

# Fund guide

## abrln SICAV II – Emerging Market Local Currency Debt Fund

March 2026



For professional investors only – Not for use by retail investors. In Switzerland for Qualified Investors only.

### Key features

# 32

years' investing in emerging market (EM) debt

Source: Aberdeen Investments, December 2025.

# 40+

EM debt specialists globally

# Over 40

local markets covered

### Why consider EM local currency debt?

EM local currency bonds are government or quasi-sovereign bonds issued in their own currency, giving investors access to domestic interest rates and currency movements.

Three reasons they matter:



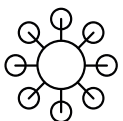
#### Two engines seeking return

Income from local rates plus potential currency gains – a powerful combination that diversifies away from US-dollar dominated markets.



#### Attractive real yields potential

Many EM central banks acted early against inflation, leaving real yields – the return you earn after accounting for inflation – above developed market levels.



#### Genuine diversification

Local markets respond to domestic policy, reforms and currency trends – adding a return profile that behaves differently from hard-currency bonds (those issued in major currencies like the US dollar and euro) and global credit.

### Why now?

Real yields remain high at present environment, giving central banks room to cut rates – potentially more than markets currently price in.

At the same time, the US rate-cutting cycle could contribute to an easing in dollar strength, historically a consistent tailwind for EM currencies.

Valuations add to the appeal. With hard-currency spreads tightening in the current environment, local markets now look more attractive from both a macro and pricing perspective.

Many frontier currencies remain unhedged due to cost, creating two-way risk – but in a softer-dollar backdrop, FX appreciation could be a meaningful return driver.



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## Why invest with Aberdeen?

We have long-standing EM expertise – 32 years in EM debt, supported by a global platform of 90+ specialists, including more than 40 focused on EM fixed income. Our on-the-ground presence in key Asian markets gives us real-time insights into political, economic and currency developments.

This is backed by a fully integrated research process that blends country, currency and credit analysis to build high-conviction portfolios.

## ESG integration

We treat ESG factors as financially material. Governance strength, environmental risks and social dynamics directly influence a country's credit and currency path, so ESG analysis is embedded in every investment decision.

## Risk management

Local markets can move quickly. We monitor liquidity, currency trends, policy shifts and macro risks to protect capital and minimise downside – while still capturing the opportunities EM local markets offer.

## Risk factors

**Credit risk** – The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.

**Interest rate risk** – 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.

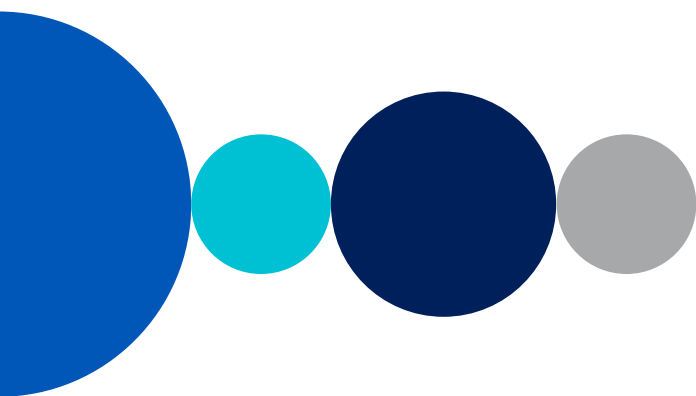
**Emerging markets risk** – The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.

**High yield credit risk** – The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.

**China Bond Connect risk** – Investing via Bond Connect involves special considerations and risks, including without limitation a less developed regulatory and legal framework, operational, title and regulatory risks.

**Derivatives risk** – The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.

**ESG investment risk** – Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities within the fund's benchmark or universe of potential investments. The interpretation of ESG and sustainability criteria is subjective meaning that the fund may invest in companies which similar funds do not (and thus perform differently) and which do not align with the personal views of any individual investor.





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