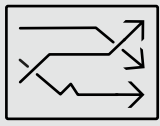


### Fund performance



The abrdn Short Duration High Yield Municipal Fund (Institutional Class shares, net of fees) returned 0.14% for the quarter, outperforming its benchmark, the Bloomberg Municipal Bond Inter Short (1-10 Y) Index, which returned -0.14%.<sup>1</sup>

High yield muni bonds demonstrated relative resilience during periods of rate volatility, outperforming investment grade muni bonds and aligning with the Fund's emphasis on spread income and security selection.

Sector allocation was the primary driver of relative performance. Exposure to life care proved the largest contributor, followed by other revenue and tobacco settlement bonds. These gains were partially offset by underperformance within higher education credits.

From a credit-quality perspective, exposure to BB, non rated, and B rated bonds contributed positively, while BBB rated holdings detracted from returns.

### Activity

Portfolio activity during the quarter focused on security selection and relative value opportunities within core high yield sectors. Life care was the largest positive contributor, benefiting from the call of a position during the quarter, which generated meaningful price appreciation as the bond pulled to par.

Trading activity remained disciplined, emphasizing portfolio flexibility and liquidity while prioritizing credits with resilient fundamentals and attractive risk adjusted carry.

### Total Returns (as of 03/31/26)

	Class A w/o sales charges	Class A with sales charges	Institutional Class	Benchmark
1 month	-1.21	-3.65	-1.19	-1.93
3 months	0.08	-2.41	0.14	-0.14
Year to date	0.08	-2.41	0.14	-0.14
1 year	1.93	-0.58	2.18	4.03
3 years (p.a.)	2.62	1.74	2.87	2.98
5 years (p.a.)	0.37	-0.14	0.60	1.40
10 years (p.a.)	1.49	1.24	1.75	1.83

Benchmark: Bloomberg Municipal Bond Inter-Short (1-10 Y) Index from 03/31/2025. S&P Municipal Bond Short Intermediate Index from 05/31/2013 to 03/30/2025.

#### PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

The performance data quoted represents past performance and current returns may be lower or higher. Class A shares have up to a 2.50% front-end sales charge and a 0.25% 12b-1 fee.

The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, which may be higher or lower than the performance shown above, please call 866-667-9231 or go to [aberdeeninvestments.com/us/literature](http://aberdeeninvestments.com/us/literature).

Performance information for periods prior to February 28, 2019 does not reflect the Fund's investment policy. Returns prior May 7, 2018 reflect the performance of a predecessor fund. Please consult the Fund's prospectus for more detail.

Total returns assume the reinvestment of all distributions. Total returns may reflect a waiver of part of the Fund's fees for certain periods since inception, without which returns would have been lower. Indexes are unmanaged and provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index.

### Expense ratios (%)

	Class A	Institutional Class
Gross/Net Expense Ratio	1.20/0.93	0.94/0.68

Expenses stated as of the Fund's most recent prospectus. All classes of the Fund have contractual waivers in place and may not be terminated before February 28, 2027 without approval of the Independent Trustees.

<sup>1</sup> The S&P Municipal Bond Index is a broad, market value-weighted index that seeks to measure the performance of the U.S. municipal bond market. The S&P Municipal Bond Short Intermediate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 1 to 8 years. Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected.

For current holdings information, please visit [abrdn Short Duration High Yield Municipal Fund - Portfolio Holdings](#)



## Market review

The municipal (muni) bond market, as measured by the Bloomberg Municipal Bond Index, returned -0.18% for the first quarter of 2026. Performance was strongest at the short end of the curve, with the Bloomberg Municipal 1-2 Year Index returning 0.64%, compared with 0.01% for the 4-6 Year Index and 0.37% for the 17-22 Year Index.

Taxable municipal bonds delivered positive returns, with the Bloomberg Taxable Municipal Bond Index gaining 0.43% over the quarter, outperforming the Bloomberg US Aggregate Index, which returned -0.05% over the same period. High-yield muni bonds also outperformed corporate high yield, as the Bloomberg Municipal Bond: High Yield Index returned 0.71%, compared with a -0.50% return for the Bloomberg US Corporate High Yield Bond Index.

Muni market technicals remained supportive toward the end of the quarter and into early April, aided by manageable new issuance, steady fund inflows and seasonal reinvestment demand.

Macroeconomic data remained mixed. Annualised GDP growth slowed to 0.7% in the fourth quarter, according to the second estimate, below the preliminary estimate of 1.4% and the 4.4% expansion recorded in the third quarter. The US Federal Reserve (Fed) held the federal funds target range at 3.50-3.75% amid ongoing economic uncertainty. The yield curve modestly flattened, with the spread between two- and 10-year US Treasuries narrowing from 69 basis points (bps) at the start of the quarter to 52 bps at quarter-end.

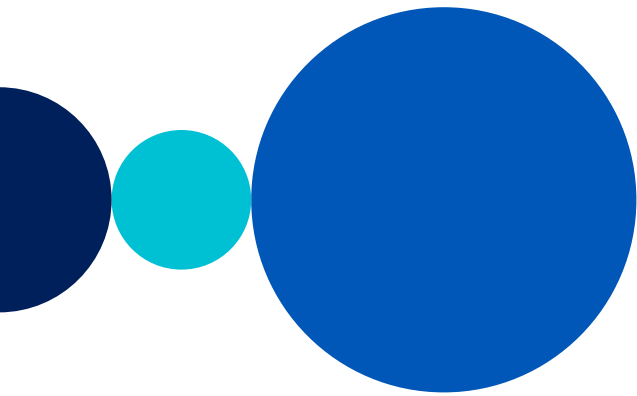
## Outlook & strategy

The macroeconomic backdrop has shifted meaningfully since year end, with market expectations moving from two anticipated Fed rate cuts to potentially none. Concerns over re accelerating inflation, compounded by geopolitical tensions in the Middle East, have kept interest rates range bound and volatility elevated. Against this backdrop, we continue to emphasise high yield sectors supported by durable economic and demographic tailwinds, while avoiding those more reliant on policy support or consumer-based revenues.

Life care and continuing care retirement communities remain a core overweight, supported by favorable demographic trends and an increasing supply-demand imbalance in senior housing. We also maintain constructive exposure to housing related credits, including multi-family bonds and special assessment districts, where persistent structural undersupply continues to support project level fundamentals. Select energy adjacent credits such as oil storage and throughput bonds, as well as gas prepay structures, offer attractive carry and asymmetric return profiles in a volatile commodity environment. We are constructive on tobacco master settlement agreement bonds as are acceleration in the consumer price index directly benefits settlement payment calculations. Also, we believe traditional tobacco consumption trends are more resilient than consensus expectations suggest. Select hospital credits with dominant local market share also continue to offer compelling risk adjusted value.

We continue to favor a barbell approach, as recent rate volatility has disproportionately impacted intermediate muni bonds, while select high yield sectors have proven more resilient.

We remain underweight to higher education and related sectors, where revenue pressures, demographic headwinds and idiosyncratic credit risks persist. Security selection remains the primary driver of alpha, and we will continue to prioritise credits with durable cash flows and sound fundamentals, while actively managing duration and liquidity in a volatile rate environment.



## Important information

Potential losses that may arise from changes in the market conditions which in turn affect the market prices of the investments of the Fund.

The Fund is subject to the risk that the Adviser or Subadviser may make poor security selections.

Illiquid securities are assets that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the asset. An inability to sell a portfolio position can adversely affect the Fund's value or prevent the Fund from being able to take advantage of other investment opportunities. Illiquid and relatively less liquid securities may also be difficult to value.

Occasionally, shareholders may make large redemptions or purchases of Fund shares, which may cause the Fund to have to sell securities or invest additional cash. These transactions may adversely affect the Fund's performance and increase transaction costs.

Fixed income securities fluctuate in price based on changes in an issuer's financial condition and overall market and economic conditions. The value of a fixed income security may also fall due to specific conditions that affect a particular sector of the securities market or a particular issuer. Fixed income securities are subject to, among other risks, credit risk, extension risk, issuer risk, interest rate risk, market risk and prepayment risk.

Municipal bonds can be significantly affected by political and economic changes, including inflation, as well as uncertainties in the municipal market related to taxation, legislative changes, or the rights of municipal security holders.

The Fund's investments in high-yield bonds (commonly referred to as 'junk bonds') and other lower-rated securities will subject the Fund to substantial risk of loss.

Investing in mutual funds involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund will be achieved.

S&P Global Ratings is an international credit rating agency. S&P Global Ratings express the agency's opinion about the ability and willingness of an issuer, such as a corporation or state or city government, to meet its financial obligations in full and on time. Typically, ratings are expressed as letter grades that range, for example, from "AAA" to "D" to communicate the agency's opinion of relative level of credit risk. Ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

***Investors should carefully consider a fund's investment objectives, risks, fees, charges and expenses before investing any money. To obtain this and other fund information, please call 866-667-9231 to request a summary prospectus and/or prospectus, or download at <https://www.aberdeeninvestments.com/en-us>. Please read the summary prospectus and/or prospectus carefully before investing any money.***

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