

31 July 2019

The fund aims to provide long term growth and is designed for investors who are looking for exposure to the Japanese equity market. The fund invests predominantly in the shares of companies listed on the Japanese stock markets and it is actively managed. Please note that the Japanese equity exposure in this fund is currently managed by Sumitomo Mitsui Trust Bank, one of Japan's leading domestic equity managers.

Past performance is not a guide to future returns and future returns are not guaranteed. The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment. The fund may use derivatives to reduce risk or cost, or to generate additional capital or income at low risk. Usage of derivatives is monitored to ensure that the fund is not exposed to excessive or unintended risks. The value of assets held within the fund may rise and fall as a result of exchange rate fluctuations.

OEIC Fund

Equity Fund

Monthly

Fund Manager	Sumitomo Mitsui Trust Asset Management
--------------	--

Fund Manager Start	27 Oct 2010
--------------------	-------------

Launch Date	16 Nov 1998
-------------	-------------

IA Sector	IA Japan
-----------	----------

Benchmark	IA Japan Sector
-----------	-----------------

Current Fund Size	£298.1m
-------------------	---------

Base Currency	GBP
---------------	-----

No. of Holdings	45
-----------------	----

**This document is intended for use by individuals who are familiar with investment terminology. To help you understand this fund and for a full explanation of specific risks and the overall risk profile of this fund and the shareclasses within it, please refer to the Key Investor Information Documents and Prospectus which are available on our website – [www.standardlifeinvestments.com](http://www.standardlifeinvestments.com).**

**Aberdeen Standard Investments has not considered the suitability of investment against your individual needs and risk tolerance. If you are in any doubt as to whether this fund is suitable for you, you should seek advice. An adviser is likely to charge for advice. We are unable to provide investment advice.**

## Fund Information \*

### Composition by Sector

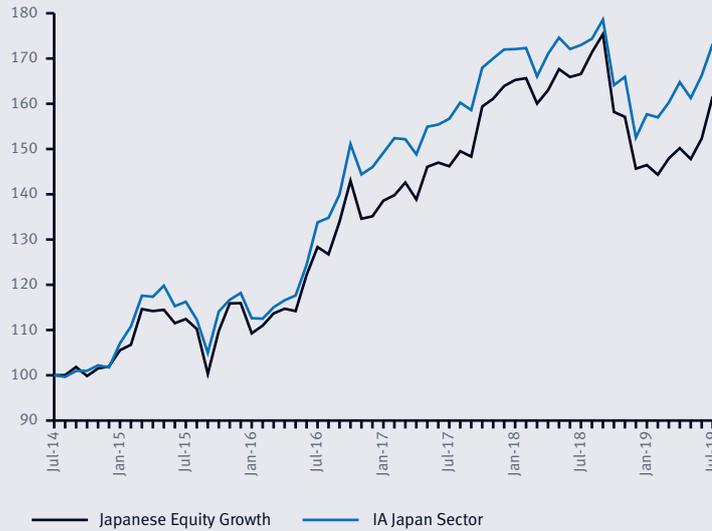
	Fund %
Information Technology	23.8
Industrials	18.6
Consumer Discretionary	18.1
Health Care	10.1
Consumer Staples	9.7
Financials	6.7
Communication Services	6.0
Real Estate	3.0
Materials	2.9
Cash and Other	1.1

### Top Ten Holdings

Stocks	Fund %
Sony	5.0
Keyence	4.3
Softbank	4.1
Hitachi	3.6
Mitsubishi	3.5
Recruit	3.1
Daiichi Sankyo Pharmaceutical	3.0
Mitsui Fudosan	3.0
Asahi Breweries	2.9
Shin-Etsu Chemical	2.9
Assets in top ten holdings	35.4

## Fund Performance \*

### Price Indexed



The performance of the fund has been calculated over the stated period using bid to bid basis for a UK basic rate tax payer. The performance shown is based on an Annual Management Charge (AMC) of 0.75%. You may be investing in another shareclass with a higher AMC. The charges for different share classes are shown on the next page. For details of your actual charges please contact your financial adviser or refer to the product documentation.

Source: Aberdeen Standard Investments (Fund) and Morningstar (Sector)

### Year on Year Performance

Source: Aberdeen Standard Investments (Fund) and Morningstar (Sector)

	Year to 30/06/2019 (%)	Year to 30/06/2018 (%)	Year to 30/06/2017 (%)	Year to 30/06/2016 (%)	Year to 30/06/2015 (%)
Retail Fund Performance	-8.6	12.4	19.8	8.8	12.9
Institutional Fund Performance	-8.2	12.9	20.3	9.6	13.7
Platform One	-8.3	12.9	20.2	9.5	13.7
IA Japan Sector	-3.4	10.7	24.9	7.9	17.1

### Cumulative Performance

Source: Aberdeen Standard Investments (Fund) and Morningstar (Sector)

	6 Months (%)	1 Year (%)	3 Years (%)	5 Years (%)
Retail Fund Performance	10.1	-3.5	24.2	57.1
Institutional Fund Performance	10.4	-3.0	25.9	61.6
Platform One	10.4	-3.0	25.8	61.3
IA Japan Sector	9.9	0.1	29.5	73.2

Note: Past Performance is not a guide to future performance. The price of shares and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

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.

For a full description of those eligible to invest in each share class please refer to the relevant prospectus.

The fund does not have an index-tracking objective.

#### Definitions

Cash and Other - may include bank and building society deposits, other money market instruments such as Certificates of Deposits (CDs), Floating Rate Notes (FRNs) including Asset Backed Securities (ABSs), Money Market Funds and allowances for tax, dividends and interest due if appropriate.

### Market review

The equity market eked out a positive return of 0.9%, which looked better in sterling terms as the UK currency weakened. In general, defensive companies, such as communication services and utilities, outperformed the more economically sensitive energy and industrial sectors. The month started on a high, gaining ground after the US and China agreed a 'ceasefire' in their trade war. However, for most of the month, the equity market moved sideways despite the initial optimism about trade deals and potential interest rate cuts. In the event, investors were unnerved by the Federal Reserve's insistence when it delivered the cut that it was not a policy change but just a minor adjustment. Concerns about the prospect for global growth led to safe-haven assets, such as the yen, gaining in strength. This weighed on Japanese investor sentiment and export-focused sectors.

The result of Upper House elections freed Prime Minister Mr Abe to pursue his policy of increasing the consumption tax in October. Meanwhile, the central bank kept monetary policy unchanged, but acknowledged action may be needed if yen strength persisted and if industrial activity continued to deteriorate.

After a weak start to the reporting season, better-than-expected corporate results posted in late July helped investors to finish the month in a more upbeat mood with a positive return, albeit small.

### Activity

Ibiden was added to the Fund this month. The company makes electronic and ceramic-based components used in the manufacture of semiconductors and the auto industry. Demand is

growing for its specialised products from advances in semiconductors and tighter regulation of diesel engines. We also built a new position in Misumi Group, a supplier and distributor of parts for the electronic and auto industries. We like the company for its improving margins in its e-commerce distribution business and its potential to benefit from 5G and electric vehicles. Elsewhere, Daiichi Sankyo was further topped up as conviction strengthened in the business. We were encouraged by better-than-expected corporate performance and progress in development of its new cancer drug. Sales involved closing out the position in Rakuten. The biggest e-commerce site in Japan reached our price target, helped by its successful overseas expansion. Suzuki Motor was also sold. We downgraded our projection for demand for its automobiles in India. This was necessary as the Indian government has not been forthcoming with an expected new stimulus package. Lastly, other sales involved reducing the holding in toy company Bandai Namco. Expected returns for the business have fallen, and with an increase to downside risk we decided to move on.

### Performance

The Fund outperformed the MSCI Japan Index.

Holdings that added value this month included Advantest. The manufacturer of testing equipment for semiconductors posted better-than-expected earnings. These were driven by the growing need for testing devices for 5G and advances in semiconductor design. Nomura Research Institute also turned in good performance. The business consultancy and technology solutions firm benefited from increased spending in Japan on information technology across the corporate spectrum. This resulted in

robust profits growth with investors marking up the shares. Daiichi Sankyo also added value when it was rewarded for a positive earnings report. The pharmaceutical company benefits from increased revenues from a joint venture on vaccines with GlaxoSmithKline and improved returns from sales of existing drugs outside Japan.

On the downside, electronic devices and electrical equipment maker Fuji Electric was a key underperformer. The business was affected by falling demand for its components used in factory automation and power semiconductors. Suzuki Motor underperformed on news of disappointing auto sales in India. Elsewhere, Keyence also weighed on the Fund's return. The business was impacted by a slowdown in customers investing in factory automation and pressure on profit margins from rising costs.

### Outlook and Strategy

While it was encouraging that US-China trade negotiations appeared to have moved forward, our central scenario continues to be that a deal is unlikely in the short term. This uneven environment is, therefore, the new normal. The market is expected to seesaw based on progress and stalls in negotiations.

We will continue to focus on uncovering the improving ability of companies to grow through corporate reforms or the improvement of business strategies, regardless of the economic cycle. While we will pay attention to the changing conditions of the global market, the main points to monitor are industrial shifts and changes in companies based on this 'new normal', taking account of changes sparked by global trade uncertainty in related sectors.

## Other Fund Information

	Retail Acc	Retail Inc	Institutional Acc	Institutional Inc
Lipper	60011525	n/a	60011524	n/a
Bloomberg	STJEQGR LN	n/a	STJEQGI LN	n/a
ISIN	GB0004483656	n/a	GB0004483219	n/a
SEDOL	0448365	n/a	0448321	n/a

	Platform One Acc	Platform One Inc
Lipper	68165278	n/a
Bloomberg	STJRPLT LN	n/a
ISIN	GB00B76C7M93	n/a
SEDOL	B76C7M9	n/a

	Interim	Annual	Valuation Point	12:00 (UK time)
Reporting Dates	31 Aug	28 (29) Feb	Type of Share	Accumulation
XD Dates	n/a	28 (29) Feb	ISA Option	Yes
Payment Dates (Income)	n/a	30 Apr		

	Retail	Institutional	Platform One
Initial Charge	4.00%	0.00%	0.00%
Annual Management Charge	1.30%	0.75%	0.75%
Ongoing Charges Figure	1.34%	0.87%	0.92%

The Ongoing Charge Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Fund. It is made up of the Annual Management Charge (AMC) shown above and the other expenses taken from the Fund over the last annual reporting period. It does not include any initial charges or the cost of buying and selling stocks for the Fund. The OCF can help you compare the costs and expenses of different funds.

\*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 Standard Life Aberdeen\*\*. 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, Standard Life Aberdeen\*\* 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. Past performance is no guarantee of future results. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates.

\*\*Standard Life means the relevant member of the Standard Life Aberdeen group, being Standard Life Aberdeen plc together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.

"FTSE®", "FT-SE®", "Footsie®", ["FTSE4Good®" and "techMARK] are trade marks jointly owned by the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited ("FTSE") under licence. ["All-World®", "All-Share®" and "All-Small®" are trade marks of FTSE.]

The Fund is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE"), by the London Stock Exchange Plc (the "Exchange"), Euronext N.V. ("Euronext"), The Financial Times Limited ("FT"), European Public Real Estate Association ("EPRA") or the National Association of Real Estate Investment Trusts ("NAREIT") (together the "Licensor Parties") and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE EPRA NAREIT Developed Index (the "Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, none of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

"FTSE®" is a trade mark of the Exchange and the FT, "NAREIT®" is a trade mark of the National Association of Real Estate Investment Trusts and "EPRA®" is a trade mark of EPRA and all are used by FTSE under licence."

Useful numbers -

Investor Services

0345 113 69 66.

Call charges will vary.

[www.aberdeenstandard.com](http://www.aberdeenstandard.com)

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments. Standard Life Investments Limited is registered in Scotland (SC123321) at 1 George Street, Edinburgh EH2 2LL. Standard Life Investments Limited is authorised and regulated by the Financial Conduct Authority. Calls may be monitored and/or recorded to protect both you and us and help with our training. [www.aberdeenstandard.com](http://www.aberdeenstandard.com) © 2019 Standard Life Aberdeen

201908161531 INVRT664 0719 XJ