

# abrdn Short Duration High Yield Municipal Fund



AAHMX (Class A) / AHYMX (Inst. Class)

## Q4 2023 Performance Data and Portfolio Composition

### Objective

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

### Strategy

As a fundamental policy, under normal circumstances, the 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 Adviser. Under normal market conditions, the Fund will maintain an investment portfolio with a weighted average effective duration of less than 4.5 years. However, the Fund can buy securities of any maturity. The Adviser may also consider the most material potential ESG (Environmental, Social and Governance) risks and opportunities impacting issuers, where relevant. The relevance of ESG factors to the investment process varies across issuers and instrument types.

### Fund information

	Class A	Institutional Class
Net Asset Value (NAV) as of 12/31/23	\$9.11	\$9.11
Ticker	AAHMX	AHYMX
CUSIP	003022332	003022340
Inception Date	05/31/2013	05/31/2013
Minimum Initial Investment	\$1,000	\$1,000,000
Gross/Net Expense Ratio	1.17% / 0.93%	0.88% / 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 February 29, 2024 without approval of the Independent Trustees.

### Total Returns (as of 12/31/23)

	1 month	3 months	Year to date	1 year	3 years	5 years	10 years	Since inception
Class A w/o sales charges	1.61	2.90	2.03	2.03	-1.21	0.59	2.02	1.93
Class A with sales charges	-0.92	0.31	-0.57	-0.56	-2.04	0.08	1.76	1.68
Institutional Class	1.64	2.96	2.28	2.28	-0.96	0.85	2.27	2.18
S&P Municipal Bond Short Intermediate Index	1.37	4.43	3.92	3.92	-0.08	1.69	1.77	1.66
[70% Bloomberg 1-10 Year Municipal High Yield, 30% Bloomberg 1-10 Year Municipal]	1.61	4.65	5.88	5.88	1.51	3.05	2.94	2.66

### Annual Calendar Year Returns (as of 12/31/23)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Class A w/o sales charges	2.03	-8.94	3.79	1.76	4.91	1.21	4.14	1.77	2.50	7.64
Institutional Class	2.28	-8.71	4.04	2.00	5.16	1.45	4.40	2.00	2.61	7.99
S&P Municipal Bond Short Intermediate Index	3.92	1.54	-3.30	3.92	2.34	3.99	0.69	0.40	2.35	2.65
[70% Bloomberg 1-10 Year Municipal High Yield, 30% Bloomberg 1-10 Year Municipal]	5.88	2.68	-0.89	8.66	0.85	7.24	3.50	-1.42	0.20	5.09

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 [abrdn.com/en-us/investor/fund-centre#literature](http://abrdn.com/en-us/investor/fund-centre#literature).

Performance information for periods prior to February 28, 2019 does not reflect the Fund's investment policy. Returns prior May 7, 2018 reflect the performance of a predecessor fund. Please consult the Fund's prospectus for more detail.

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 provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index.

**NOT FDIC INSURED \* NO BANK GUARANTEE \* MAY LOSE VALUE**

\*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.

### Key facts

Fund Manager(s)	US Municipals Team
Fund Size	\$109.9m
Number of Holdings	153
Primary Benchmark	S&P Municipal Bond Short Intermediate Index
Secondary Benchmark	[70% Bloomberg 1-10 Year Municipal High Yield, 30% Bloomberg 1-10 Year Municipal]

### Portfolio Characteristics

Average Price	94.13
Standard Deviation	4.64
Effective Duration	2.96
Effective Maturity	4.02

Standard deviation measures historical volatility. The Alpha, Beta, Standard Deviation, Sharpe Ratio, and R-Squared are based on a 36 month rolling period.

### 30-Day SEC Yield (%)

Subsidized	3.38%
Unsubsidized	3.02%

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.

abrdn  
1900 Market Street, 2nd Floor  
Philadelphia, PA 19103  
Shareholder services and 24-hour account access:  
866-667-9231  
Advisor Services Team:  
800-485-2294  
[abrdn.com/us](http://abrdn.com/us)

Top Ten Holdings

Aberdeen Ridge TEMP 85s 3.5% 15/05/2030	6.0
City of Shakopee MN Senior Housing Revenue 5.85% 2058	4.1
WA State Hsg Fin Comm 2.5% 2028	3.9
Calhoun 4% 2026	3.6
Director of The St of 8% 2050	2.9
California Public 3.125% 2029	2.8
City of Elmira City NY 5% 2033	2.7
Public Finance Authority 6% 2027	2.5
WA State Hsg Fin Comm TEMPS 60	2.4
Sunland Medical 12% 2024	2.2
Percent of Portfolio in Top Ten	33.0

Quality distribution (%)

	FUND
AA	1.6
A	3.4
BBB	18.6
BB	18.8
B	3.0
Below B	1.0
N/R	53.6

Sector (%)

Continuing Care Retirement Communities	25.3
Charter School	20.0
Higher Education	12.0
Hospital	7.1
Nursing Home	6.4
General Obligation	5.4
Student Housing	4.9
Economic/Industrial Development	4.0
Others	11.5
Cash	3.4

Effective Duration (%)

	FUND
0-1 yrs	39.35
1-3 yrs	20.54
3-5 yrs	17.67
5-7 yrs	7.03
7-10 yrs	10.46
10-20 yrs	4.95
20+ yrs	0.0

Source : abrdn 12/31/23.

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.

Below investment-grade is represented by a rating of BB or lower. Ratings and portfolio credit quality will vary over time.

Credit quality ratings on the underlying securities of the fund are received from S&P, Moody's and Fitch and are an indication of the issuer's creditworthiness. The chart reflects the highest security rating provided by one or more of these rating agencies. The fund itself has not been rated by an independent rating agency.

Figures may not always sum to 100 due to rounding.

Risk Considerations

- (a) **Market Risk:** Potential losses that may arise from changes in the market conditions which in turn affect the market prices of the investments of the Fund.
- (b) **Fixed Income Securities Risk:** Fixed income securities are subject to, among other risks, credit risk, extension risk, issuer risk, interest rate risk, market risk and prepayment risk.
- (c) **Management Risk:** The Fund is subject to the risk that the Adviser or Subadviser may make poor security selections.
- (d) **Municipal Securities Risk:** 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.
- (e) **High-Yield Bonds and Other Lower-Rated Securities Risk:** 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.

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

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 <https://www.abrdn.com/en-us/us/investor/fund-centre#literature>. 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.

Aberdeen Fund Distributors, LLC is a wholly owned subsidiary of abrdn Inc. abrdn Inc. is a wholly-owned subsidiary of abrdn plc. abrdn Funds are distributed by Aberdeen Fund Distributors LLC, Member FINRA and SIPC. 1900 Market Street, 2nd Floor, Philadelphia, PA 19103