abrdn SICAV I – Indian Bond Fund

Fund guide

October 2024

Why invest in Indian bonds?

Diversification benefits

Low correlation with many markets* and low foreign exchange (FX) volatility of

Indian rupee **3.4%** vs emerging market (EM) ex-Asia FX basket **14.2%**[1]

*refer to correlation table on page 2

Strong relative returns

Outperformed over the last 10 years versus many asset classes, returning

67%

beating global high yield (62%) and EM bonds (5.9%)[2]

Global index inclusion

Index inclusion to the J.P. Morgan GBI-EM Index starting in June 2024 is already driving strong inflows of

US$13 billion

in Q3 2024[3]

Key benefits of investing in abrdn SICAV I – Indian Bond Fund

Monthly income[4]

Running yield of

7.0% p.a[5]

as of 30 September 2024

Low volatility

Low portfolio risk of

4.68%[6]

Ease of access

Bypasses complex Indian market rules for international investors

[1]Source: Bloomberg, emerging market ex-Asia FX basket, 1-year implied volatility, 30 September 2024.
[2]Source: Bloomberg, USD, Indian bonds represented by Markit iBoxx ALBI India, Global High Yield represented by Bloomberg Global High Yield, Emerging Market Bonds represented by JPM GBI-EM Global Diversified, 10 years to 30 September 2024.
[3]Source: National Securities Depository Limited, 30 September 2024.
[4]Aim at monthly distribution. Dividends are not guaranteed and may be paid out of investment income, capital gains or capital at the discretion of the Board of Directors. Any dividends paid and distributed out of the Fund's capital will result in an immediate reduction of the Fund's Net Asset Value per share.
[5]Source: abrdn, 30 September 2024. Running yield is the annual income on an investment divided by its current market value. The running yield of the fund is not representative of the payout yield. Past performance does not predict future results.
[6]Source: Bloomberg, 3-year standard deviation, A MInc USD share class, 30 September 2024.

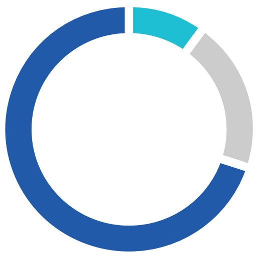
Portfolio benefits of Indian bonds

Why investors should not ignore India's bond market

Low correlation with other markets[7]

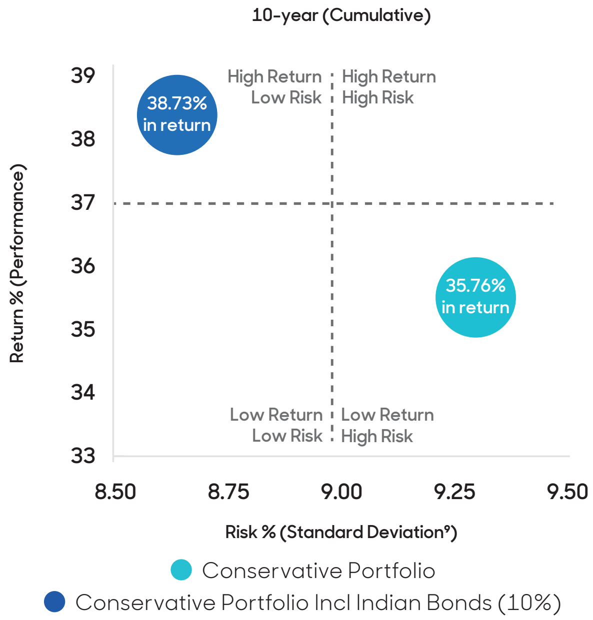
Market	Correlation to Indian Government Bonds
WTI Crude Oil	-0.17
Global Equities	0.28
US Government Bonds	0.28
Global Government Bonds	0.35
Global High Yield	0.36
China Bonds	0.38
Emerging Market USD Bonds	0.42
Asian Equities (ex-Japan)	0.45
Emerging Market Local Currrency Bonds	0.54

Allocating to Indian government bonds can complement a diversified portfolio



Exceptionally low foreign ownership of less than 3% accounts for its low correlation with other markets. It is difficult to sufficiently get exposure to India via other diversified strategies. India's strong fiscal performance and outlook for easing in inflation and policy rates support performance. When it comes to managing currency risk, the Reserve Bank of India deploys its substantial reserves to maintain rupee stability.

More robust asset allocation and benefits to wealth managers: Improving risk-reward profile[8]



Better risk-adjusted returns	Indian bonds have historically **improved returns** and **reduced risk** through economic cycles
Diversification benefits	Robust macro conditions, policy tailwinds, and high FX reserves help **strengthen** the investment case of Indian bonds, and **diversify** from other geopolitical risks
Substantial inflows to continue	With the upcoming index inclusion, the inflows could **improve liquidity** and **support performance**

[7]Source: Bloomberg Barclays Indices, abrdn, FE, USD unhedged, correlation of monthly returns over 10 years to 30 September 2024.
[8]Source: abrdn, Bloomberg Barclays Indices, 30 September 2024. For illustrative purposes only. No assumptions regarding future performance should be made.
[9]The standard deviation of returns is commonly used as a measure of risk for investments. Past performance does not predict future results.

Is India the new China?

Underpinned by government support, China's capital markets have served as a valuable portfolio diversifier for years. Now the baton is passing to India. India's government bond market is the

2nd largest sovereign market

in Asia ex-Japan and its local currency bond market is among the most liquid in emerging markets with a

US$2.59 trillion

market size.[10]

Indian bonds have a low correlation with China equities (0.32)[11] and offer a

competitive yield **6.8%**[12]

over

China bonds **2.57%**[12]

while the Reserve Bank of India uses its sizable FX reserves to maintain currency stability.

Fund facts

Fund manager(s)	Asian Fixed Income Team	
Fund launch date	1 Sep 2015	
Share class availability	A Acc Hedged SGD	LU2730792970
	A Acc SGD	LU2730792897
	A Acc USD	LU1254412205
	A Gross MIncA Hedged SGD	LU2675280809
	A Gross MIncA SGD	LU2730792624
	A Gross MIncA USD	LU2675280981
	A MInc USD	LU1254412114
Base currency	US Dollar	
Subscription fee	Up to 5%	
Investment management fee	1% per annum	
Minimum initial investment	USD1,000, or currency equivalent	
Distribution frequency	Aim at monthly distribution (where applicable)[13]	

[10]Source: Clearing Corporation of India Limited, Securities and Exchange Board of India, 30 June 2024.
[11]Source: Bloomberg Barclays Indices, abrdn, FE, USD unhedged, correlation of monthly returns over 10 years to 30 September 2024.
[12]Source: abrdn, TradingEconomics, running yield of Markit iBoxx ALBI India and FTSE Chinese Government Bond, 30 September 2024. A positive yield does not imply a positive return.
[13]For share classes A Gross MIncA Hedged SGD, A Gross MincA USD, A Gross MincA SGD and A MInc USD only.

Important information

Dividends may be paid out of investment income, capital gains or capital at the discretion of the Board of Directors. Past dividends are not a guide to future dividends and do not represent the returns of the fund. Any dividends paid and distributed out of the fund will result in an immediate reduction of the fund's Net Asset Value (NAV) per share. Dividend payments are made in the currency in which the relevant share class is denominated. The Board of Directors of abrdn SICAV I have the discretion to determine the frequency of dividend payments and dividend rate. Dividend payments and dividend rate are not guaranteed. Please refer to abrdn.com/sg/investor for the Dividend Report for more disclosures on the income statistics of the fund.

Important: The fund(s) is/ are sub-fund(s) of abrdn SICAV I, a Luxembourg-registered open-ended investment company with variable capital (organized as a société d'investissement à capital variable or SICAV) with UCITS status. abrdn SICAV I, being the responsible person of the fund(s), has appointed abrdn Asia Limited ("abrdn Asia") as its Singapore representative.

The information in this document is not for general circulation and should not be considered as an offer, or solicitation, to deal in the fund(s). The information is provided on a general basis for information purposes only, and is not to be relied on as investment, legal, tax or other advice as it does not take into account the investment objectives, financial situation or particular needs of any specific investor.

Investments in the fund(s) are not deposits in, obligations of, guaranteed or insured by abrdn Asia. Investments in the fund(s) are subject to investment risks, including the possible loss of the principal amount invested. Share values and income therefrom may fall or rise. Past performance and any forecasts made are not necessarily indicative of future or likely performance of the fund(s). For Income Shares and Accelerated Income Shares, dividend distributions are not guaranteed and may be subject to fluctuations.

Investors should read the Singapore prospectus of the fund(s) and the product highlights sheet before deciding whether to invest in shares of the fund(s). The Singapore prospectus and product highlights sheet are available and can be obtained from abrdn Asia or its website at https://www.abrdn.com/en-sg/investor/funds/view-all-funds?tab=2 or any of its appointed distributors in Singapore. Advice should be sought from a financial adviser regarding the suitability of the fund(s) before purchasing shares in the fund(s). In the event that you choose not to seek advice from a financial adviser, you should consider whether the fund(s) is/ are suitable for you.

The fund(s) may use or invest in financial derivatives instruments. You should note that the fund(s) may have a higher volatility due to their investment policies or portfolio management techniques. Please refer to the Singapore prospectus for more information.

Any research or analysis used to derive, or in relation to, the information herein has been procured by abrdn Asia for its own use, and may have been acted on for its own purpose. The information herein, including any opinions or forecasts have been obtained from or is based on sources believed by abrdn Asia to be reliable, but abrdn Asia does not warrant the accuracy, adequacy or completeness of the same, and expressly disclaims liability for any errors or omissions. As such, any person acting upon or in reliance of these materials does so entirely at his or her own risk. Past performance is not necessarily indicative of future performance. Any projections or other forward-looking statements regarding future events or performance of countries, markets or companies are not necessarily indicative of, and may differ from, actual events or results. No warranty whatsoever is given and no liability whatsoever is accepted by abrdn Asia or its affiliates, for any loss, arising directly or indirectly, as a result of any action or omission made in reliance of any information, opinion or projection made in this document.

The information herein shall not be disclosed, used or disseminated, in whole or part, and shall not be reproduced, copied or made available to others. abrdn Asia reserves the right to make changes and corrections to the information, including any opinions or forecasts expressed herein at any time, without notice.

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.

Bloomberg data are for illustrative purposes only. No assumptions regarding future performance should be made.

The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis, should not be taken as an indication or guarantee of any future performance analysis forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI" Parties) expressly disclaims all warranties (including without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages (HYPERLINK "http://www.msci.com"www.msci.com).

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays is affiliated with abrdn, and neither approves, endorses, reviews or recommends abrdn SICAV I – Indian Bond Fund. Neither Bloomberg nor Barclays guarantees the timeliness, accurateness or completeness of any data or information relating to Bloomberg Barclays Indices, and neither shall be liable in any way to abrdn, investors in abrdn SICAV I – Indian Bond Fund or other third parties in respect of the use or accuracy of the Bloomberg Barclays Indices or any data included therein.

This advertisement has not been reviewed by the Monetary Authority of Singapore.

abrdn Asia Limited, Registration Number 199105448E