| | |
|---|---|
| Year end | 31 August |
| Accounts published | November |
| Annual General Meeting | December |
| Dividend paid | December |
| Launch date | 1987 |
| Fund managers | James Thom, Pruksa Iamthongthong |
| Ongoing charges[D] | 0.91% |
| Annual management fee | 0.75% on net assets up to £350m; 0.5% on net assets above £350m |

# Asia Dragon Trust plc

## Fund managers' report - continued

impressive 17% rise in net interest income and a 21% surge in net profit in its latest quarterly results. DBS's results were better than expected although the bank signalled that the net interest margin (NIM) has likely peaked as it was not expecting another rate increase by the Fed in the current cycle.

In China, there was continued weakness in consumption as consumer sentiment remained poor. This weighed on the share prices of China Tourism Group Duty Free, Yum China and Meituan. We continue to closely monitor these positions. The near-term outlook remains cloudy, but we believe there is considerable value in this sector in the medium term.

In the healthcare sector, the Trust's holdings in China detracted with Aier Eye Hospital weighing on returns. We see no fundamental change in its business and the stock remains a high conviction position. This underperformance was offset by our healthcare holdings in Australia including CSL and Cochlear, as both rebounded after the weakness in previous months.

In Hong Kong, Budweiser APAC detracted despite posting resilient results in its core China business, with the premium beer category holding up better than many other consumer discretionary products and services. That said, the stock detracted on the broader negative sentiment towards the Chinese consumer coupled with near-term earnings weakness in its South Korean business where they are making heavy commercial investments to defend market share.

On a more positive note, the Trust saw strong performances from several of its technology hardware and semiconductor holdings with the key contributors spanning several markets. The key contributors included ASMI and ASM in the Netherlands, TSMC and Yageo in Taiwan, as well as Silergy in China and Samsung Electronics in Korea.

### Outlook

While there is significant potential for China's economy to rebound, the near-term environment remains challenging, with weak consumer sentiment and continued stress in the all-important property sector. As recent company results suggest, there are some tentative signs of improving fundamentals, particularly in the services sector. That said, policy support will still be needed to bolster the economy. Outside of China, the rest of Asia is benefiting from global supply chain diversification. India is in the early stages of a cyclical upswing. As AI-related apps and chips start to proliferate, rising demand will boost the region's semiconductor and consumer electronics segments.

Asian valuations remain attractive versus markets like the US, along with expectations of better earnings performance in the fourth quarter and early 2024. There is also dividend support, with Asia having the best dividend growth across major markets compared with pre-Covid levels. At the portfolio level, a higher-for-longer rate environment could pressure growth stocks and we have a relatively lighter positioning here. We remain focused on ensuring our conviction is appropriately reflected in our positioning and continue to favour quality companies with solid balance sheets and sustainable earnings prospects that can emerge stronger in tough times. We are finding the most attractive opportunities around these structural themes: Aspiration, Building Asia, Digital Future, Going Green, Health and Wellness, and Tech Enablers.

[E] Calculated using the Company's historic net dividends and month end share price.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.
[G] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.
[H] Includes current year revenue.

**The risks outlined overleaf relating to gearing, exchange rate movements and emerging markets are particularly relevant to this trust but should be read in conjunction with all warnings and comments made.**
**Important information overleaf**

### Key information continued

| | |
|---|---|
| Premium/(Discount) with debt at fair value | (13.1)% |
| Yield[E] | 1.9% |
| Net gearing with debt at par[F] | 6.1% |
| Active share[G] | 66.2% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

### Assets/Debt (£m)

| | |
|---|---|
| Gross[H] | 726.4 |
| Debt | 54.5 |
| Cash & cash equivalents | 13.7 |

### Capital structure

| | |
|---|---|
| Ordinary shares | 164,947,906 |
| Treasury shares | 47,559,441 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 75% |
| Revenue | 25% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | DGN |
| ISIN code | GB0002945029 |
| Sedol code | 0294502 |
| Stockbrokers | WINS Investment Trusts |
| Market makers | SETSmm |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at
www.invtrusts.co.uk/signup
www.asiadragontrust.co.uk

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## Important information

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- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

**Other important information:**

An investment trust should be considered only as part of a balanced portfolio. The information contained in this document should not be considered as an offer, solicitation or investment recommendation to deal in the shares of any securities or financial instruments. It is not intended for distribution or use by any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares and is by way of information only. Investment should only be following a review of the current Key Information Document (KID) and pre-investment disclosure document (PIDD) both of which are available on www.invtrusts.co.uk. Any data contained herein which is attributed to a third party ("Third Party Data") is the property of (a) third party supplier(s) (the "Owner") and is licensed for use by abrdn*. Third Party Data may not be copied or distributed. Third Party Data is provided "as is" and is not warranted to be accurate, complete or timely. To the extent permitted by applicable law, none of the Owner, abrdn* or any other third party (including any third party involved in providing and/or compiling Third Party Data) shall have any liability for Third Party Data or for any use made of Third Party Data. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates. * abrdn means the relevant member of abrdn group, being abrdn plc together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.

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# abrdn China Investment Company Limited

## Seeking long-term capital growth by investing predominantly in Chinese equities

Performance Data and Analytics to 30 November 2023

## Proposal for the Reconstruction and Voluntary Winding-up of the Company

The Board of abrdn China Investment Company is pleased to announce that heads of terms have been agreed in principle for a proposed combination of the Company with the assets of Fidelity China Special Situations PLC ("Fidelity China") (the "Proposals"). It believes the Proposals will benefit shareholders in the Company ("Shareholders") going forward. Fidelity China is the top performing as well as the largest and most liquid UK investment trust investing in China. The combination, if approved by each company's shareholders, will be implemented through a Guernsey scheme of reconstruction under which the Company will be placed into voluntary liquidation and part of its cash, assets and undertaking will be transferred to Fidelity China in exchange for the issue of new ordinary shares in Fidelity China to Shareholders.

## Investment objective

To produce long-term capital growth by investing predominantly in Chinese equities.

## Benchmark

MSCI China All Shares Index in GBP (from 26 October 2021).

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 442.0p | 12.8 | (0.9) | (3.7) | (16.8) | (30.2) | (5.9) |
| NAV | 489.0p | (2.1) | (6.7) | (8.0) | (19.0) | (32.3) | (13.5) |
| Reference Index[A] | | (2.2) | (4.2) | (4.7) | (11.5) | (26.2) | (9.7) |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (16.8) | (20.3) | 5.2 | 16.5 | 15.7 |
| NAV | (19.0) | (24.1) | 10.3 | 16.2 | 9.8 |
| Reference Index[A] | (11.5) | (19.5) | 3.6 | 15.1 | 6.2 |

Total return; NAV to NAV, gross income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

**Note on change of investment strategy**
Prior to 26 October 2021, the Company's investment policy was to invest in emerging market funds of funds. Please note that performance data for time periods prior to 26 October 2021 relate to an investment objective and strategy that no longer applies.

[A] Reference Index is the MSCI China All Shares Index since 26 October 2021 and MSCI Emerging Markets Index prior to that date.
[B] © 2023 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.
[C] Holding comprises of A & H shares.

### Morningstar Sustainability Rating™

### Morningstar Rating™

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

### Twenty largest holdings (%)

| | |
|---|---|
| Tencent | 9.7 |
| Kweichow Moutai | 6.9 |
| Alibaba | 4.9 |
| Pinduoduo | 4.8 |
| China Merchants Bank[C] | 3.4 |
| AIA | 2.9 |
| Contemporary Amperex Technology | 2.5 |
| Netease | 2.4 |
| Bank of Ningbo | 2.3 |
| BYD[C] | 2.2 |
| Meituan | 2.1 |
| Shenzhen Mindray Bio-Medic | 1.9 |
| JD.com | 1.8 |
| Hong Kong Exchanges & Clearing | 1.8 |
| Aier Eye Hospital | 1.7 |
| Proya Cosmetics | 1.7 |
| Maxscend Microelectronics | 1.7 |
| Wuxi Biologics | 1.6 |
| Fuyao Glass Industry | 1.6 |
| China Life Insurance[C] | 1.5 |
| **Total** | **59.4** |

| | |
|---|---|
| Total number of investments | 63 |

All sources (unless indicated): abrdn: 30 November 2023.

# abrdn China Investment Company Limited

## 1 Year Premium/Discount Chart (%)


## Fund managers' report

### Market and portfolio review

November saw Chinese stock markets initially recover on rising expectations of a US Federal Reserve (Fed) interest rate cut and optimism surrounding policy support for the property sector. However, most of these gains were erased towards the end of the month when disappointing fourth-quarter guidance, particularly from large e-commerce companies, dented investor confidence.

As noted, policy support continued, with several tier-1 and tier-2 cities reducing the downpayments required for second homes while others removed price controls for land auctions. Notably, leading developer Sunac, which previously defaulted on its offshore borrowings, reached a restructuring agreement with its creditors. This set a precedent for other distressed developers in need of debt restructuring.

In geopolitics, the meeting between President Biden and President Xi was viewed as a positive development towards stabilising the Sino-US relationship, with joint announcements on environmental protection and more regular military contact.

Turning to macroeconomic data, November's official manufacturing Purchasing Managers' Index (PMI) survey weakened further with a reading of 49.4. Investors had expected 49.7. Meanwhile, the non-manufacturing report also slipped from October's 50.6 reading to 50.2. Analysts pointed to ongoing weak demand as the principal driver of the decline. In contrast, the Caixin manufacturing PMI rose to 50.7 in November.

Elsewhere, China's year-on-year export growth fell from -6.2% in September to -6.4% in October. However, import growth surprised investors when it increased to 3%. Also, consumer inflation fell by 0.2% year on year in October, with the decline attributed to weaker spending following the Golden Week holiday at the beginning of that month.

**Fund managers' report continues overleaf**

### Sector allocation (%)

| | |
|---|---|
| Consumer Discretionary | 21.7 |
| Consumer Staples | 14.5 |
| Financials | 14.3 |
| Communication Services | 12.1 |
| Industrials | 10.5 |
| Information Technology | 9.1 |
| Health Care | 8.3 |
| Materials | 3.0 |
| Real Estate | 2.4 |
| Cash | 4.1 |
| **Total** | **100.0** |

### Fund risk statistics

| | 5 Years[C] |
|---|---|
| Return (Fund) p.a. as at 30/11/2023 | (1.71) |
| Return (Benchmark) p.a. as at 30/11/2023 | (9.72) |
| Annualised Tracking Error | 5.47 |
| Alpha | 0.08 |
| Beta | 1.12 |
| Correlation | 0.98 |

Source: abrdn & Factset.
Basis: Total Return, Net of Fees, GBP.
Please note that risk analytics figures are calculated on net asset value(NAV) returns. In addition, the risk analytics figures lag the performance figures.

### Key information
### Calendar

| | |
|---|---|
| Year end | October |
| Accounts published | February |
| Annual General Meeting | April |
| Dividend paid | March |
| Launch date | 21 June 1998. Mandate changed 26 October 2021 |
| Fund manager | Nicholas Yeo and Elizabeth Kwik |
| Annual management fee | 0.8% of first £150m of Market Cap, 0.75% on next £150m of Market Cap and 0.65% on the Market Cap over £300m |
| Ongoing charges[D] | 0.60% |

[C] Note that while the risk statistics are calculated over 5 years, the mandate was changed in October 2021.
[D] Expressed as a percentage of average daily net assets for the year ended 31 October 2022. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.

## Fund managers' report - continued

Turning to the Trust's performance in November, the net asset value total return was -2.1% in sterling terms. This compares to the reference index total return of -2.2%.

Notable stock winners over the month included online retailer PDD, which was boosted by stellar third-quarter results that exceeded market consensus by a large margin. Spirits producer Kweichow Moutai rose on news of a price hike, while Taiwan-based power management integrated circuit manufacturer Silergy gained as investors believed the business cycle has bottomed and a recovery looks likely.

Looking at the laggards, notable detractors included Bank of Ningbo and China Merchants Bank, which declined amid concerns about slowing loan growth and net-interest-margin compression. Wuxi Biologics was weak due to worries about its near-term earnings, given a decline in biotech funding. Lastly, shopping platform Meituan saw its share price slide on disappointing guidance despite the company delivering its third consecutive quarterly profit.

### Outlook

While we continue to see long-term opportunities in the five themes of aspiration, wealth, digital, health and green, we remain highly focused on the near-term earnings visibility of our holdings. Specifically, a sentiment-driven market can be unforgiving and impatient with any disappointment. That said, we are detecting some favourable tailwinds, including more grounded market expectations regarding valuation levels and an end to the destocking process across the economy.

### Key information continued

| | |
|---|---|
| Gross assets | £223.7m |
| Debt | £15.1m |
| Cash & cash equivalents | £9.2m |
| Net gearing | 2.8% |
| Discount | (9.6)% |
| Yield | 0.7% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2X |
| Commitment | 2X |

### Capital structure

| | |
|---|---|
| Ordinary shares | 42,652,309 |
| Treasury shares | 19,520,638 |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | ACIC |
| ISIN code | GG00B45L2K95 |
| Sedol code | B45L2K9 |
| Stockbrokers | Shore Capital<br>Deutsche Numis |

**Factsheet**

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.abrdnchina.co.uk

**Contact**

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+44 (0)20 7463 5971
+44 (0)131 222 1863

**The risks outlined overleaf relating to gearing, exchange rate movements and emerging markets are particularly relevant to this investment company but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

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- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- The Company invests into other funds which themselves invest in assets such as bonds, company shares, cash and currencies. The objectives and risk profiles of these underlying funds may not be fully in line with those of this Company.

### Other important information:

The Company is a Closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 1987, as amended and the Registered Collective Investment Scheme Rules 2008 issued by the Guernsey Financial Services Commission.

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# abrdn New India Investment Trust plc

## Seeking world-class, well governed companies at the heart of India's growth

Performance Data and Analytics to 30 November 2023

## Investment objective

To achieve long-term capital appreciation by investing in companies which are incorporated in India or which derive significant revenue or profit from India, with dividend yield from the company being of secondary importance.

## Benchmark

The Company compares its performance to the MSCI India Index (sterling adjusted). However, the Company's portfolio is constructed without reference to the composition of any stock market index or benchmark. It is likely, therefore, that there will be periods when its performance may vary significantly from the benchmark.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|---|---|---|---|
| Share Price | 604.0p | 6.3 | 7.5 | 11.9 | 6.7 | 25.7 | 36.0 | 199.3 |
| NAV[A] | 744.4p | 4.3 | 6.6 | 10.8 | 1.9 | 32.2 | 40.1 | 216.4 |
| MSCI India | | 2.3 | 5.5 | 9.3 | (0.2) | 52.8 | 65.0 | 223.0 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | 6.7 | (6.6) | 26.1 | 2.0 | 6.1 |
| NAV[A] | 1.9 | 1.4 | 27.9 | 2.9 | 3.0 |
| MSCI India | (0.2) | 12.8 | 35.8 | 3.4 | 4.4 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

## Morningstar Sustainability Rating™

## Morningstar Rating™

★★★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Ten largest equity holdings (%)

| | |
|---|---|
| ICICI Bank | 8.2 |
| HDFC Bank | 7.7 |
| Hindustan Unilever | 5.4 |
| Infosys | 5.2 |
| Bharti Airtel | 5.2 |
| Ultratech Cement | 4.3 |
| Power Grid | 4.1 |
| SBI Life Insurance | 4.1 |
| Tata Consultancy Services | 3.6 |
| Axis Bank | 3.3 |
| **Total** | **51.1** |

## Total number of investments 37

## Sector allocation (%)

| | Trust | Benchmark |
|---|---|---|
| Financials | 29.2 | 26.6 |
| Consumer Staples | 9.0 | 9.1 |
| Information Technology | 8.8 | 12.9 |
| Consumer Discretionary | 8.3 | 11.9 |
| Health Care | 8.0 | 5.3 |
| Materials | 7.4 | 8.5 |
| Industrials | 7.4 | 7.5 |
| Communication Services | 7.3 | 2.9 |
| Real Estate | 5.7 | 0.7 |
| Utilities | 5.0 | 4.1 |
| Energy | 3.0 | 10.6 |
| Cash | 0.9 | – |
| **Total** | **100.0** | **100.0** |

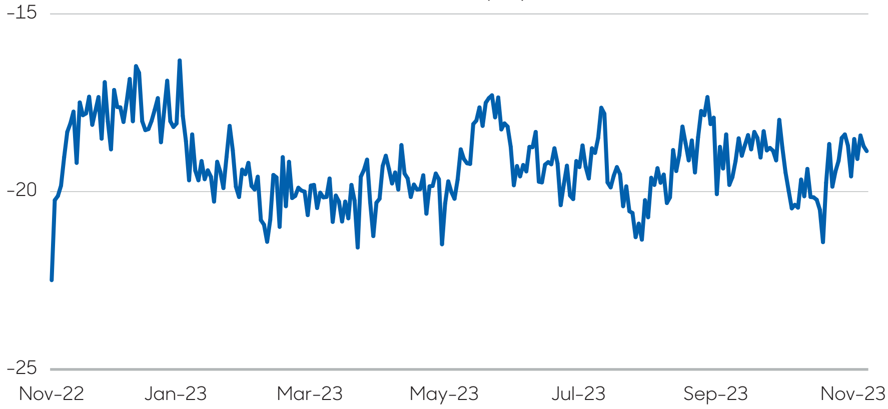
Source: abrdn Investments Limited and Bloomberg. Figures may not add up to 100 due to rounding.

All sources (unless indicated): abrdn: 30 November 2023.

[A] Including current year revenue.
[B]  The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.

# abrdn New India Investment Trust plc

## 1 Year Premium/Discount Chart (%)




## Fund managers' report

### Market review

Indian equities rebounded in November, but lagged the broader Asia Pacific ex-Japan region, global emerging markets and developed markets. Investor sentiment was uplifted by expectations of a soft-landing scenario for the US economy, declining bond yields and a relatively weaker dollar. Anticipation that the US Federal Reserve's rate hike cycle may be nearing an end, considering easing inflation data, further boosted the market. The MSCI India Index rose 2.73% in sterling terms, with all sectors generating positive returns.

The economy grew 7.6% in the September quarter and remains one of the world's fastest-growing economies. Retail inflation eased to a four-month low of 4.87% in October as food prices moderated further. Industrial output, however, declined from 10.3% in August to 5.8% in September.

In politics, at the time of writing, the ruling Bharatiya Janata Party (BJP) won in three state elections – Madhya Pradesh, Rajasthan, and Chhattisgarh. This reinforced consensus expectation of Narendra Modi and the BJP retaining power in the 2024 national elections, which bodes well for India's political stability and investor sentiment towards the market.

### Portfolio changes

We introduced Apar Industries as part of a share placement offered at considerable discount to the prevailing market price. It is a play on rising global investments in transmission and renewables, where the company generates half of its revenues from India and the other half from abroad. It produces conductors, specialty oil and lubricant and cables, most of which are supplied to the power industry. Apar's balance sheet is resilient and clean, with some debt and overall net cash positive.

**Fund managers' report continues overleaf**

[C] Expressed as a percentage of average daily net assets for the year ended 31 March 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[D] The management fee is 0.80% per annum of net assets up to £300m and 0.60% per annum of net assets above £300m.
[E] Calculated using the Company's historic net dividends and month end share price.
[F] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

## Fund risk statistics

| | 3 Years | 5 Years |
|---|---|---|
| Annualised Standard Deviation of Fund | 14.48 | 17.45 |
| Beta | 0.92 | 0.90 |
| Sharpe Ratio | 0.60 | 0.40 |
| Annualised Tracking Error | 4.80 | 5.38 |
| Annualised Information Ratio | (0.83) | (0.37) |
| R-Squared | 0.90 | 0.91 |

Source: abrdn & Factset.
Basis: Total Return, Gross of Fees, GBP.
Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value(NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

## Key information
### Calendar

| | |
|---|---|
| Year end | 31 March |
| Accounts published | July |
| Annual General Meeting | September |
| Dividend paid | n/a |

### Trust information

| | |
|---|---|
| Original trust launch date | February 1994 |
| Name change/ reconstruction | December 2004 |
| Fund manager | Asian Equities Team |
| Ongoing charges[C] | 1.09% |
| Annual management fee[D] | 0.80% per annum up to £300m of net assets and 0.60% per annum above £300m of net assets |
| Premium/(Discount) | (18.9)% |
| Yield[E] | 0.0% |
| Gearing | 5.6% |
| Active share[F] | 59.1% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

### Assets/Debt (£m)

| | |
|---|---|
| Gross Assets | 422.2 |
| Debt | 25.9 |
| Cash & cash equivalents | 3.7 |

# abrdn New India Investment Trust plc

## Fund managers' report - continued

### Outlook

The Indian economy is in the early stages of a cyclical upswing. It is one of the fastest-growing countries in the world, supported by a resilient domestic macro environment. Government policy remains supportive with sufficient fiscal discipline to not worry investors.

Inflation eased in recent months to levels below the Reserve Bank of India's upper tolerance limit, which has pushed the central bank to hit pause on rate hikes for the time being. Weak rainfall during the monsoon season saw a temporary spike in vegetable prices over July, but that has since come down.

Retail sales growth has been on an upward trajectory and there is expectation for a more robust pickup in demand in the near-term, particularly as we approach the festive season. The Trust's consumer holdings that have previously been buffeted by inflationary cost pressures are starting to see improvements in their margins as well.

All of this is helping to sustain attractive earnings growth and a recovery in return on equity. We have repositioned the portfolio by adding new names and topping up existing ones to take advantage of ongoing growth and consumption trends. Moreover, in a pro-growth budget for the 2024 fiscal year, the government has once again doubled down on its public capex push to support growth and create more jobs in the economy.

On the other hand, India faces some near-term risks. This includes a potential slowdown in global growth. A disappointing monsoon season could also affect food prices and inflation, while making it more challenging for a recovery in rural consumption. Political continuity is important for the Indian market, so the outcome of the 2024 parliamentary elections remains a key risk, though the market broadly expects Modi to retain power.

Despite the near-term headwinds, we expect our core quality holdings to continue to deliver resilient compounding earnings growth over the medium term, come what may in terms of macro conditions. The consistency of earnings growth of the portfolio remains healthy and company fundamentals of our holdings, including pricing power, strong balance sheets and the ability to sustain margins, remain solid. We maintain confidence in the experienced management teams of these companies.

**The risks outlined overleaf relating to gearing, warrants, emerging markets, small companies and exchange rate movements are particularly relevant to this trust but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

### Capital structure

| | |
|---|---|
| Ordinary shares | 53,239,748 |
| Treasury shares | 5,830,392 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Revenue | 100% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | ANII |
| ISIN code | GB0006048770 |
| Sedol code | 0604877 |
| Stockbrokers | WINS Investment Trusts |
| Market makers | CFEP, INV, JPMS, NITE, PEEL, STFL, WINS, WEST |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.abrdnnewindia.co.uk

### Contact

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+44 (0)20 7463 5971
+44 (0)131 222 1863

## Important information

**Risk factors you should consider prior to investing:**

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

**Other important information:**

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# Murray International Trust PLC

## A high conviction global portfolio designed to deliver a strong and rising income and to grow capital

Performance Data and Analytics to 30 November 2023

## Investment objective

The aim of the Company is to achieve an above average dividend yield, with long term growth in dividends and capital ahead of inflation, by investing principally in global equities.

## Reference Index

FTSE All-World TR Index.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 242.5p | 7.3 | (0.2) | (5.2) | (5.1) | 29.1 | 40.0 |
| NAV[A] | 258.6p | 3.5 | 1.1 | 1.6 | 0.1 | 34.9 | 44.3 |
| Reference Index | | 4.7 | 1.8 | 6.2 | 6.0 | 26.4 | 51.0 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (5.1) | 27.5 | 6.7 | (5.5) | 14.7 |
| NAV[A] | 0.1 | 18.6 | 13.6 | (0.5) | 7.5 |
| Reference Index | 6.0 | (1.1) | 20.6 | 6.4 | 12.2 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

## Morningstar Rating™

★★★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Twenty largest equity holdings (%)

| | |
|---|---|
| Broadcom | 4.6 |
| BE Semiconductor | 4.0 |
| Grupo Aeroportuario | 3.9 |
| Taiwan Semiconductor | 3.8 |
| TotalEnergies | 3.1 |
| CME | 3.0 |
| Philip Morris | 3.0 |
| AbbVie | 3.0 |
| Oversea-Chinese Banking | 2.6 |
| Samsung Electronic | 2.5 |
| Zurich Insurance | 2.3 |
| GlobalWafers | 2.2 |
| Siemens | 2.2 |
| Merck & Co | 2.1 |
| Shell | 2.0 |
| Walmart | 2.0 |
| Danone | 2.0 |
| BHP | 2.0 |
| Tryg | 2.0 |
| Enel | 1.9 |
| **Total** | **54.2** |

## Ten largest fixed income holdings (%)

| | |
|---|---|
| Mexico (United Mexican States) 5.75% 05/03/26 | 1.0 |
| Indonesia (Rep of) 6.125% 15/05/28 | 0.9 |
| South Africa (Rep of) 7% 28/02/31 | 0.8 |
| Indonesia (Rep of) 8.375% 15/03/34 | 0.7 |
| Dominican (Rep of) 6.85% 27/01/45 | 0.6 |
| Petroleos Mexicanos 6.75% 21/09/47 | 0.6 |
| HDFC Bank 7.95% 21/09/26 | 0.4 |
| Power Finance Corp 7.63% 14/08/26 | 0.4 |
| Petroleos Mexicanos 5.5% 27/06/44 | 0.3 |
| Indonesia (Rep of) 10% 15/02/28 | 0.2 |
| **Total** | **5.9** |

[A] Including current year revenue.
[B]  The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its Reference Index and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit http://global.morningstar.com/managerdisclosures.
[C] Consolidates all equity holdings from same issuer

All sources (unless indicated): abrdn: 30 November 2023.

# Murray International Trust PLC

## 1 Year Premium/Discount Chart (%)


## Fund managers' report

### Background

Leaving geo-political and humanitarian issues aside for now, the economic backdrop in November continued to witness fractious and destabilising global macro-economic cross currents. With headline inflation numbers continuing to decline throughout most of the developed world, frenzied speculation over the future path of interest rates increasingly dominated financial markets. With the syntax and syllables of each and every central bank statement being subjected to relentless forensic scrutiny, the scope for misinterpretation remained limitless. In true schizophrenic style, sentiment somehow seamlessly switched from "higher for longer" to "imminent rate cuts" without seemingly a crumb of common sense being considered. Ignoring the eye-watering mountain of debt liabilities, the biting cost-of-living crisis, the constant tightening of liquidity and the increasingly fragile state of consumer confidence, for some unexplainable reason investor confidence temporarily bristled with optimism and global financial markets surged higher in true Pavlovian style.

### Performance

Global bond and equity markets both recorded significant gains over the month. On a geographical basis, the highest portfolio returns were recorded in Latin America, with Brazil and Mexico featuring prominently. Significant gains in technology stocks, most notably semi-conductors, resulted in extremely positive performance from portfolio exposures in Taiwan (GlobalWafers and TSMC) and the Netherlands (BE Semiconductor).

**Fund managers' report continues overleaf**

## Total number of investments

| | |
|---|---|
| Total Equity Holdings in Portfolio | 50 |
| Total Fixed Income Holdings in Portfolio | 14 |
| **Total** | **64** |

## Portfolio analysis (%)

| | |
|---|---|
| **Equities** | |
| Europe ex UK | 27.9 |
| North America | 26.7 |
| Asia Pacific ex Japan | 24.1 |
| Latin America & Emerging Markets | 11.6 |
| United Kingdom | 3.1 |
| **Fixed Income** | |
| Asia Pacific ex Japan | 2.6 |
| Latin America & Emerging Markets | 2.5 |
| Africa & Middle East | 0.8 |
| United Kingdom | 0.4 |
| Europe ex UK | 0.2 |
| Cash | 0.1 |
| **Total** | **100.0** |

## Key information Calendar

| | |
|---|---|
| Year end | 31 December |
| Accounts published | March |
| Annual General Meeting | April |
| Dividend paid | February, May, August, November |
| Established | 1907 |
| Fund manager | Bruce Stout<br>Martin Connaghan<br>Samantha Fitzpatrick |
| Ongoing charges[D] | 0.52% |
| Annual management fee[E] | 0.5% (tiered) |
| Premium/(Discount) | (6.2)% |
| Yield[F] | 4.6% |
| Net gearing[G] | 8.7% |
| Active share[H] | 93.6% |

[D] Expressed as a percentage of total costs divided by average daily net assets for the year ended 31 December 2022. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[E] Up to 31 December 2021 the annual fee was charged at 0.5% of net assets (ie excluding gearing) up to £1,200 million, and 0.425% of Net Assets above £1,200 million. With effect from 1 January 2022 the annual fee was changed to 0.5% of net assets (ie excluding gearing) up to £500 million, and 0.4% of Net Assets above £500 million.
[F] Calculated using the Company's historic net dividends and month end share price.
[G] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.
[H] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the Reference Index index holdings.

# Murray International Trust PLC

## Fund managers' report – continued

Industrial holdings in Sweden and Germany (Epiroc, Atlas Copco and Siemens) continued to report solid earnings and relative transparent profit forecasts based on rising order backlogs. In a world where corporate earnings are increasingly coming under pressure from softening demand and higher debt-servicing costs, such financially strong industrial businesses remain dominant in their sectors of expertise. Areas of weakness during the period continue to be China and the UK, both of which have relatively small weightings from an overall portfolio perspective.

### Activity

Transaction activity over the month focused on adding to recently initiated small positions in Diageo and Pernod Ricard, both of which continued to trade lower over the period. The small position in Vodafone was also fully divested.

### Outlook

Looking forward, the transition from irresponsibly printing money (quantitative easing) to prudently restoring fiscal discipline (quantitative tightening) suggests that supply issues will likely dominate bond market pricing for the foreseeable future. Should inflation continue to "behave", central bank tightening may be getting close to ending, but inflation settling down around 3-4% might require bond yields of around 4-5% in a world of constant supply, deteriorating asset quality, market demand for a real rate and the absence of a buyer of last resort (central banks). Recent sharp long-bond rallies throughout the developed world are more symptomatic of short covering behaviour than any real fundamental belief that inflation is going back to 2% in line with the rhetoric. Even less evidence exists to suggest debt burdens are beginning to ease. Indeed when the "fudge" on long term inflation targets ultimately transpires, yield curve steepening is just as likely to occur as long term bond yields remain stubbornly high (even when short rates are cut) due to supply concerns and the fear of monetary authorities backtracking on inflation targets. Against such a backdrop, global diversification into economic geographies where leverage is generally much lower, where fiscal autonomy remains largely unconstrained and where no such unrealistic future inflation targets distort the economic landscape continues to be favoured.

**The risks outlined overleaf relating to gearing, exchange rate movements and emerging markets are particularly relevant to this trust but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

### Assets/Debt

| | £'m | % |
|---|---|---|
| Equities | 1,595.0 | 100.9 |
| Fixed Income | 110.6 | 7.0 |
| | 1,705.6 | 107.9 |
| Cash & cash equivalents | 1.9 | 0.1 |
| Other Assets/(Liabilities) | 13.8 | 0.9 |
| Gross Assets | 1,721.3 | 108.9 |
| Debt | (139.9) | (8.8) |
| **Net Assets** | **1,581.4** | **100.0** |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.4x |
| Commitment | 2x |

### Capital structure

| | |
|---|---|
| Ordinary shares | 621,468,587 |
| Treasury shares | 25,591,428 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 70% |
| Revenue | 30% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | MYI |
| ISIN code | GB00BQZCCB79 |
| Sedol code | BQZCCB7 |
| Stockbrokers | Stifel Nicolaus Europe Ltd |
| Market makers | SETSmm |

**Factsheet**

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.murray-intl.co.uk

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## Important information

**Risk factors you should consider prior to investing:**

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- With funds investing in bonds there is a risk that interest rate fluctuations could affect the capital value of investments. Where long term interest rates rise, the capital value of shares is likely to fall, and vice versa. In addition to the interest rate risk, bond investments are also exposed to credit risk reflecting the ability of the borrower (i.e. bond issuer) to meet its obligations (i.e. pay the interest on a bond and return the capital on the redemption date). The risk of this happening is usually higher with bonds classified as 'sub-investment grade'. These may produce a higher level of income but at a higher risk than investments in 'investment grade' bonds. In turn, this may have an adverse impact on funds that invest in such bonds.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.

**Other important information:**

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# abrdn Diversified Income and Growth plc

## Investing across asset classes aiming to deliver reliable income and growth

Performance Data and Analytics to 30 November 2023

## Strategic Review

### Proposals for Managed Wind-Down of the Company

Following the Company's announcement of an enhanced distribution programme on 26 October 2023, further detailed discussions with shareholders have been undertaken. In the light of the feedback received during these conversations and the entrenched discount to net asset value at which the Company's shares continue to trade, the Board has concluded that it is in the best interests of shareholders as a whole to put forward proposals for a managed wind-down of the Company.

## Investment objective

The Company seeks to provide income and capital appreciation over the long term through investment in a globally diversified multi-asset portfolio.

## Performance measure

NAV total return (defined as change in NAV plus dividends reinvested) of 6% per annum over a rolling five year period.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | Since change of strategy* | 5 years |
|---|---|---|---|---|---|---|---|---|
| Share Price | 77.4p | 1.6 | (4.8) | (5.9) | (13.1) | (1.3) | 3.0 | (12.1) |
| NAV[A] | 111.0p | 1.1 | 0.2 | (0.5) | 0.8 | 14.2 | 18.6 | 19.0 |

* Change of strategy on 1st September 2020.

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (13.1) | 4.7 | 8.4 | (6.6) | (4.6) |
| NAV[A] | 0.8 | 0.9 | 12.3 | (0.7) | 4.9 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis. Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: Morningstar.
**For Information only.**
**Past performance is not a guide to future results.**

[A] Including current year revenue.
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[C] Denotes a private markets (unlisted) investment.
[D] Expressed as a percentage of total costs divided by average daily net assets for the year ended 30 September 2022. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[E] Calculated using the Company's historic net dividends and month end share price.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.

## Morningstar Rating™

★★★★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Ten largest holdings (%)

| | |
|---|---|
| SL Capital Infrastructure II[C] | 7.5 |
| iShares II UK Gilts UCITS ETF | 7.3 |
| abrdn Global Private Markets Fund[C] | 6.2 |
| TwentyFour Asset Backed Opportunities Fund | 5.8 |
| Burford Opportunity Fund[C] | 5.0 |
| Bonaccord Capital Partners I-A, L.P.[C] | 4.9 |
| HealthCare Royalty Partners IV[C] | 4.6 |
| Andean Social Infrastructure Fund I LP[C] | 4.5 |
| Aberdeen Standard Secondary Opportunities Fund IV[C] | 3.9 |
| iShares Core GBP Corp | 3.6 |
| **Total** | **53.3** |

The Company confirms the value of its exposure to Russian/ Belarusian securities represents 0.0% of net asset value. Prices on small positions in Russian equities and Rouble-denominated sovereign bonds have been reduced to zero due to current market conditions.

## Key information Calendar

| | |
|---|---|
| Year end | 30 September |
| Accounts published | January |
| Annual General Meeting | February |
| Dividend paid | January, April, July and October |
| Established | 1898 |
| Fund managers | Nalaka De Silva<br>Nic Baddeley<br>Heather McKay<br>Simon Fox |
| Ongoing charges[D] | 1.41% |
| Annual management fee | 0.5% pa on net assets up to £300m and 0.45% pa thereafter |
| Premium/(Discount) | (30.3)% |
| Yield[E] | 9.4% |
| Net gearing[F] | 0.9% |
| Net gearing with debt at market value[F] | 1.1% |

All sources (unless indicated): abrdn: 30 November 2023.

# abrdn Diversified Income and Growth plc

## 1 Year Premium/Discount Chart (%)


## Fund managers' report

Within private markets, we received the bulk of the Q3 2023 valuations. In Private Equity, Bonaccord was down 1.3% vs carrying value as fundraising by underlying managers was slightly below expectation. Maj V was 5% below carrying value as portfolio company Icotera was written down following soft trading and an updated budget for next year. In Private Credit, Hark III increased marginally as the underlying loans reset to higher interest rates. PIMCO PIF was in line with carrying value. In Special Opportunities, Burford Opportunity Fund was up 1.3%, and HealthCare Royalty Partners was in line with carrying value. In Real Assets, Andean Social Infrastructure Fund I was up 3.6% as the risk premium for Mexico declined. AGIP II was down as carried interest started to be accrued.

Listed equities produced a strong positive return over November. This was primarily driven by encouraging economic data and easing inflation, with investors seeing a potential end to the rate hiking cycle and increased likelihood of a soft landing. Our listed infrastructure allocation produced strong returns over the month as government bond yields fell; broadly stable Q3 NAVs were released; and further asset sales at premiums to holding valuations were announced, supporting valuations.

EM bonds produced a positive return over November largely driven by higher bond prices and income generation. This was slightly offset by negative EM currency performance when measured against our funding basket. The most notable contributors to performance were Brazil and Mexico.

### Portfolio changes

There were several drawdowns and distributions from the private portfolio.

- AGIP II distributed AUD $330k from contractual income from its underlying infrastructure assets.
- Harbourvest International Private Equity Partners VI distributed EUR 122k as it continued to realise its underlying portfolio.
- Bonaccord drew $1.2m to pay further tranches of previously agreed transactions.

**The risk outlined overleaf relating to gearing is particularly relevant to this trust, but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 3.5x |
| Commitment | 2.5x |

### Assets/Debt

| | £'000 | % |
|---|---|---|
| Private Markets | 193,277 | 57.7 |
| Fixed Income and Credit | 53,286 | 15.9 |
| Equities | 88,326 | 26.4 |
| Total investments | 334,889 | 100.0 |
| Cash & cash equivalents | 12,569 | 3.7 |
| Other net assets | 3,289 | 1.0 |
| 6.25% Debenture 2031 | (15,738) | (4.7) |
| **Net assets** | **335,009** | **100.0** |

### Total number of investments 128

### Capital structure

| | |
|---|---|
| Ordinary shares | 301,265,952 |
| Treasury shares | 22,485,854 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 50% |
| Revenue | 50% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | ADIG |
| ISIN code | GB0001297562 |
| Sedol code | 0129756 |
| Stockbroker | Stifel Nicolaus Europe Limited |
| Market makers | SETSmm |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.abrdndiversified.co.uk

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## Important information

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- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid offer spread. If trading volumes fall, the bid-offer spread can widen.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.
- Derivatives may be used, subject to restrictions set out for the Company, in order to manage risk and generate income. The market in derivatives can be volatile and there is a higher than average risk of loss.
- The Company may invest in alternative investments (including direct lending, commercial property, renewable energy and mortgage strategies). Such investments may be relatively illiquid and it may be difficult for the Company to realise these investments over a short time period, which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of investments.

### Other important information:

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For more information visit invtrusts.co.uk

# The North American Income Trust plc

## Seeking resilient growth and rising income from North American equities

Performance Data and Analytics to 30 November 2023

## Investment objective

To provide investors with above average dividend income and long term capital growth through active management of a portfolio consisting predominantly of S&P 500 US equities.

## Reference benchmark

Russell Value 1000 Index.

## Cumulative performance (%)

| | as at 30/11/23 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|---|---|
| Share Price | 265.0p | 2.5 | (4.1) | 2.7 | (11.1) | 26.1 | 13.7 |
| NAV[A] | 304.9p | 0.2 | (2.0) | 3.7 | (9.2) | 26.7 | 22.3 |
| Russell 1000 Value | | 3.1 | (0.2) | 4.9 | (4.7) | 33.8 | 44.8 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | (11.1) | 18.0 | 20.2 | (18.6) | 10.8 |
| NAV[A] | (9.2) | 20.0 | 16.4 | (6.6) | 3.4 |
| Russell 1000 Value | (4.7) | 13.8 | 23.4 | (1.4) | 9.8 |

## Five year dividend table (p)

| Financial year[C] | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|
| Total dividend (p) | 11.00 | 10.30 | 10.00 | 9.50 | 8.50 |

Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

## Morningstar Rating™

★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Ten largest equity holdings (%)

| | |
|---|---|
| Baker Hughes | 4.7 |
| MetLife | 4.4 |
| CVS Health | 4.2 |
| Medtronic | 4.1 |
| Gaming & Leisure Properties | 4.0 |
| Merck & Co | 4.0 |
| L3Harris | 3.6 |
| American International | 3.4 |
| Phillips 66 | 3.3 |
| Cogent Communications | 3.3 |
| **Total** | **39.0** |

## Sector allocation (%)

| | |
|---|---|
| Financials | 19.8 |
| Health Care | 16.7 |
| Energy | 10.6 |
| Information Technology | 8.5 |
| Consumer Staples | 8.1 |
| Real Estate | 7.4 |
| Industrials | 7.0 |
| Communication Services | 6.8 |
| Consumer Discretionary | 5.6 |
| Materials | 4.9 |
| Utilities | 4.6 |
| **Total** | **100.0** |

[A] Including current year revenue.
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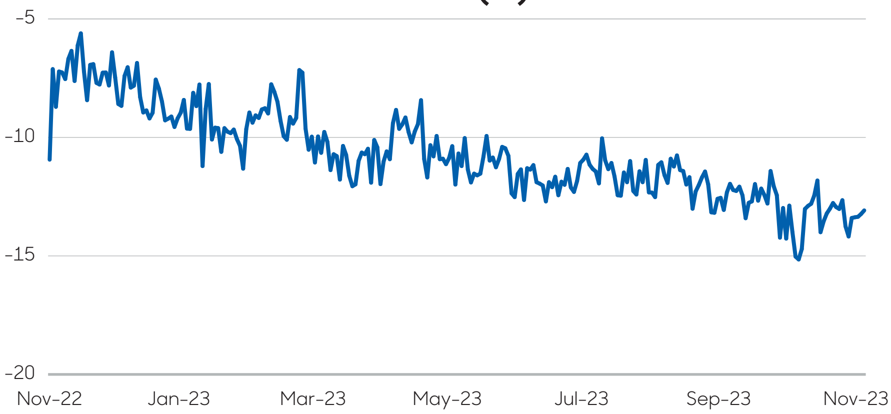
[C] Financial year ends in January of the following year.

All sources (unless indicated): abrdn: 30 November 2023.

# The North American Income Trust plc

## 1 Year Premium/Discount Chart (%)




## Fund managers' report

The Trust generated a net asset value total return behind that of the benchmark Russell 1000 Value Index's total return in sterling terms. The share price total return also underperformed but to a lesser extent.

US equities ended markedly higher in November. Investors were encouraged by the latest fall in US inflation, with hopes now rising that the US Federal Reserve (Fed) is near to the end of its rate-tightening cycle. A resilient and robust domestic economy has kept core inflation above the Fed's 2% target. However, a steady decline in core inflation and softening of the labour market makes future rate-hikes less likely. Despite the decline in market interest rates, commentary from members of the Fed indicate that they plan to keep policy restrictive, but will proceed carefully while waiting for more transparency on underlying economic trends. Investors, on the other hand, are now starting to factor in the prospect of rate cuts in the middle of 2024. Otherwise, US corporates' third-quarter reporting season has been encouraging. For the first time since the third quarter of 2022, companies are now expected to record a year-on-year earnings increase in aggregate.

In terms of economic data, annual consumer price inflation fell from 3.7% in September to 3.2% in October, which was below expectations due to lower energy costs. Meanwhile, the annual core rate (which excludes volatile food and energy prices) edged down from 4.1% to 4.0% over the same period. The Fed's preferred measure of inflation – the core Personal Consumption Expenditures Price Index – declined from an annual rate of 3.7% in September to 3.5% in October, but remained well above the Fed's 2% target. According to a second estimate, third-quarter annualised GDP rose by a greater-than-expected 5.2%, having initially been recorded at 4.9%. This increase in GDP was the highest in nearly two years and came after 2.1% growth in the second quarter. According to a preliminary estimate, the S&P Global Composite US Purchasing Managers' Index (PMI) remained at 50.7 in November (with a reading above 50 indicative of an expansion in business activity). Within that, the manufacturing PMI edged down from 50.0 to 49.4, while the services PMI

**Fund managers' report continues overleaf**

[D] Expressed as a percentage of average daily net assets for the year ended 31 January 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.
[E] Calculated using the Company's historic net dividends and month end share price.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.
[G] Excludes cash being used as collateral against open option positions from cash/cash equivalents.
[H] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

### Geographic breakdown (%)

| | |
|---|---|
| USA | 93.7 |
| Canada | 6.3 |
| **Total** | **100.0** |

### Total number of investments

| | |
|---|---|
| Total number of equity investments | 36 |
| Total number of fixed income investments | 10 |
| **Total** | **46** |

### Key information Calendar

| | |
|---|---|
| Year end | January |
| Accounts published | April |
| Annual General Meeting | June |
| Dividend paid | February, June, August, October |
| Established | 1902 |
| Fund managers | Fran Radano |
| Ongoing charges[D] | 0.93% |
| Annual management fee | 0.75% of net assets up to £250m; 0.6% of net assets between £250m; and £500m; 0.5% of net assets above £500m |
| Premium/(Discount) | (13.1)% |
| Yield[E] | 4.2% |
| Net gearing[F] | 7.6% |
| Net gearing[FG] | 8.1% |
| Active share[H] | 86.8% |

### AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 2.5x |
| Commitment | 2x |

### Assets/Debt (£m)

| | |
|---|---|
| Gross | 457.2 |
| Debt | 39.4 |
| Cash & cash equivalents | 7.5 |

# The North American Income Trust plc

## Fund managers' report - continued

increased from 50.6 to 50.8 (equivalent to accelerating growth). Meanwhile, retail sales fell by 0.1% month on month in October, having risen for six consecutive months, as the US consumer remained resilient despite high prices and rising interest rates. The US labour market cooled slightly from its recent tightness. The US economy added 150,000 (non-farm) jobs in October, which was below expectations, while September's number was downwardly revised. The unemployment rate edged up from 3.8% in September to 3.9% in October. Meanwhile, inflationary challenges and higher interest rates continued to weigh on consumer confidence, with the University of Michigan's barometer falling from 63.8 in October to 61.3 in November. Fortunately, the average rate for a 30-year fixed-rate mortgage has followed long-dated US Treasury rates lower, though it remains relatively high at around 7.2%.

In portfolio-related corporate news, oil refiner Phillips 66 discussed options to improve operational performance, along with various strategic alternatives, with activist investor Elliot Management. Elliot established a $1 billion position in Phillips 66, will nominate two new board members, and publicly outlined a strategy to unlock shareholder value. Elsewhere, medical device company Medtronic announced better-than-expected results thanks to broad-based strength across its various cardiac, spine and surgical franchises. Also, the company received regulatory approval for several emerging technologies that should provide future growth opportunities.

Several Trust holdings increased their dividend payouts in November and continued to build upon their established track records of dividend growth.

| Company Name | % of Portfolio at 30 November 2023 | Quarterly Dividend Per Share Change | Annualised Yield |
|---|---|---|---|
| Cogent Communications | 3.4% | 1.1% | 6.0% |
| Emerson Electric | 3.1% | 1.0% | 2.4% |
| Enbridge | 1.8% | 3.1% | 7.7% |
| Merck | 4.1% | 5.5% | 3.0% |
| Royal Bank of Canada | 1.6% | 2.2% | 4.5% |

In terms of portfolio activity during the month, we initiated a position in renewable energy company NextEra Energy. Also, we added to our holdings in industrial gases company Air Products and Chemicals and semiconductor manufacturer Broadcom. Meanwhile, we trimmed the Trust's holdings in semiconductor manufacturer Analog Devices, utility CMS Energy, oil refiner Phillips 66, fast-food chain Restaurant Brands International and energy infrastructure company Enbridge.

### Outlook

GDP growth was strong in the third quarter, demonstrating the resiliency of the US economy. Automotive worker strikes and the resumption of student loan payments may lead to some uncertainty in the fourth quarter, but robust consumer and business balance sheets, as well as a still-healthy labour market, can support growth into at least mid-2024. Taking into account leading indicators that are consistent with an eventual downturn, as well as cooling inflation and excess savings that are taking longer than expected to be depleted, the abrdn view remains that a mild recession in the middle of 2024 is likely.

[I] Calculated as notional principal of outstanding divided by gross equity assets.

**The risks outlined overleaf relating to exchange rate movements is particularly relevant to this trust, but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

### Assets

| | % | £m |
|---|---|---|
| Equities | 98.0 | 441.2 |
| Fixed Income | 2.0 | 9.0 |
| **Total** | **100.0** | **450.2** |

### Options

| | |
|---|---|
| Number of open options positions | 8 |
| Equity sleeve optionised[I] | 4.43% |

### Capital structure

| | |
|---|---|
| Ordinary shares | 138,250,094 |

### Allocation of management fees and finance costs

| | |
|---|---|
| Capital | 70% |
| Revenue | 30% |

### Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | NAIT |
| ISIN code | GB00BJ00Z303 |
| Sedol code | BJ00Z30 |
| Stockbrokers | WINS Investment Trusts |
| Market makers | SETSmm |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.northamericanincome.co.uk

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## Important information

**Risk factors you should consider prior to investing:**

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Derivatives may be used, subject to restrictions set out for the Company, in order to manage risk and generate income. The market in derivatives can be volatile and there is a higher than average risk of loss.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- Certain trusts may seek to invest in higher yielding securities such as bonds, which are subject to credit risk, market price risk and interest rate risk. Unlike income from a single bond, the level of income from an investment trust is not fixed and may fluctuate.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

**Other important information:**

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# abrdn Private Equity Opportunities Trust plc

## Providing access to a diversified portfolio of private equity investments

Performance Data and Analytics to 30 November 2023

## Investment objective

To achieve long term total returns through holding a diversified portfolio of private equity funds and direct investments into private companies alongside private equity managers ("co-investments"), a majority of which will have a European focus.

## Our Strategy

The Trust provides investors access to a diversified portfolio of leading private companies. We do this by partnering with some of the best private equity managers to build an appropriately diversified portfolio by country, industry sector, maturity and number of underlying investments.

## Benchmark

FTSE All-Share Index

## Performance (%)

| Annual Total Return | 6 months | 1 year | 3 years | 5 years | 10 years | Since inception |
|---|---|---|---|---|---|---|
| Share Price | 3.0 | 10.2 | 36.4 | 57.1 | 207.5 | 590.2 |
| NAV | 2.6 | 6.4 | 65.8 | 103.0 | 302.3 | 986.9 |
| FTSE All-Share Index | 1.6 | 1.8 | 27.3 | 26.8 | 63.8 | 216.5 |

## Discrete performance (%)

| | 30/11/23 | 30/11/22 | 30/11/21 | 30/11/20 | 30/11/19 |
|---|---|---|---|---|---|
| Share Price | 10.2 | (15.1) | 45.7 | 8.0 | 6.7 |
| NAV | 6.4 | 12.0 | 39.0 | 14.5 | 6.9 |
| FTSE All-Share Index | 1.8 | 6.5 | 17.4 | (10.3) | 11.0 |

**Past performance is not a guide to future results.**

## Morningstar Rating™

★★★★★

[B] **Morningstar Rating™ for Funds**
Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

## Highlights

| | |
|---|---|
| Net assets | £1,170.6 million |
| Net Asset Value | 761.4p per ordinary share |
| Yield | 3.7% |
| Market cap | £673.4 million |
| Share price | 438.0p |
| Distributions[A] | £16.2 million |
| Drawdowns[A] | £0.8 million |
| Discount to Net Asset Value | (42.5)% |

## Largest 10 Funds (% of NAV)

| Fund | Fund Size | NAV (%) |
|---|---|---|
| 3i2020 Co-investment | €2.5bn | 6.2 |
| Advent International Global Private Equity VIII | €13.0bn | 4.5 |
| CVC Capital Partners VII | €16.4bn | 3.9 |
| Altor Fund IV | €2.1bn | 3.3 |
| Nordic Capital Fund IX | €4.3bn | 3.2 |
| Exponent Private Equity Partners III, LP. | £1.0bn | 3.1 |
| IK Fund VIII | €1.9bn | 3.0 |
| Structured Solutions IV Primary Holdings | €125mn | 2.8 |
| Bridgepoint Europe VI | €5.8bn | 2.6 |
| Sixth Cinven Fund | €7.0bn | 2.5 |
| **Total** | | **35.1** |

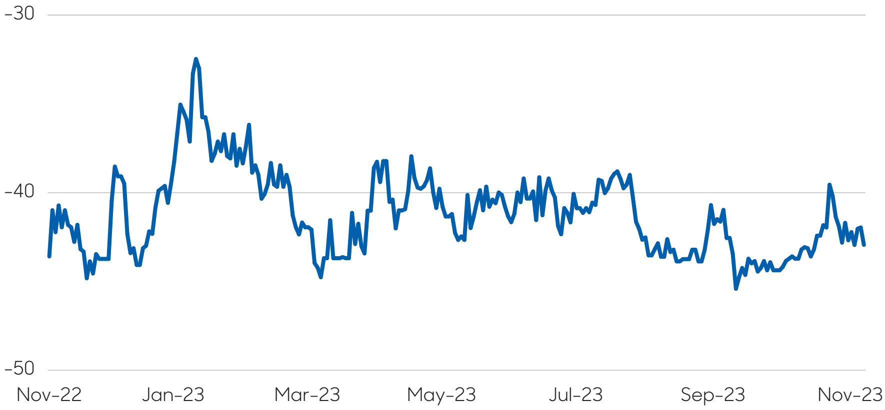
Figures as at 31 March 2023.

[A] For the month of November 2023.
[B] Co-investment position. The name of the underlying co-investment which is indirectly held by the Company has been included within the bracketed text.

All sources (unless indicated): abrdn: 30 November 2023.

# abrdn Private Equity Opportunities Trust plc

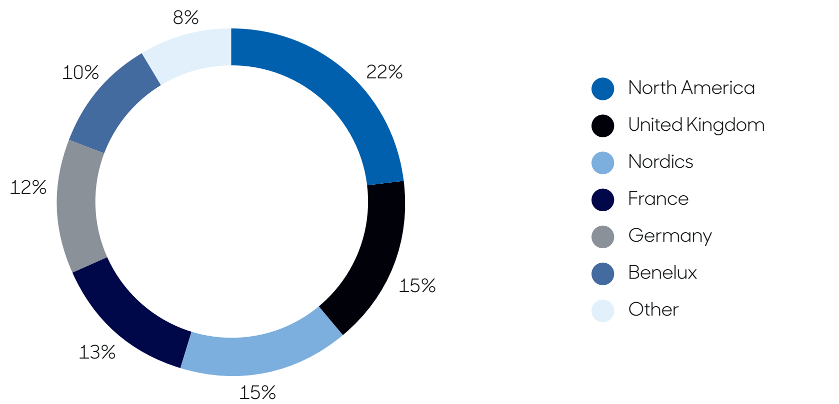
## 1 year Premium/(Discount) Chart (%)



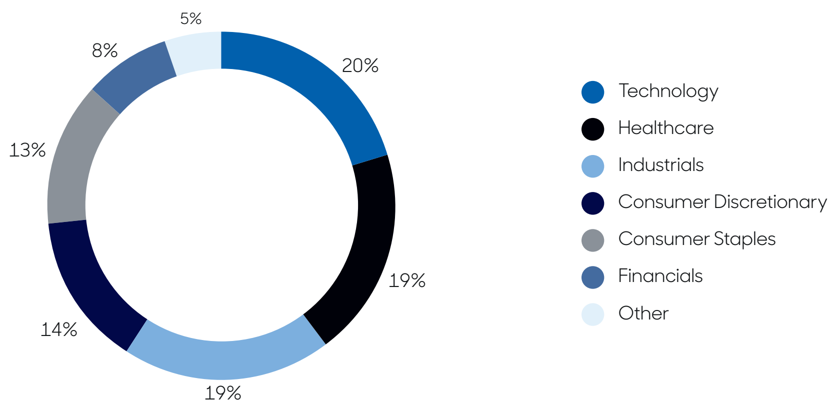

Source: Thomson Reuters Datastream.

## Portfolio Diversification

### Geography




### Sector




Figures as at 31 March 2023.

## Largest 10 Underlying Private Companies (% of NAV)

| Company | Sector | NAV (%) |
|---|---|---|
| Action | Consumer staples | 5.6 |
| ACT | Industrials | 1.6 |
| ACCESS | Information technology | 1.5 |
| Namsa | Healthcare | 1.3 |
| European Camping Group | Consumer staples | 1.2 |
| Uvesco | Consumer staples | 1.2 |
| Froneri | Consumer staples | 1.1 |
| CFC | Industrials | 1.1 |
| Trioplast | Industrials | 1.0 |
| CDL Nuclear Technologies | Healthcare | 1.0 |
| **Total** | | **16.6** |

Figures as at 31 March 2023.

## Balance Sheet & Credit Facility

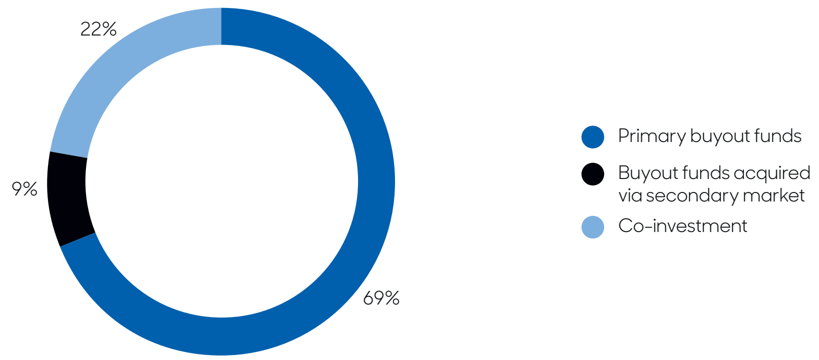
| | |
|---|---|
| Undrawn credit facility | £200.9 million |
| Cash balance | £30.8 million |
| Outstanding commitments | £661.9 million |

## Key information

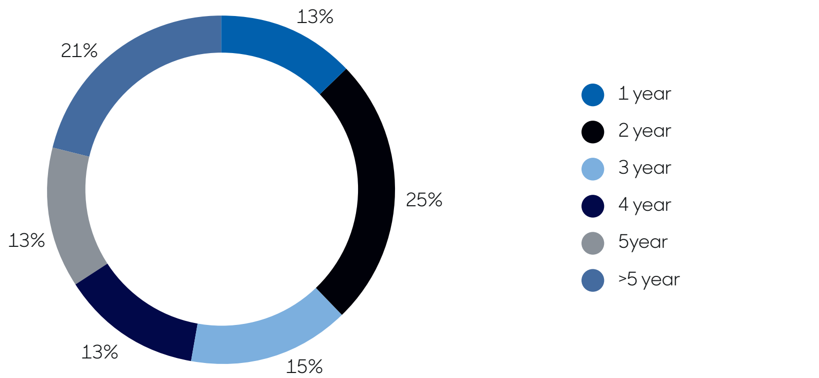
| | |
|---|---|
| Fund Manager | Alan Gauld |
| Fund Launch Date | 29 May 2001 |
| Annual Management Charge | 0.95% of net assets |
| Fund Type | Closed end investment company |
| No. of Shares | 153.7m |
| Year End | 30 September |
| Accounts Published | January |
| Annual General Meeting | March |
| Valuation Points | 31 March, 30 June, 30 September, 31 December |
| Dividend Paid | January, April, July, October |
| Domicile | UK |
| Base Currency | GBP |

# abrdn Private Equity Opportunities Trust plc

## Type of Fund




## Maturity




Figures as at 31 March 2023.

## Trading details

| | |
|---|---|
| Reuters/Epic/ Bloomberg code | APEO |
| Sedol | 3047468 |
| ISIN | GB0030474687 |
| Exchange | LSE |

**Factsheet**

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
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**The risks outlined overleaf relating to gearing and exchange rate movements are particularly relevant to this investment company but should be read in conjunction with all warnings and comments given.**
**Important information overleaf**

For more information visit invtrusts.co.uk

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0002778665

# abrdn European Logistics Income plc

## Capturing long-term income potential from logistics real estate in Europe

Performance Data and Analytics for Quarter 3, 2023

## Investment objective

To aim to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate.

## Strategy

To deliver the investment objective through investment in, and active asset management of, a diversified portfolio of logistics real estate assets in Europe.

## Cumulative performance (%)

| | 30/09/23 | 3 months | 1 year |
|---|---|---|---|
| Share Price (GBp) | 62.6p | (3.4) | (24.2) |
| NAV (Eur)[A] | 99.8c | (6.6) | (18.7) |
| NAV (Converted to GBp)[A] | 86.3p | (5.5) | (19.6) |

## Discrete performance (%)

| | 30/09/23 | 30/09/22 | 30/09/21 | 30/09/20 | 30/09/19 |
|---|---|---|---|---|---|
| Share Price (GBp) | (24.2) | (16.6) | 8.2 | 20.1 | (9.4) |
| NAV (Eur)[A] | (18.7) | 6.5 | 17.5 | 10.4 | 3.3 |
| NAV (Converted to GBp)[A] | (19.6) | 8.7 | 11.3 | 13.2 | 2.6 |

The Company launched on 15 December 2017, therefore discrete performance figures are not available for full years prior to 2018.
Share price total return is on a mid-to-mid basis.
Dividend calculations are to reinvest as at the ex-dividend date.
Source: abrdn Investments Limited, Lipper and Morningstar.
**Past performance is not a guide to future results.**

## Fund managers' report

### Highlights

- The portfolio declined 4.9% to €659.75 million (30 June 2023: €693.5 million), driven by continued outward yield movement but with key medium-term economic indicators starting to improve.
- NAV per Ordinary share decreased by 7.8% to 99.8c (GBp – 86.3p) (30 June 2023: 108.3c (GBp – 92.9p)), reflecting a NAV total return, with quarterly distributions reinvested, of -12.7% in Euro terms (-14.6% in sterling) for the 9 months to 30 September 2023.
- EPRA Net Tangible Assets decreased by 7.8% to 104.3c per Ordinary share (30 June 2023 – 113.1c).
- Third interim dividend for 2023 of 1.41c (GBP – 1.23p) declared, payable on 29 December 2023.
- Lease extension completed with Chef's Culinar at the Company's warehouse in Krakow, Poland, extending the expiry to November 2026, at a 10%+ uplift on the valuer's ERV.

[A] Total return; NAV to NAV, net income reinvested.
[B] 0.75% per annum of net assets up to €1.25bn and 0.60% thereafter.
[C] Calculated using the company's historic net dividends and quarter end share price.
[D] Exchange rate £1 : €1.16 (30 June 2023: £1 : €1.17).
[E] EPRA Net Tangible Assets focuses on reflecting a company's tangible assets and the calculation assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.

## Asset allocation (%)

| | |
|---|---|
| Direct Property | 97.1 |
| Cash & Cash Equivalents | 2.9 |
| **Total** | **100.0** |

## Total number of investments 26

## Key information Calendar

| | |
|---|---|
| Year end | 31 December |
| Accounts published | April, September |
| Distributions | March, June, September, December |
| Launch date | December 2017 |
| Fund manager | Direct Property Team |
| Annual management fee[B] | 0.75% |
| Yield[C] | 7.8% |
| Premium/(Discount) | (27.4)% |
| Gearing | 37.1% |
| Net Asset Value | €411m |

## AIFMD Leverage Limits

| | |
|---|---|
| Gross Notional | 3.65x |
| Commitment | 1.85x |

## Capital structure

| | |
|---|---|
| Ordinary shares | 412,174,356 |

## Allocation of management fees and finance costs

| | |
|---|---|
| Revenue | 100% |
| Capital | 0% |

## Trading details

| | |
|---|---|
| Bloomberg code | ASLI LN |
| ISIN code | GB00BD9PXH49 |
| Sedol code | BD9PXH4 |
| Stockbroker | Investec |
| Market makers | CFEP INV. JEFF JPMS NUMS PEEL WINS |

All sources (unless indicated): abrdn: 30 September 2023.

## Fund managers' report - continued

- Portfolio WAULT of 7.2 years to break and 8.6 years to expiry.
- Ranked first in its peer group in the 2023 GRESB (Global Real Estate Sustainability Benchmark) awards, achieving 89/100 points and a 5-star rating.
- 37.1% Loan to Value ('LTV'), with the Investec €70 million facility undrawn at the quarter end. The Company's fixed debt facilities totalled €259.5 million at an average all-in interest rate of 2.0%, with no re-financings until mid-2025.

**Performance**

The independent unaudited external valuation of the Company's property portfolio undertaken by Savills (UK) Limited decreased by €33.7 million, or 4.9%, in the quarter. The Spanish assets witnessed the biggest decline (-11.2%), followed by France (-2.4%) and the Netherlands (-2.0%) and Poland (-1.5%). The German portfolio valuation was broadly flat.

For the nine month period to 30 September 2023, the Company's net asset value total return with quarterly distributions reinvested was -12.7% in Euro terms (-14.6% in sterling terms).

**Sector Leading GRESB Rating**

The Company was pleased to be awarded a maximum five stars in the 2023 Global Real Estate Sustainability Benchmark ('GRESB') awards, achieving first place in its peer group of diversified funds investing across Europe (European industrial: distribution warehouse).

The Company delivered another year-on-year improvement in its annual score and reclaimed first place in its peer group, with a score of 89 points, up from 86 points in 2022. This compares to the peer group average score of 81 points and an overall GRESB average of 75 points.

In addition, the Company attained the top-rated gold level awarded by EPRA for compliance with its 'Best Practice Recommendations' in financial reporting.

The Company has executed several sustainability-led initiatives during the past year, building on the significant progress it has made improving the credentials of its portfolio of Grade-A, modern properties. These include:

- High tenant data coverage which has helped to inform carbon performance and feed into net zero plans
- Ongoing assessment of the operational performance of the portfolio, through BREEAM In-Use assessments and sustainability audits identifying actions to improve performance
- A portfolio-wide occupier engagement programme
- 100% of landlord energy procured from renewable sources
- 34% of portfolio by floor area with solar PV with ongoing reviews across the estate
- 96% of assets by floor area with EPC's A-B.

**Dividend**

The Directors have declared a third interim distribution for the year ending 31 December 2023 of 1.41 euro cents (equivalent to 1.23 pence) per Ordinary share, which is unchanged from the previous quarter. The third interim dividend will be paid in sterling on 29 December 2023 to Ordinary shareholders on the register on 1 December 2023 (ex-dividend date of 30 November 2023).

**Rent Collection & Asset Management**

As at the date of this announcement, 93% of the expected rental income for the quarter ended 30 September 2023 has been collected. The outstanding balance predominantly comprises monies owed from electric vehicle manufacturer Arrival.

The Company's discussions with Arrival are ongoing following the tenant's previously publicly stated intention to consolidate operations in the US and its more recent notice of a sale process. Despite the efforts of the Investment Manager to secure both a material surrender premium, which had previously been agreed, and the outstanding rental payments for 2023, the Company has as yet been unable to reach a satisfactory conclusion with Arrival's advisers. The Company has noted Arrival's recent announcement and SEC filing regarding its successful bridge financing arrangement and in the absence of a satisfactory conclusion legal proceedings to recoup monies owed continue. Concurrently, the Investment Manager is in active discussions seeking new tenants for both of the Arrival LEED Gold accredited units and the smaller LEED Silver-rated Amazon unit in Getafe.

The Manager and its on-the-ground local teams are aggressively targeting the voids and are looking at the largest void (by area) on the basis of a letting or sale. Available cash from any sale would underpin the Company's balance sheet further and reduce LTV with other accretive measures under consideration including a share buyback.

**Fund managers' report continues overleaf**

## Fund managers' report - continued

During the quarter, the Company signed a lease extension with Chef's Culinar at its warehouse in Krakow, Poland. The new lease extends the expiry out to November 2026 with the agreed rental at a 10%+ uplift on the valuer's ERV.

The weighted average unexpired lease term (to break) now stands at 7.2 years with the weighted average lease term (to expiry) now 8.6 years.

### Debt Financing

At the end of the quarter, the Company's fixed debt facilities totalled €259.5 million with an average all-in interest rate of 2%, representing a loan-to-value ratio of 37.1%, in line with the Company's target LTV. The Company's lower cost, secured, fixed rate debt provides support to its investment objective with the earliest re-financing of debt required in mid-2025.

### Market outlook

Inflation fell sharply in September, driven by powerful base effects from Germany's public transport subsidy scheme and last year's sharp rise in energy costs. Monetary policy is starting to have some success in normalising underlying price pressures and we expect core inflation to drop significantly in 2024.

Higher interest rates and a weakening economy are weighed on real estate markets. European all-property values have fallen more than 20% on average since June 2022. We expect further softening before values stabilise next year. Offices and secondary-quality assets face a deeper correction as refinancing challenges persist, and as wide bid-offer spreads take time to narrow in the less desirable parts of the market.

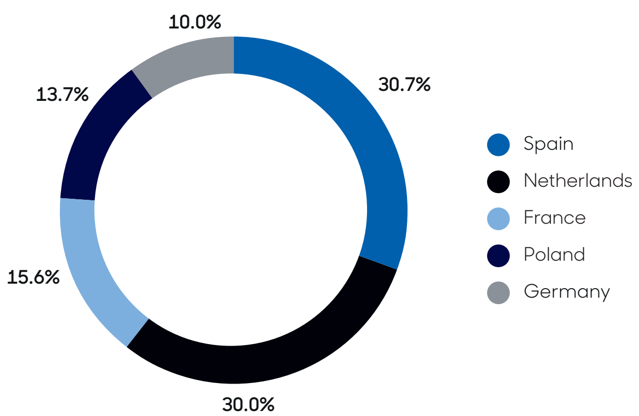
Weakness in the Eurozone's activity data continued, with the flash October PMIs deteriorating further. We believe the region is currently experiencing ongoing recession-like conditions. As the impact of past monetary tightening is building, and no relief is forthcoming, we expect this weakness to continue into Q4. Forward looking indicators suggest that German activity will be nearing its trough over coming months, setting the stage for its downturn to peter out at the start of next year. However, a recovery through 2024 is likely to be slow, with policy unsupportive and the global backdrop challenging.

October inflation fell sharply again, driven by powerful base effects on energy and food prices. At 2.9%, the flash Eurozone reading represents a rapid cooling in headline inflation. There are also signs of moderation in short-term run rates of core inflation, suggesting monetary policy is starting to have some success. Looking forward, base effects will also continue to drag the headline rate lower, especially in October and November. However, enduring tightness in the labour market means underlying inflation dynamics will take longer to return to target-consistent rates. We do not expect a more meaningful moderation in core inflation until 2024.

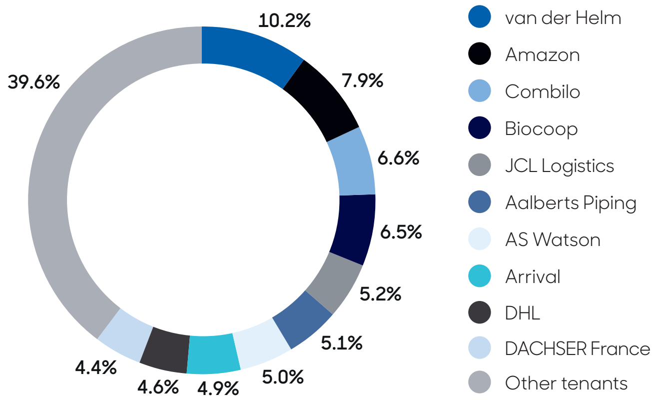
However, there are signs of optimism returning to markets that have corrected strongly and some investors are already taking advantage of better entry prices - particularly in the logistics sector. However, broader confidence in where valuations truly lie is taking time to come through. We believe that as more fixed-term loans approach the point of refinancing in the coming quarters, better prices will emerge and the gap in expectations should narrow.

The one differentiating factor in this cycle is the low level of warehouse supply coming through in the next few years. After a decade of low activity, renewed developer caution, 20-to-30% higher construction costs, labour constraints, and uncertainty around exit values, the supply pipeline has stalled. Germany reported a 36% year-on-year fall in housing permit issuance in August, UK office development starts hit a 22-year low in the first half of 2023, and the outlook for office completions in Europe is less than 0.7% per annum of existing stock. Even if permits increase, the capacity to deliver new projects in the future is likely to be restricted until the economy picks up. Low supply offers significant upside to rental growth expectations, in our opinion.

### Country allocation (% of portfolio value)




### Tenant exposure (% of total rent)



## Important information

**Risk factors you should consider prior to investing:**

- The value of investments and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment companies can borrow money in order to enhance investment returns. This is known as 'gearing' or 'leverage'.
- However, the use of gearing can result in share prices being more volatile and subject to sudden or large falls in value. Where permitted an investment company may invest in other investment companies that utilise gearing which will exaggerate market movements, both up and down.
- There is no guarantee that the market price of the Company's shares will fully reflect its underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- The Company may hold a limited number of investments. If one of these investments declines in value this can have a greater impact on the fund's value than if it held a larger number of investments.
- Property values are a matter of the valuers' opinions and can go up and down. There is no guarantee that property values, or rental income from them, will increase so you may not get back the full amount invested.
- Property investments are relatively illiquid compared to bonds and equities and can take a significant length of time to sell and buy.
- The Company invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
- Derivatives may be used, subject to restrictions set out for the Company, for efficient portfolio management in order to manage risk. The market in derivatives can be volatile and there is a higher than average risk of loss.

**Other important information:**

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# abrdn Property Income Trust

## Actively managing UK real estate looking for higher yield and capital growth

Performance Data and Analytics for Quarter 3, 2023

## Investment Objective

To provide an attractive level of income together with the prospect of income and capital growth.

The Company invests in a diversified portfolio of UK commercial real estate assets in the industrial, office, retail and "other" sectors, where "other" includes leisure, data centres, student housing, hotels and healthcare. Investment in property development and investment in co-investment vehicles, where there is more than one investor, is permitted up to a maximum of 10% of the property portfolio.

- Net asset value ("NAV") per ordinary share was 82.2p (Jun 2023 – 83.8p), a decrease of 1.9% for Q3 2023, resulting in a NAV total return, including dividends, of -0.7% for the quarter.
- The portfolio valuation decreased by 0.8% on a like for like basis during the quarter, whilst the MSCI Quarterly Index fell by 1.7% over the same period.
- LTV[A] of 29.9%. The Company currently has financial resources available for investment of £22.8 million (in the form of the Company's revolving credit facility).

## Portfolio Performance (%)

| | Q3 2023 | 1 Year | 3 Year | 5 Years |
|---|---|---|---|---|
| Portfolio Performance (Total Return cumulative) | 0.32 | (12.40) | 18.32 | 18.83 |
| Benchmark (Total Return cumulative) | (0.66) | (11.98) | 6.90 | 6.11 |

## Discrete Performance (%)

| | 30/09/23 | 30/09/22 | 30/09/21 | 30/09/20 | 30/09/19 |
|---|---|---|---|---|---|
| Direct portfolio Total return | (12.40) | 14.52 | 17.95 | (4.73) | 5.41 |
| NAV Total return | (18.91) | 18.34 | 23.28 | (8.32) | 4.06 |
| Share Price Total Return | (17.86) | (5.52) | 62.28 | (43.99) | 3.31 |
| MSCI Benchmark | (11.98) | 9.74 | 10.68 | (2.84) | 2.17 |

**Past performance is not a guide to future results.**
Benchmark : MSCI UK Quarterly Index.
For full details of the fund's objective, policy, investment and borrowing powers and details of the risks investors need to be aware of, please refer to the prospectus.

## Key Statistics as at 30 September 2023

| | |
|---|---|
| Fund Manager | Jason Baggaley |
| Launch Date | 19 December 2003 |
| Sedol | 3387528 |
| Reuters/Epic/ Bloomberg code | API |
| Portfolio Value | £449.6m (at 30/09/2023) |
| Market Capitalisation | £186.4m (at 30/09/2023) |
| Management Fee | 0.60% per annum on total assets up to £500 million, 0.50% per annum on total assets over £500 million. |
| Current Gross Quarterly Dividend | 1.00 pence per share |
| Ordinary Share Price | 48.9 pence (as at 30/09/2023) |
| NAV per Ordinary Share | 82.2 pence (as at 30/09/2023) |
| Loan to Value[B] | 29.9% (as at 30/09/2023) |

## Portfolio Information
## Sub Sector Weightings (Company%)

| Properties | % |
|---|---|
| ROUK Industrial | 46.9 |
| Retail Warehouse | 14.6 |
| SE Industrial | 8.6 |
| Other Commercial | 8.5 |
| ROUK Offices | 7.8 |
| South East Offices | 5.8 |
| Central London Office | 4.2 |
| High St Retail | 1.7 |
| Land[B] | 1.9 |

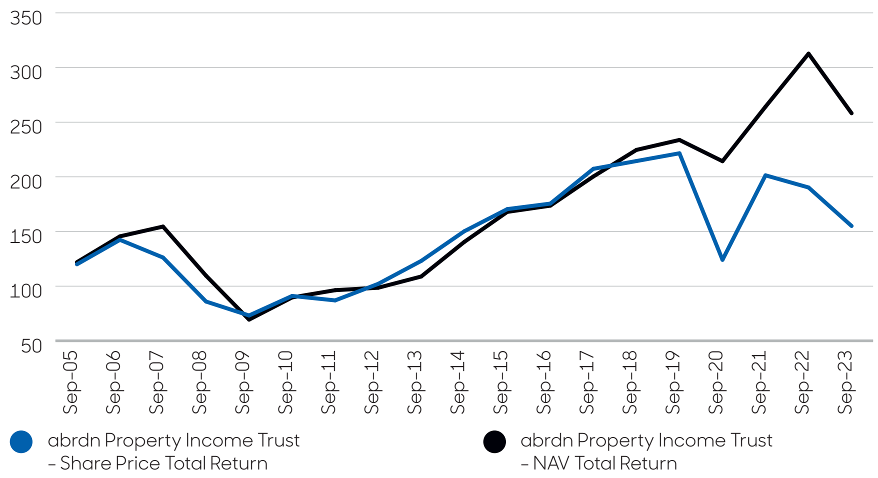
[A] LTV calculated as Debt less cash divided by portfolio value.
[B] The land on the Ralia estate is presented as "Land", having previously been presented as "Other Commercial", now that MSCI has confirmed that classification.

**This document is intended for use by individuals who are familiar with investment terminology. Please contact your financial adviser if you need a explanation of the terms used.**

All sources (unless indicated): abrdn: 30 September 2023.

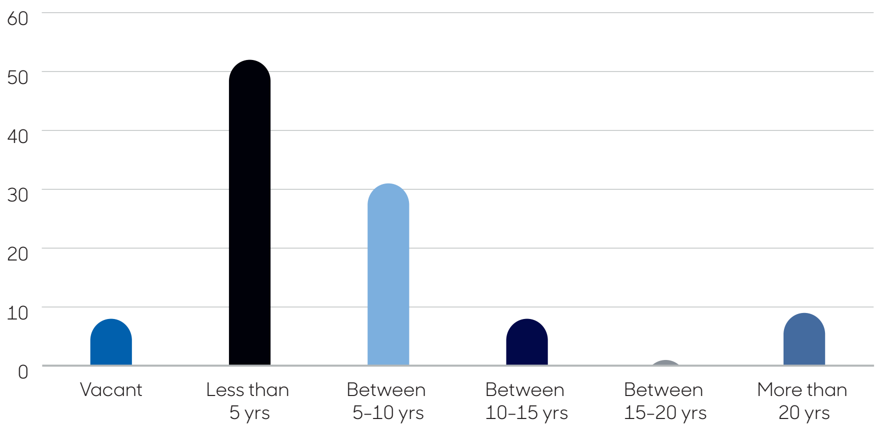
# abrdn Property Income Trust

## NAV and Share Price Total Return




Source: Thomson Reuters Datastream, abrdn.
**Past performance is not a guide to future results.**
For full details of the fund's objective, policy, investment and borrowing powers and details of the risks investors need to be aware of, please refer to the prospectus.

## Lease Expiry/Break Profile




Average unexpired lease term to earliest of break or lease expiry is 6.10 years.

## Top Ten Holdings

| Property/ Direct Investment | Location | Sector | Value Band |
|---|---|---|---|
| B & Q | Halesowen | Retail | £20-25m |
| 54 Hagley Road | Birmingham | Office | £20-25m |
| Symphony | Rotherham | Industrial | £20-25m |
| Morrisons | Welwyn Garden City | Retail | £15-20m |
| Whitehorse Business Park | Shellingford | Industrial | £15-20m |
| Building 3000 Birmingham Business Park | Birmingham | Other | £15-20m |
| Hollywood Green | London | Other | £10-15m |
| 3 Earlstrees Road | Corby | Industrial | £10-15m |
| Tetron 141 | Swadlincote | Industrial | £10-15m |
| Rainhill Road | Washington | Industrial | £10-15m |

**Factsheet**

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
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## Investment Review & Outlook

**UK Real Estate Market outlook – Q4 2023**

- Sizeable revisions to gross domestic product (GDP) data suggest the economy recovered more quickly from the pandemic shock than was originally thought.  The economy suffered a slightly smaller supply-side shock and productivity growth was better. However, the risk of the economy entering a formal recession even earlier than we had expected is increasing.
- The annual rate of inflation fell to 6.7% in August but then remained at that level in September. CPI is expected to fall further this year due to energy price caps, however the recent rise in fuel prices might limit the downside, and wage growth is still running above the target-consistent rate. The conflict in the Middle East has the scope to further disrupt supply lines and push up fuel prices.
- The Investment Manager believes the BoE's decision to keep interest rates on hold at 5.25% means that the bank rate has peaked. If wage growth and services inflation were to surprise on the upside, then a hike in future is still possible, however we think these conditions are unlikely to be met. The BoE wants to guide market expectations towards a 'Table Mountain' profile for interest rates, which sees rates staying elevated for an extended period. This view is designed to keep a grip on current financial conditions, and we expect rate cuts to start around the middle of next year.
- UK real estate pricing has been stabilising during 2023, following the significant correction in the sector in late-2022. However, performance has been asymmetric across sectors, with those benefiting from structural and thematic tailwinds proving more resilient in the face of a weaker macroeconomic environment.

**UK property market – Occupier/Investment Trends**

- Industrial: The industrial and logistics sector has been buoyed by resilient occupier demand and continued positive rental growth during 2023. While the vacancy rate in the sector has trended upwards during the year – now around 4% according to CoStar – it remains low in a historical context. In addition, the supply of good-quality space, which occupiers have been targeting, remains low. With the development pipeline being constrained by rising build and debt costs, the availability of accommodation is expected to remain tight.
- Industrial pricing and performance have stabilised so far this year. But polarisation between best-in-class and secondary accommodation is growing, as both occupiers and investors focus on good-quality accommodation in strong locations. Robust rental growth continues to be recorded on such assets and investors are attracted by the opportunity to unlock further rental growth potential. However, the weaker economic environment is placing pressure on occupiers which requires an increased focus on tenant covenant strength and security of income in this environment.
- The longer-term outlook for the sector is positive, supported by structural and thematic growth drivers. Investor sentiment remains strong, as a result. While the investor pool remains smaller than before, due largely to elevated debt costs, there have been tentative signs of yield compression in some areas of the market. However, any improvement in pricing is fragile, given current economic headwinds.
- Offices: As expected, office performance weakened during the third quarter of 2023, as the sector remained under pressure from new working habits and a weak economic climate. Investor appetite towards the sector remains poor and transaction volumes have fallen, as a result. Demand, from both an occupational and investment perspective, remains focused on best-in-class accommodation in strong locations, and on assets that meet current environmental requirements. The availability of such space is low, which is allowing for instances of positive rental value growth.
- Office capital values have seen further falls and the outlook for capital growth remains negative. Falling capital values are placing pressure on debt-financing covenants. With the cost of debt remaining highly elevated, some stress is expected to appear in the office sector during the remainder of 2023 and into 2024, as borrowers struggle to refinance on accretive terms. Secondary assets are most at risk of default and, given limited investor demand, this is likely to spur greater capital declines. Good-quality assets will be more resilient, but not immune in this scenario.
- Retail: During 2023, consumer spending has proven more resilient than first forecast in the face of a cost-of-living crisis. Indeed, consumer sentiment has also been improving as inflationary pressures have started to ease. Recent data from the British Retail Consortium has shown the first monthly drop in food prices for over two years, indicating that the pressure on consumers' pockets may be beginning to ease.
- Retail investment demand is focussed on the retail warehouse sector where vacancy rates are relatively low and occupier demand is evident, even if patchy. Foodstores also remain popular, especially those let to budget retailers.

## Investment Manager commentary

Following the positive letting transactions completed during the first half of the year, abrdn Property Income Trust (API) is pleased to be able to announce some further asset management activity that has secured over £1.3m p.a. in rent through new lettings and lease renewals.

In the office sector, the lease over the fourth floor at One Station Square in Bracknell has now completed, securing a rent of £132,144 p.a. At The Pinnacle in Reading, the existing tenant Egnyte Limited has upsized on the fifth floor, taking 4,174 sq.ft at an annual rent of £130,000. This rent is 11% ahead of the March 2023 valuation. The lease over the first floor at 160 Causewayside, Edinburgh has been regeared with the removal of the tenant break option. This has secured £157,000 p.a. of rent for a further 5 years.

At 54 Hagley Road in Birmingham, the previously reported lettings to the Chamber of Commerce and UK Cab have now completed following the conclusion of the landlords works. Combined, these reflect a total of 27,770 sq.ft and £538,090 p.a. in rent. The positive momentum at this building has continued with a letting of part of the 4th floor to Property Investor Network, securing a rent of £49,830 p.a. Terms have also been agreed on two further lease renewals of 9,365 sq.ft where the tenants are remaining in their existing suites and the rents are increasing by an average of just over 30% from previous levels.

Refurbishment works, as defined in the agreement for lease at the logistics unit on Rainhill Road in Washington are progressing well (including the completion of a new 1,150kWp PV scheme on the roof) and are due to complete in early November, when the new lease will commence. This letting, along with the others completed since quarter end, will reduce the void rate as at 30 September from 8% to 4.4%.

This activity demonstrates that API's investment strategy of investing in assets that tenants want to occupy remains relevant. The API office assets, which account for just under 18% of the overall portfolio, continue to be attractive to occupiers with good levels of amenity at attractive rental levels even in a market with significantly reduced demand and take-up.

In the industrial sector, API completed a lease regear at Monkton Business Park in Hebburn. Hitachi Construction Machinery (UK) Limited have taken a new 20-year lease at a passing rent of £310,500 p.a., which is an increase of 19.4% over the previous passing rent. As part of the transaction, Hitachi are obliged to carry out a package of works that are anticipated to improve the EPC rating to an "A".

The EPC on the Company's Bolton industrial unit let to DPD has recently been reassessed following completion of the letting and the landlord's refurbishment works. API took the opportunity, at the expiry of the previous lease, to carry out an extensive package of upgrades to the unit including the extension of the roof-mounted solar panel installation, an increase in on-site biodiversity and the inclusion of staff welfare facilities. Following the reassessment, the EPC has been lodged as an "A" with a score of -54. This negative score reflects the fact that the unit is operationally carbon negative.

API's speculative 107,000 sq.ft industrial development at Knowsley is progressing well, with practical completion scheduled for the turn of the year. The unit will be a best in class building with enhanced ESG credentials, and this has been reflected in the occupational interest received to date. Whilst early days, we have received proposals from two parties and are hopeful of agreeing a letting of the unit ahead of completion.

Three new PV schemes are due to complete in Q4 with a total of 2,005kWp, continuing our deployment of on-site renewable energy where it is appropriate to do so. We are also making good progress with the planting of native broadleaf trees at Far Ralia now that the grant funding has been confirmed. The valuation on this asset increased by 10% this quarter to reflect some of the progress made.

The Company again outperformed the MSCI Quarterly Index over the quarter with a capital decline of 0.8% compared to the index 1.7%. Industrials (and the land holding) saw capital growth mainly due to asset management, whilst Retail and Other remained static and Offices continued to fall in value. The Investment portfolio targets assets that will provide an attractive level of income that is sustainable and is secured against high quality assets that will deliver an above market level of total return.

## Important information

### Risk factors you should consider prior to investing:

- The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future returns.
- The value of property and property-related assets is inherently subjective due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the valuations of Properties will correspond exactly with the actual sale price even where such sales occur shortly after the relevant valuation date.
- Prospective investors should be aware that, whilst the use of borrowings should enhance the net asset value of the Ordinary Shares where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the rental income of the falls for whatever reason, including tenant defaults, the use of borrowings will increase the impact of such fall on the net revenue of the Company and, accordingly, will have an adverse effect on the Company's ability to pay dividends to Shareholders.
- The performance of the Company would be adversely affected by a downturn in the property market in terms of market value or a weakening of rental yields. In the event of default by a tenant, or during any other void period, the Company will suffer a rental shortfall and incur additional expenses until the property is re-let. These expenses could include legal and surveying costs in re-letting, maintenance costs, insurance costs, rates and marketing costs.
- Returns from an investment in property depend largely upon the amount of rental income generated from the property and the expenses incurred in the development or redevelopment and management of the property, as well as upon changes in its market value.
- Any change to the laws and regulations relating to the UK commercial property market may have an adverse effect on the market value of the Property Portfolio and/or the rental income of the Property Portfolio.
- Where there are lease expiries within the Property Portfolio, there is a risk that a significant proportion of leases may be re-let at rental values lower than those prevailing under the current leases, or that void periods may be experienced on a significant proportion of the Property Portfolio.
- The Company may undertake development (including redevelopment) of property or invest in property that requires refurbishment prior to renting the property. The risks of development or refurbishment include, but are not limited to, delays in timely completion of the project, cost overruns, poor quality workmanship, and inability to rent or inability to rent at a rental level sufficient to generate profits.
- The Company may face significant competition from UK or other foreign property companies or funds. Competition in the property market may lead to prices for existing properties or land for development being driven up through competing bids by potential purchasers.
- Accordingly, the existence of such competition may have a material adverse impact on the Company's ability to acquire properties or development land at satisfactory prices.
- As the owner of UK commercial property, the Company is subject to environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing or knowingly permitting the contamination. If the Company owns or acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination. If the Company is found to be in violation of environmental regulations, it could face reputational damage, regulatory compliance penalties, reduced letting income and reduced asset valuation, which could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects and/or the price of the Shares.

### Other important information:

The Company is a Closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 1987, as amended and the Registered Collective Investment Scheme Rules 2008 issued by the Guernsey Financial Services Commission managed by abrdn with an independent Board of Directors. The Company trades as a UK REIT for tax purposes.

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# UK Commercial Property REIT

## A diversified portfolio of high quality real estate, built for the future

Performance Data and Analytics for Quarter 3, 2023

### Investment Objective

To provide an attractive level of income together with the potential for capital and income growth by investing in a diversified portfolio of UK commercial property.

### Cumulative Performance (%)

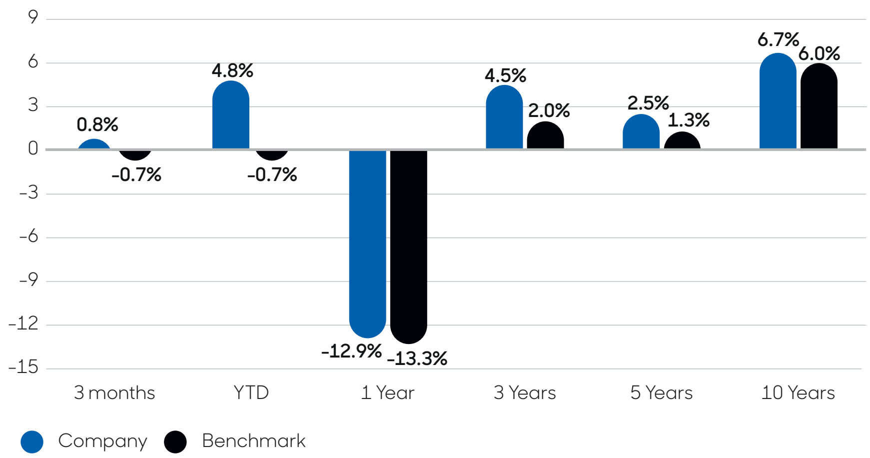
| | Q3 2023 | 1 yr | 3 yrs | 5 yrs |
|---|---|---|---|---|
| NAV Total Return | 0.6 | (17.2) | 8.1 | 3.3 |
| Share Price Total Return | 11.6 | (6.3) | (8.4) | (22.6) |
| Direct Portfolio Total Return | 0.8 | (12.9) | 14.2 | 13.2 |

### Discrete Performance (%)

| | 30/09/23 | 30/09/22 | 30/09/21 | 30/09/20 | 30/09/19 |
|---|---|---|---|---|---|
| NAV Total Return | (17.2) | 12.4 | 16.1 | (4.3) | (0.2) |
| Share Price Total Return | (6.3) | (12.6) | 11.8 | (15.7) | 0.3 |
| Direct Portfolio Total return | (12.9) | 12.5 | 16.5 | (1.9) | 1.0 |
| MSCI Benchmark | (13.3) | 10.0 | 11.4 | (2.3) | 2.7 |

Source: abrdn as at 30/09/2023. MSCI UK Balanced Portfolios Quarterly Property Index to end September 2023. Total Return, calculated by adding dividends paid in the period to the increase or decrease in share price/NAV. Dividends are assumed to have been reinvested at the ex-dividend date, excluding transaction costs.
**Past performance is not a guide to future results.**

### Portfolio Capital & Income Returns




Source: MSCI; Benchmark: UK Balanced Portfolios Quarterly Property Index.
**Past performance is not a guide to future results.**

UK Commercial Property REIT

### Key Statistics as at 30 September 2023

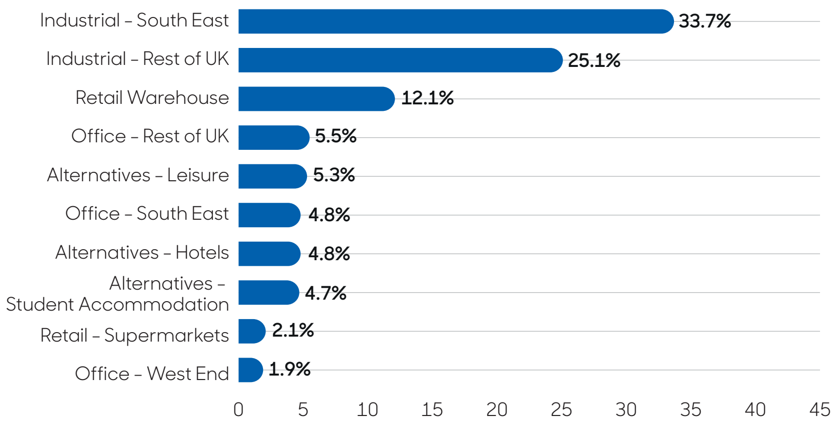
| | |
|---|---|
| Launch date | 20 Sep 2006 |
| Lead Fund Manager | Will Fulton |
| Total Assets | £1.31bn |
| Net Asset Value | £1.05bn |
| Share price (per closing LSE price) | 53.1p |
| NAV per share | 80.7p |
| Premium/(Discount) to NAV | (34.2)% |
| Occupancy levels | 97.0% |
| Average lease length | 7.5 years |
| Gearing | 16.7%[A] |
| Gross dividend yield | 6.4%[B] |
| Dividend pay dates | Feb, May, Aug, Nov |
| Management fees | From 1 April 2022, 0.525% on gross assets up to £1.75 billion, (excluding any cash held over £50 million) 0.475% on gross assets over £1.75billion |
| Stock code | UKCM |
| Sedol | B19Z2J5 |

[A] Gearing is calculated as gross borrowings less cash divided by portfolio value.
[B] Based on last 12 months dividends (settled Nov-22, Feb-23, May-23 and Aug-23)

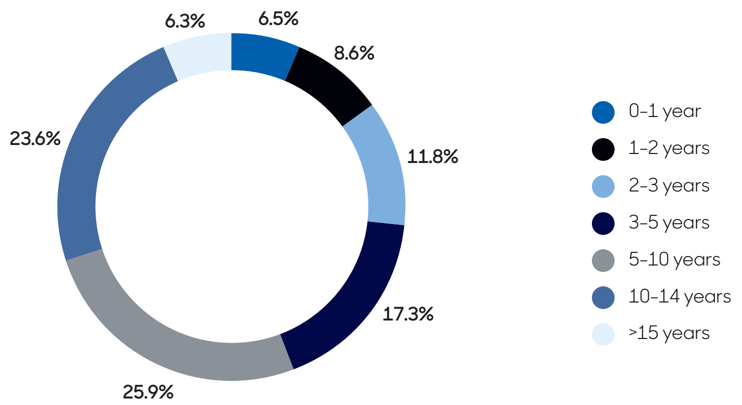
All sources (unless indicated): abrdn plc: 30 September 2023.

# UK Commercial Property REIT

## Sub Sector Weightings




## Lease Expiry Profile (% of Portfolio Income)




## Market Commentary

**STABLE VALUES AND POSITIVE LEASING MOMENTUM DRIVE TOTAL RETURN**

**Peter Pereira Gray, Chair of UKCM, commented:** "The third quarter results show a further stabilisaton in values as the Company continues to benefit from the quality of its well let and diverse portfolio. This, together with our leasing momentum, where we have continued to agree rates well ahead of current rents and in line with rental value, have led to a positive total return for the period as well as growth in earnings over the same period last year. While we continue to be aware of the broader macro conditions and the uncertainty that these present, we remain optimistic about the Company's ability to drive value, income and earnings through successful asset management and capturing the near term reversionary potential in the portfolio."

**Will Fulton, Lead Manager of UKCM at abrdn, said:** "Occupier demand has remained strong during the third quarter and while our high occupancy has meant there have been fewer leasing events in the period under review, those we have transacted were at levels well above the previous rents. On top of that, there are a number of near term opportunities to capture further rental uplift and reversion across the portfolio, which will help us drive further earnings growth. In doing so I am pleased with the action we have taken to carefully control our low debt levels through prudent balance sheet management.

## Top 10 holdings

| | Location | Value Band |
|---|---|---|
| Ventura Park | Radlett | Over £100m |
| Dolphin Industrial Estate | London | £50-£100m |
| Ocado warehouse | Hatfield | £50-£100m |
| Newton's Court | Dartford | £50-£100m |
| Junction 27 Retail Park | Leeds | £50-£100m |
| XDock 377 | Lutterworth | £50-£100m |
| Emerald Park | Bristol | £25-£50m |
| The Rotunda | Kingston-on-Thames | £25-£50m |
| Trafford Retail Park | Manchester | £25-£50m |
| The Maldron Hotel | Newcastle | £25-£50m |

### Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/signup
www.ukcpreit.com

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# UK Commercial Property REIT

The stabilisation of our NAV demonstrates the quality of the properties we own and the advantages of both a diversified investment strategy and our deliberate weighting towards future-fit sectors, such as industrial and logistics, which benefit from compelling structural and demographic tailwinds."

**Asset management delivering rental growth potential and high occupancy**

The Company has a very low void rate of 3% which provides good visibility of future income and clearly demonstrates both the quality of the Company's portfolio and the asset management team's ability to retain income while focusing on capturing reversionary potential. This has continued with another quarter of good leasing momentum including:

- At Emerald Park Industrial Estate, Bristol two lease renewals were completed in the quarter at an aggregate 22% higher than the previous rents passing and broadly in line with ERVs:
  - UPS agreed a five year lease extension on its 22,524 sq ft unit at a rent of £247,000 per annum, equating to £11psf.
  - Medequip extended its lease for seven years, subject to a break in year five, over its 5,815 sq ft unit at a rent of £60,900 per annum, equating to £10 psf.
- At Newton's Court, Dartford, Smart Access Platforms renewed the lease over their 6,650 sq ft unit. The tenant has entered into a new ten year lease with a tenant only break option in year five and a new rent of £92,500 per annum, equating to £14 psf. The agreed rent is in line with the asset's latest ERV and is 29% higher than the previous rent passing.
- On Trafford Retail Park, Manchester, an ESG focussed initiative was completed with the resurfacing and remodelling of the customer car park. An additional access lane was introduced to assist vehicle access and egress from the extremely popular, heavily used retail park. A sustainable construction method was used involving the shredding, rather than landfilling, of 1,700 tyres. These were incorporated in the resurfacing material, reducing the bitumen component, and in turn reducing the use of fossil fuels. Recycled plastic drinks bottles were also used in the manufacture of the replaced slot drains that serve the property.

**Developments**

The Company has one current development, its Hyatt-branded 305 bed hotel development at Sovereign Square in Leeds, which continues to make good progress towards its target opening in Q3 2024. On completion the hotel will serve a strong regional market which lacks good quality mid-priced hotels such as this, with the added benefit of strong ESG credentials.

**Strong balance sheet with significant covenant headroom and flexibility**

The Company's prudent approach to debt has allowed it to maintain a robust balance sheet with low gearing of 16.7% (Q2:15.6%) across three debt facilities, as calculated using AIC methodology. All covenants are well covered and there is an additional £335 million of unencumbered property which provides further significant headroom and flexibility with respect to the Company's covenant package. The current blended interest rate is 3.56% per annum on drawn debt of which 84% is at a low fixed rate.

UKCM has financial resources of £117.1 million available, after allowing for future capital commitments and the November 2023 dividend. The bulk of these resources relate to the Company's RCF which is a relatively expensive form of debt and it is therefore only likely to be deployed if a compelling and accretive opportunity arises.

**Rent Collection**

Rent collection rates remain strong with 99% of fourth quarter rents already received allowing for those tenants who have paid, by agreement, on a monthly basis.

The Company has a diverse tenant mix of quality occupiers, the largest five of which comprise resilient businesses such as Ocado (5.9% of rent), Public Sector (5.0%), Armstrong Logistics (3.6%), Total (3.2%) and Kantar (2.8%). In total the portfolio's income is secured from 193 tenancies.

**Dividends**

Dividend maintained at 0.85p per share for the third quarter, payable 30 November 2023.

## Important information

### Risk factors you should consider prior to investing:

- The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future returns.
- The value of property and property-related assets is inherently subjective due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the valuations of Properties will correspond exactly with the actual sale price even where such sales occur shortly after the relevant valuation date.
- Prospective investors should be aware that, whilst the use of borrowings should enhance the net asset value of the Ordinary Shares where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the rental income of the falls for whatever reason, including tenant defaults, the use of borrowings will increase the impact of such fall on the net revenue of the Company and, accordingly, will have an adverse effect on the Company's ability to pay dividends to Shareholders.
- The performance of the Company would be adversely affected by a downturn in the property market in terms of market value or a weakening of rental yields. In the event of default by a tenant, or during any other void period, the Company will suffer a rental shortfall and incur additional expenses until the property is re-let. These expenses could include legal and surveying costs in re-letting, maintenance costs, insurance costs, rates and marketing costs.
- Returns from an investment in property depend largely upon the amount of rental income generated from the property and the expenses incurred in the development or redevelopment and management of the property, as well as upon changes in its market value.
- Any change to the laws and regulations relating to the UK commercial property market may have an adverse effect on the market value of the Property Portfolio and/or the rental income of the Property Portfolio.
- Where there are lease expiries within the Property Portfolio, there is a risk that a significant proportion of leases may be re-let at rental values lower than those prevailing under the current leases, or that void periods may be experienced on a significant proportion of the Property Portfolio.
- The Company may undertake development (including redevelopment) of property or invest in property that requires refurbishment prior to renting the property. The risks of development or refurbishment include, but are not limited to, delays in timely completion of the project, cost overruns, poor quality workmanship, and inability to rent or inability to rent at a rental level sufficient to generate profits.
- The Company may face significant competition from UK or other foreign property companies or funds. Competition in the property market may lead to prices for existing properties or land for development being driven up through competing bids by potential purchasers.
- Accordingly, the existence of such competition may have a material adverse impact on the Company's ability to acquire properties or development land at satisfactory prices.
- As the owner of UK commercial property, the Company is subject to environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing or knowingly permitting the contamination. If the Company owns or acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination. If the Company is found to be in violation of environmental regulations, it could face reputational damage, regulatory compliance penalties, reduced letting income and reduced asset valuation, which could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects and/or the price of the Shares.

### Other important information:

The Company is a Closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended and the Registered Collective Investment Scheme Rules 2021 issued by the Guernsey Financial Services Commission.

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