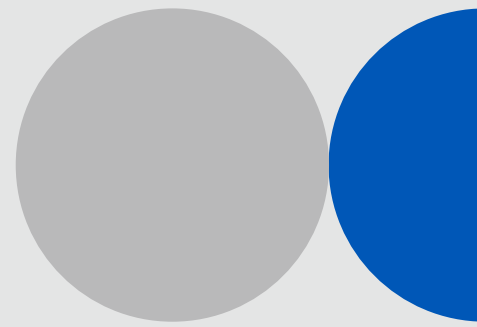


# MyFolio Fund ranges

An illustration of risk and reward

August 2023



## Balancing risk and reward

Through MyFolio, we aim to strike the right balance between the risk you are willing to take and the rewards you receive in return when investing for the long term. To show you how this could work in practice, we have created these illustrative charts on page two. They are a projection over different periods across each risk level.

Specifically, using the MyFolio Market range as an example, the charts on page two illustrate the range of potential annual returns we expect over 1, 3, 5, 7, 10 and 15 years.

In addition, the dot within each range represents the projected average annual return over that period and corresponds with the figure shown in the box below each chart.

## What can you expect?

The charts show that the more risk you are willing to take (moving from portfolios I to V), the greater the reward you might achieve. However, there is also the possibility of greater losses. The chart for each MyFolio risk level also demonstrates the benefits of long-term investing as the expected range of returns narrows the longer you invest. Therefore, the scope for potential loss reduces over the longer term.

**“Through MyFolio, we aim to strike the balance between the risk you are willing to take and the rewards you receive in return”**

## How did we calculate projected returns?

We based the projected returns on current market forecasts and historical investment scenarios. Our statistical simulation of returns suggests that there is a 95% probability that the actual returns could fall within the ranges shown in the charts. However, it is important to remember that these are modelled returns and not guaranteed. The actual returns you would receive might be lower or higher and past performance is not a guide to the future. The projected returns also do not take account of fund or product charges, the cost of advice, or the potential increase in returns resulting from short-term asset allocation changes or fund selection.

We created this document to help you understand your capacity for loss at different risk levels and over different time horizons.

All investments carry some degree of risk – but we take this risk with the aim of growing the value of your assets.

The value of all investments can fall as well as rise and may be worth less than you originally invested.

Your financial adviser will assess your attitude to risk by considering:

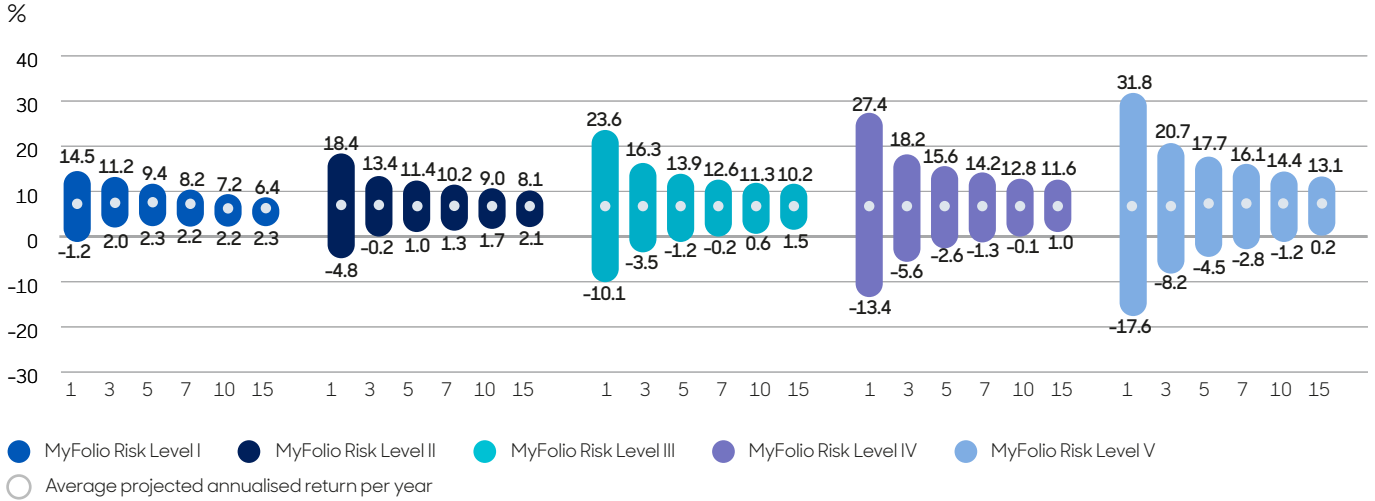
- your willingness to take risk
- your need to balance risk with potential returns to meet a specific objective
- your ability to accept the risk of incurring losses.



# MyFolio

## Illustrative risk levels

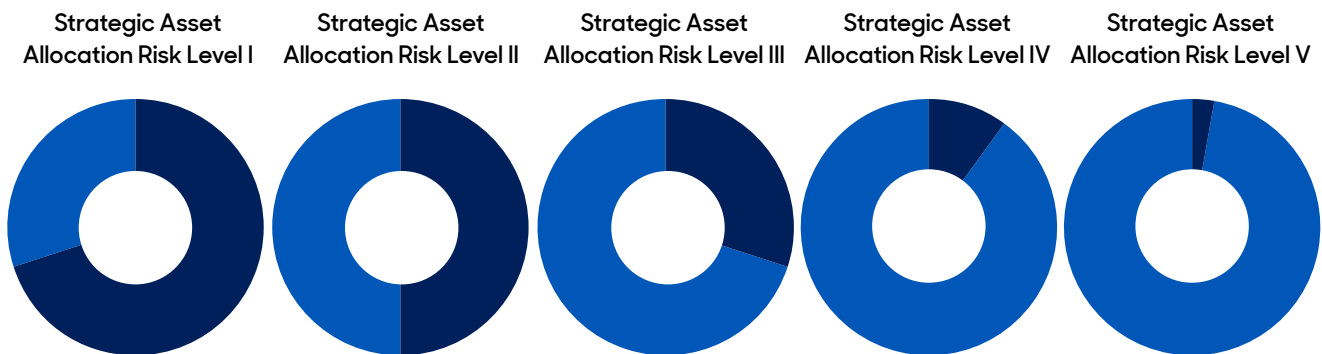
### Range of projected returns



Source: abrdn, June 2023, based on the long-term strategic asset allocation of the abrdn MyFolio Market range. For the purpose of this illustration, our asset allocations have incorporated return estimates created by abrdn. Projected returns do not take account of fund, potential product charges, the cost of advice, or the potential increase in returns resulting from short-term asset allocation changes or fund selection.

Average projected annualised return per year (%)						Average projected annualised return per year (%)						Average projected annualised return per year (%)						Average projected annualised return per year (%)						Average projected annualised return per year (%)					
●						●						●						●						●					
Years						Years						Years						Years						Years					
1	3	5	7	10	15	1	3	5	7	10	15	1	3	5	7	10	15	1	3	5	7	10	15	1	3	5	7	10	15
5.3	5.3	5.0	4.6	4.2	4.0	5.5	5.6	5.7	5.3	5.0	4.8	5.8	5.9	6.4	6.2	6.0	5.9	6.2	6.2	7.0	6.8	6.7	6.6	6.8	6.9	7.7	7.5	7.4	7.3

Source: abrdn, as at October 2022, based on the long-term strategic asset allocation of the MyFolio Market range. For the purpose of this illustration, our asset allocations have incorporated the return estimates created by abrdn. There are two main components that form these estimates, a valuation element and a long term view that looks beyond five years. We expect to see higher returns in the short term to make up for the strong market movements we have experienced in 2022 (reflecting what we see as attractive valuations) returning to more normalised levels in the longer term.



- Growth assets are usually seen as more risky, and include funds that typically hold investments like shares in a company including shares in property companies.
- Defensive assets are usually seen as less risky, and include funds that typically hold investments like cash and bonds.

Source: abrdn, as at October 2022, based on the long-term strategic asset allocation of the MyFolio Market range. For the purpose of this illustration, our asset allocations have incorporated the return estimates created by abrdn. These outcomes will differ from those derived from abrdn's own economic forecasts.

### Forecasts are not a reliable indicator of future performance

## What is MyFolio?

The MyFolio fund of funds range is a flexible, all encompassing solution that provides you with an investment based on your attitude to risk and preferred style. To achieve this, we have carefully constructed a family of risk-rated portfolios. You simply decide which of the risk profiles and investment styles suits you, and then select the appropriate MyFolio fund.

### A range of investment styles

You can choose from a range of investment styles, providing both flexibility and choice.

**MyFolio Index** – these five funds invests primarily in a range of tracker funds managed by abrdn. These underlying funds will, therefore, follow their respective index down as well as up. This fund range primarily invests in abrdn trackers and does not undertake any tactical decisions between its annual Strategic Asset Allocation reviews.

**MyFolio Sustainable Index** – these five funds aim to generate growth over the long term while managed to a defined level of risk. These funds will invest in tracker funds in a manner that seeks to account for long-term environmental and social risks and opportunities and to promote good corporate governance, through investment in other funds.

**MyFolio Market** – there are five Market funds, one for each risk level. Each fund invests mostly in tracker funds and these tracker funds aim to replicate the performance of an index such as the FTSE All-Share Index or the S&P 500 Index.

**MyFolio Sustainable** – these five portfolios invest mainly in funds with a specific sustainable or impact mandate.

**MyFolio Managed** – the Managed funds offer a competitively priced option as they invest mainly in funds managed by abrdn, who have considerable experience investing across the major asset classes such as equities, property and bonds.

**MyFolio Multi-Manager** – the Multi-Manager portfolios invest in carefully selected funds from some of the leading investment managers in the market. We carry out in-depth research to identify funds we believe to be among the best in the industry.

## Important Information

**The value of investments, and the income from them, can go down as well as up and an investor may get back less than the amount invested. Past performance is not a guide to future results.**

This document relates to the range of MyFolio OEIC funds. For more information on individual abrDN MyFolio funds, the risks applicable to them, and their respective benchmarks, please refer to the Key Investor Information Document or the Prospectus.

Please note that the number contained in a abrDN MyFolio fund name is not related to the synthetic risk and reward indicator contained in the Key Investor Information Document (KIID).

This material is for informational purposes only. This should not be relied upon as a forecast, research or investment advice. It does not constitute an offer, or solicitation of an offer, to sell or buy any securities or an endorsement with respect to any investment vehicle. The opinions expressed are those of abrDN and are subject to change at any time due to changes in market or economic conditions.

## Investment objective

All abrDN MyFolio funds aim to generate growth over the long term (5 years or more) while being managed to a defined level of risk. Risk level I would aim to be the lowest risk, and risk level V would aim to be the highest risk.

abrDN is a global business providing a range of services to help clients and customers plan, save and invest. abrDN group uses different registered legal entities to meet different client and customer needs. Some elements of the abrDN client experience may contain previous brand names until all brand name changes have completed.

Specific Risks: All general investment risks apply however for this fund investors should specifically be aware of the following:

- **Credit and High Yield Credit Risk:** A bond or money market security could lose value if the issuer's financial health deteriorates, or in extreme cases could go into default (cease to make timely payments of principal or interest).
- **Interest rate risk:** When interest rates rise, bond values generally fall. This risk is generally greater the longer the duration of a bond investment is.
- **Equity risk:** Equities can lose value rapidly, and typically involve higher (often significantly higher) market risks than bonds or money market instruments. If a company goes through bankruptcy or a similar financial restructuring, its equities may lose most or all of their value.
- **Money Market Instruments Risk:** The value of money-market instruments may be subject to adverse movements in extreme market conditions.

More details of the risks applicable to these funds 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](https://www.abrDN.com).

For more information visit [abrDN.com](https://www.abrDN.com)

Issued by abrDN Fund Managers Limited, registered in England and Wales (740118) at 280 Bishopsgate, London EC2M 4AG. Authorised and regulated by the Financial Conduct Authority in the UK.

© 2023 abrDN, images reproduced under licence.

AA-070823-166546-11