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# Fund guide abrdn Global Inflation-Linked Bond Fund

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**Adam Skerry**  
Portfolio Manager



**Tom Walker**  
Portfolio Manager



**Connor Godsell**  
Investment Analyst

## Key features

**£981mn**

Fund size

**1.42%**

Yield to Worst

**9.77**

Duration (yrs)

**AA+**

Average  
Credit Rating

**0.63%**

Tracking Error<sup>1</sup>

Source: abrdn, 31 July 2023.

## Why consider the Fund?

01	<b>Inflation Protection</b> – principal and interest payments are adjusted based on changes in the inflation rate, ensuring that the purchasing power of your investment is protected over time.
02	<b>Diversification</b> – global opportunity set spreading the investment risk across different global regions and sectors, reducing the impact of any single country's economic performance.
03	<b>Income Potential</b> – provides a reliable income stream that keeps pace with rising prices, making it an attractive option for income-oriented investors.

## Why invest now?



**Favourable yields** – the rise in interest rates has pulled the real yields on offer to investors higher, in many cases to levels not seen since before the Global Financial Crisis of 2007-'08.



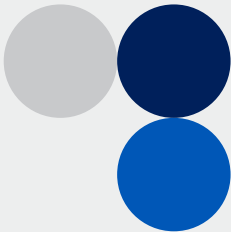
**Stubborn inflation environment** – there is a heightened risk that inflation remains a persistent feature of the economic landscape, meaning that investors should incorporate assets that mitigate this threat.



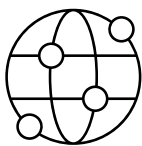
**Favourable backdrop** – markets are priced for a relatively benign backdrop with inflation priced to fall back to central bank targets and to remain there almost indefinitely, meaning buyers of inflation protection are not currently paying a premium for this insurance.

<sup>1</sup> Three year annualised.

**abrdn.com**



## Why abrdrn?



Specialised portfolio management team with in-depth knowledge and experience of fixed-income markets and strategy implementation.



Our portfolio management team are supported by extensive resource of over 140 bond and macro investment specialists worldwide.



A global, trusted and experienced asset manager with over £136.4 billion of fixed-income assets of which 3.7 billion in inflation-linked assets.<sup>1</sup>

<sup>1</sup> As at 30 June 2023.

## Product overview

<b>Objective</b>	To generate income and some growth over the long term (5 years or more) by investing in inflation linked bonds.	
<b>Performance target</b>	To achieve the return of the Bloomberg Barclays World Government Inflation Linked Index (Hedged to GBP) plus 0.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target	
<b>Key mandate constraints</b>	<ul style="list-style-type: none"><li>• Inflation linked bonds</li><li>• Conventional govt bonds</li><li>• Credit</li><li>• Tracking error range</li><li>• Duration range</li><li>• Overseas currency</li></ul>	<ul style="list-style-type: none"><li>Min. 80%</li><li>Max. 20%</li><li>Max. 20% (IG only)</li><li>0.5% - 1.5%</li><li>+/- 2 years</li><li>Max. 5%. Typically hedged back to base</li></ul>
<b>Derivatives</b>	Permitted for Efficient Portfolio Management	
<b>Structure</b>	FCA registered UK authorised OEIC	



# abrdn Global Inflation-Linked Bond Fund

## How has the Fund performed?

### Cumulative and annualised performance

	1 month	3 months	6 months	Year to date	1 year	3 years (p.a.)	5 years (p.a.)
Fund (gross) (%)	0.15	-2.50	0.61	-4.51	-4.51	-3.74	0.09
Fund (net) (%)	-0.23	-2.62	0.37	-4.94	-4.94	-4.18	-0.38
Performance target (%)	0.47	-2.05	1.39	-4.80	-4.80	-3.06	0.59

### Discrete annual returns – year to 30 June

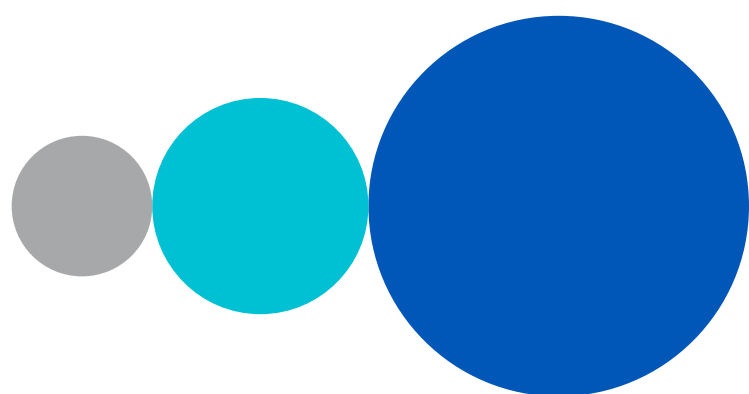
	2023	2022	2021	2020	2019
Fund (gross) (%)	-4.51	-9.08	2.73	6.54	5.23
Fund (net) (%)	-4.94	-9.49	2.26	6.07	5.15
Performance target (%)	-4.80	-7.48	3.43	7.30	5.35

Performance Data: Share Class Platform 1 Acc GBP, as at 30 June 2023

Performance Target: Bloomberg World Government Inflation Linked (Hedged to GBP) +0.50%

Source: abrdn (Fund & Benchmark) and Morningstar (Sector). Basis: Total Return, NAV to NAV, UK Net/Gross Income Reinvested.

\*Fund (Net)\* refers to the actual unit price performance of the shareclass shown; \*Fund(Gross)\* adds back charges such as the annual management charge to present performance on the same basis as the performance target / performance comparator / portfolio constraining benchmark. These figures do not include the initial charge; if this is paid it will reduce performance from that shown



## Important Information

- 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.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund invests in mortgage and asset backed securities (which may include collateralised loan, debt or mortgage obligations (respectively CLOs, CDOs or CMOs)). These are subject to prepayment and extension risk and additional liquidity and default risk compared to other credit securities.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
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- More details of the risks applicable to this fund can be found in the Key Investor Information Document (KIID) and Prospectus, both of which are available on request or at our website **abrdn.com**.

The fund is a sub-fund of abrdn OEIC I, an authorised open-ended investment company (OEIC). The Authorised Corporate Director is Aberdeen Standard Fund Managers Limited. The information contained in this marketing document should not be considered as an offer, investment recommendation or solicitation, 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. No information, opinions or data in this document constitute investment, legal, tax or other advice and are not to be relied upon in making an investment or other decision. Subscriptions for shares in the fund may only be made on the basis of the latest Prospectus and relevant Key Investor Information Document (KIID) which can be obtained free of charge upon request or from **abrdn.com**.

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