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abrdn – fixed income

October 2022

Your global fixed income partner

£130bn

Over £130bn in fixed income assets under management

140+

140+ credit and macro professionals

8

fixed income centres worldwide

18

ESG research & engagement specialists

Recognised and approved by fixed income consultants globally

As at 30 June 2022.

Using the full spectrum of fixed income to deliver client solutions

Today's fixed income markets offer investors a wealth of ways to meet their needs for income, capital preservation and risk diversification. At abrdn, we have built a global fixed income capability that aims to allow investors to harness a wide range of fixed income potential – from developed markets to emerging markets, from sovereign bonds to high-yield debt.

We use our global research platform and local market knowledge to identify compelling opportunities. We then construct robust, diversified portfolios – that fully integrate ESG factors – to meet client goals consistently, reliably and sustainably.

Why abrdn for fixed income?

By maintaining global, on the ground expertise, we look to deliver reliable risk-adjusted returns across a range of strategies built to meet real-life client needs.

	<p>Local, global presence</p> <p>With more than 140 fixed income professionals in the UK, US and Asia, we have the local and global resources to maintain deep insight and expertise across bond markets, sectors and issuers – and across the full credit spectrum.</p>
	<p>Focused research</p> <p>We use first-hand, intensive research at both the macro-economic and individual issuer level to identify trends and opportunities. Technical factors help us identify key price levels and establish entry and exit points for portfolio positions.</p>
	<p>Exploiting inefficiencies</p> <p>Fixed income markets are inefficient at reflecting changes in company or country fundamentals. We exploit these inefficiencies by seeking out opportunities where we have high conviction that market expectations will change.</p>
	<p>Client-driven solutions</p> <p>We make use of the whole universe of fixed income opportunity to build a range of solutions to meet specific client needs – including benchmark-relative, total return, absolute return, pension and insurance liability and cash-flow driven solutions, and buy and maintain strategies.</p>



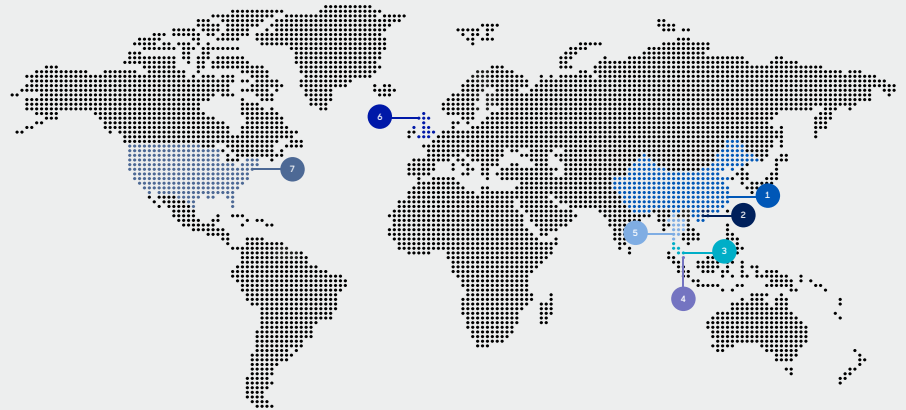


"Fixed income can be used to target client needs for income, total return and capital preservation. By providing expertise across many fixed income sectors and markets, we can help clients achieve the goals that are most important to them"

Craig MacDonald
Head of Fixed Income, abrdn

On the ground across bond markets

We maintain local fixed income teams across developed and emerging markets. This provides deep local insight and a global perspective to help us find and compare opportunity across public and private credit and investment-grade and high yield markets.



● 1. China ● 2. Hong Kong ● 3. Malaysia ● 4. Singapore ● 5. Thailand ● 6. UK ● 7. US

Our fixed income approach

Our fixed income philosophy and approach aims to deliver sustainable risk-adjusted returns that clients can rely on to reach their investment goals.

A shared philosophy	Global research footprint	Team-based approach	Holistic risk framework
<ul style="list-style-type: none"> Focus on active management Fundamental bottom-up stock selection Country-driven approach Tailor risk to the market environment 	<ul style="list-style-type: none"> Local market and sector analysis Deep research capability from Emerging market debt (EMD), developed markets credit, High Yield, private credit etc Structured research platform, common investment framework and repeatable process Focus on identifying and exploiting positive opportunities before the rest of the market 	<ul style="list-style-type: none"> Test insight through cross-team scrutiny and debate Harness team diversity to mitigate 'group think' and biases Complement with views from equity, real estate, ESG and research institute teams Keep all individuals accountable for their recommendations 	<ul style="list-style-type: none"> Focus on fully understanding every risk in a portfolio Robust proprietary risk analysis techniques Comprehensively analyse and dynamically respond to overall market environment

Environmental, social and governance considerations analysis integrated throughout our process

ESG at every stage

We integrate environmental, social and governance (ESG) factors throughout our fixed income investment process. This gives us a more complete view of each issuer and the risks or opportunities they present. By actively engaging with companies on ESG issues, we ultimately look to foster companies that will contribute positively to the world.



Use multiple tools to assess ESG risks & opportunities



Rate issuers on their environmental and sustainability approach



Actively engage with issuers to encourage best ESG practice



Offer Sustainable specific fixed income strategies



We focus on understanding the ESG risk and opportunities to make better investment decisions

Our range of ESG tools



Company scores



Thematic research



Climate & carbon analysis



Fixed income ESG risk rating



External data



Company engagement meetings



Shared research platforms

Our Fixed Income range

We aim to offer fixed income capabilities across the widest range of sub-sectors and geographies. So whatever part of the asset class can best meet a client's needs, we can provide or construct a solution to help.

Breadth of solutions

Benchmark relative	Total return	Absolute return	Liability-aware	Buy and maintain	Private credit
Aim to out-perform a market index or other benchmark	Target positive returns over a rolling time period	Target a positive 'cash-plus' return over the medium to long-term	Seek to match specific cashflow needs of pension funds and insurers	Aim to harvest income cost-efficiently through low turnover	Invest in private, less liquid and so potentially higher yielding assets

Our strategy universe

Liquidity	Developed Rates/ Inflation	Core/ Aggregate	Investment Grade Credit	Private & Alternative Credit	Multi-Asset Credit	High Yield	Emerging Markets	Sustainable Investing
Money Market	Global Government Bond	Global Aggregate	Global Credit	CREL – Real Estate Debt	Total Return Credit	Global High Yield	EMD Core (Hard Currency)	Global Credit SRI
Ultra Short Duration	Euro Government Bond	Euro Aggregate	Sterling Credit	Infrastructure Debt	Strategic Bond	Euro High Yield	EMD Corporate	Euro Credit SRI
Taxable, Tax-exempt	Sterling Government Bond	Sterling Aggregate	Euro Credit	Asset Backed Securities	Multi Sector		EMD Total Return	EMD SRI
Global, Regional	Global Inflation Linked Bond		US Credit	Private Placement Debt			EMD Plus (Blended)	Ethical Corporate
			US Municipals	Syndicated Loans			EMD Frontier	Climate Transition Bond
			Australia				EMD Local Currency	EMD Corps Sustainable Development Goals
							Asian Bond	
							Single Country (India, , China)	

<LDI – Active – Buy and Maintain – ESG>

The above strategies are provided to illustrate our range of capabilities only and may not be available in all jurisdictions.



"Global fixed income markets offer a rich breadth of potential and can be used in so many ways to help investors target their goals. We're committed to maintaining capabilities across the universe of fixed income opportunity so our clients have real choice in how their investment needs can be met."

Daniel McKernan

Head of Sterling Investment Grade Credit, abrdn

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