

# Aberdeen Short Duration High Yield Municipal Fund

(formerly, Aberdeen High Yield Managed Duration Municipal Fund<sup>1</sup>)



September 2019 Performance Data and Portfolio Composition

## Total Returns (%)

	Cumulative as of Sep 30, 2019			Annualized as of Sep 30, 2019				Since Inception 05/31/13
	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	
Class A w/o sales charges	-0.25	1.09	4.22	3.88	2.43	3.09	-	3.43
Class A with sales charges	-2.75	-1.44	1.61	1.29	1.57	2.57	-	3.02
Institutional Class	-0.23	1.15	4.42	4.15	2.69	3.35	-	3.68
S&P Municipal Bond Short Intermediate Index	-0.59	0.64	3.91	5.36	2.01	2.06	-	2.08
30% Bloomberg Barclays 1-10 Year Municipal Bond Index/70% Bloomberg Barclays 1-10 Year Municipal High Yield Index	-0.41	1.24	5.53	6.98	3.01	2.86	-	2.92

## Annual Calendar Year Returns (%)

	2018	2017	2016	2015	2014
Class A w/o sales charges	1.25	4.17	1.81	2.44	7.77
Institutional Class	1.50	4.43	2.07	2.68	8.01
S&P Municipal Bond Short Intermediate Index	1.78	2.39	0.05	1.96	3.03
30% Bloomberg Barclays 1-10 Year Municipal Bond Index/ 70% Bloomberg Barclays 1-10 Year Municipal High Yield Index	4.94	4.52	-1.57	0.36	6.14

**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.** The performance data quoted represents past performance and current returns may be lower or higher. Class A shares have up to a 2.50% front-end sales charge and a 0.25% 12b-1 fee. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, which may be higher or lower than the performance shown above, please call 866-667-9231 or go to [aberdeenstandard.com/us](http://aberdeenstandard.com/us).

<sup>1</sup>Effective February 28, 2019, the Fund name changed from Aberdeen High Yield Managed Duration Municipal Fund and the Fund changed its investment strategy to adopted a target average weighted effective duration of less than 4.5 years. Performance for periods prior to February 28, 2019 does not reflect such investment policy. In addition, effective February 28, 2019 a blended index replaced the Bloomberg Barclays Municipal Bond: High Yield (Non-Investment Grade) Index as one of the performance benchmarks against which the Fund compares its performance.

The Fund acquired all of the assets and liabilities of the Alpine High Yield Managed Duration Municipal Fund (the "Predecessor Fund"), a series of Alpine Income Trust, in connection with a reorganization that occurred as of the close of business on May 4, 2018. Aberdeen Asset Management Inc. (the "Adviser") became the investment adviser effective upon the closing of the reorganization. The Predecessor Fund was managed by a different investment adviser. The returns presented for the Fund reflect the performance of the Predecessor Fund. Returns of the Predecessor Fund have been adjusted to reflect applicable sales charges but not the differences in the expenses applicable to the respective classes of the Fund.

Total returns assume the reinvestment of all distributions. Total returns may reflect a waiver of part of the Fund's fees for certain periods since inception, without which returns would have been lower. Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index.

## Fund Facts

	Class A	Institutional Class
Net Asset Value (NAV) as of 09/30/19	\$10.25	\$10.25
Ticker	AAHMX	AHYMX
CUSIP	003022332	003022340
Minimum Initial Investment	\$1,000	\$1,000,000
Gross/Net Expense Ratio	1.14%/0.90%	0.90%/0.65%
Distributions	Monthly Distributions/Annual Capital Gains	

Expenses stated as of the Fund's most recent prospectus. All classes of the Fund have contractual waivers in place and may not be terminated before 5/4/20 without approval of the Independent Trustees.

**Investors should carefully consider a fund's investment objectives, risks, fees, charges and expenses before investing any money. To obtain this and other fund information, please call 866-667-9231 to request a summary prospectus and/or prospectus, or download at [aberdeen-asset.us](http://aberdeen-asset.us). Please read the summary prospectus and/or prospectus carefully before investing any money. Investing in mutual funds involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund will be achieved.**

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\*Income from tax-exempt funds may be subject to state and local taxes and a portion of income may be subject to the federal alternative minimum tax for certain investors.

Aberdeen Standard Investments is a brand of the investment businesses of Standard Life Aberdeen plc., its affiliates and subsidiaries.

## Objective

The Fund seeks a high level of current income exempt from federal income tax.\*

## Strategy

As a fundamental policy, under normal circumstances, the Short Duration High Yield Municipal Fund invests at least 80% of its net assets (plus borrowings for investment purposes) in municipal obligations that are exempt from federal income tax (including securities subject to the federal alternative minimum tax ("AMT")). The Fund may invest in obligations of any credit quality. Under normal circumstances, the Fund invests at least 50% of its assets in municipal bonds rated BBB or lower by S&P Global Rating, advisory of S&P Global Inc., or Baa or lower by Moody's Investor Service, Inc., at the time of investment, or the equivalent by another independent rating agency or the unrated equivalent as determined by the Advisor. Under normal market conditions, the Fund will maintain an investment portfolio with a weighted average effective duration of less than 4.5 years.

## Total Net Assets (all share classes)

\$265.75 million

## Portfolio Management

U.S. Municipal Team

## Risk Considerations

Fixed income securities are subject to certain risks including, but not limited to: interest rate (changes in interest rates may cause a decline in the market value of an investment), credit (changes in the financial condition of the issuer, borrower, counterparty, or underlying collateral), prepayment (debt issuers may repay or refinance their loans or obligations earlier than anticipated), call (some bonds allow the issuer to call a bond for redemption before it matures), and extension (principal repayments may not occur as quickly as anticipated, causing the expected maturity of a security to increase). Municipal bonds can be significantly affected by political and economic changes, including inflation, as well as uncertainties in the municipal market related to taxation, legislative changes, or the rights of municipal security holders. Municipal bonds have varying levels of sensitivity to changes in interest rates. Interest rate risk is generally lower for shorter-term municipal bonds and higher for long term municipal bonds.

The Fund's investments in high-yield bonds (commonly referred to as "junk bonds") and other lower-rated securities will subject the Fund to substantial risk of loss. Investments in high-yield bonds are speculative and issuers of these securities are generally considered to be less financially secure and less able to repay interest and principal than issuers of investment-grade securities. Prices of high-yield bonds tend to be very volatile. These securities are less liquid than investment-grade debt securities and may be difficult to price or sell, particularly in times of negative sentiment toward high-yield securities.

Please read the prospectus for more detailed information regarding these and other risks.

# Aberdeen Short Duration High Yield Municipal Fund

(formerly, Aberdeen High Yield Managed Duration Municipal Fund)

## Sector Breakdown

	% of Portfolio
Education	20.8
Industrial	16.2
Healthcare	16.0
Housing	8.3
Power	7.9
Transportation	4.4
Local General Obligation	3.8
Appropriation	3.6
State General Obligation	2.7
Leasing	2.5
Special Tax	2.1
Water and Sewer	1.4
Solid Waste	0.8
Local Authorities	0.0
Other	11.0
Cash	-1.4

Figures may not sum due to rounding.

## Top Ten Holdings

	% of Portfolio
PORT CORPUS CHRISTI-A	4.5
MADISON COUNTY CAPITAL	2.4
MS BUS FIN VAR-A-N AM	1.9
CUST RCPTS-CR2	1.9
DE KALB MFH-VAR-HIGHL	1.9
BUCKEYE TOB ASSET-A-2	1.7
WILSONVILLE SLDWST	1.6
PR BLDGS REF-M3-CONV	1.2
LEE CO IDA-B-VAR-AMT	1.2
SHAKOPEE SR HSG	1.2

**Percent of Portfolio in Top Ten 19.5**

Figures may not sum due to rounding. Holdings are subject to change and are provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities shown.

## Quality Distribution

	Fund
AAA	1.3
AA	8.6
A	10.2
BBB	26.9
BB or below	27.0
Not Rated	27.4
Cash	-1.4
<b>Total</b>	<b>100.0</b>

Figures may not sum due to rounding. Generally the credit ratings range from AAA (highest) to D (lowest). Where bonds held in the fund are rated by multiple rating agencies (Moody's and S&P), the higher of the ratings is used. This may not be consistent with data from the benchmark provider. Quality distribution represents ratings of the underlying securities held within the Fund, and not ratings of the Fund itself.

## 30-Day SEC Yield (%)

	Class A	Inst. Class
Subsidized	2.20	2.50
Unsubsidized	1.97	2.24

## Portfolio Characteristics

	Fund
Total Number of Holdings	318
Effective Duration	2.9
Average Maturity	4.0

## Duration Distribution

	Fund
0 - 4.99 years	78.1
5 - 9.99 years	21.0
10 - 14.99 years	2.3
Cash	-1.4
<b>Total</b>	<b>100.0</b>

Figures may not sum due to rounding.

## Definitions

Duration is an estimate of bond price sensitivity to changes in interest rates. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. The higher the duration, the greater the change (i.e., higher risk) in relation to interest-rate movements.

The SEC Yield is an annualized yield based on the most recent 30-day period. The subsidized 30-day SEC Yield generally includes the impact of contractual advisory fee waivers for the Fund while the unsubsidized 30-day SEC Yield excludes the benefit of these waivers. The subsidized and unsubsidized 30-day SEC Yields will equal each other if the contractual advisory fee waivers have not been triggered during the most recent 30-day period.

S&P Municipal Bond Short Intermediate Index is an unmanaged index considered representative of stock markets of developed and emerging markets.

Bloomberg Barclays 1-10 Year Municipal Bond Index is an unmanaged index composed of investment-grade municipal bonds with maturity dates of more than one year and less than 10 years.

Bloomberg Barclays 1-10 Year Municipal High Yield Index is a sub-index of the Bloomberg Barclays Municipal High Yield Bond Index composed of issues with effective maturity dates of 1-10 years and excludes purpose class of Other. The Bloomberg Barclays Municipal High Yield Bond Index is a flagship measure of the non-investment grade and non-rated USD-denominated tax exempt bond market.

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