

**SHINING A LIGHT ON THE.....**  
**Aberdeen Standard SICAV I – Listed Private Capital Fund**

**AT A GLANCE**

Investment Objective
The Fund’s investment objective is to achieve long-term capital growth combined with income by investing at least two-thirds of the Fund’s assets in a diversified portfolio of equity and equity-related securities that provide exposure to global private capital markets. Such securities include shares of Closed-Ended Funds whose main business activity is to make or manage investments, directly or indirectly, in private equity and private debt markets.

Fund Factsheet Link
<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F000010QAP">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F000010QAP</a>

Management	
Manager Name	Start Date
Andrew Lister	28 <sup>th</sup> June 2018

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2019 to 31<sup>st</sup> March 2022:

	2019	2020	2021	2022
<b>abrdn Listed Private Capital Fund</b>	28.76%	12.94%	42.76%	-4.61%
<b>MSCI World NR USD</b>	22.74%	12.32%	22.94%	-2.43%

Performance over 12 months, 3 years, and since fund manager inception:

	1 year	3 years	Since launch
<b>abrdn Listed Private Capital Fund</b>	28.69%	80.07%	81.56%
<b>MSCI World NR USD</b>	15.39%	50.43%	56.19%

*You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.*

Tracking Error	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
7.43	-	100.16	65.21	61.11	0.84	9.27	Growth/Mid

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Volatility Measurements	
3-Yr Std Dev (volatility)	19.74%
3-Yr Mean Return (average)	21.66%

Investment Style Details	
Giant	4.75%
Large	15.07%
Medium	28.73%
Small	7.44%
Micro	1.94%

Top 5 Holdings – 14 Equity Holdings (63 other holdings)		
3i	-	6.99%
Intermediate Capital Group PLC	Financial Services	6.88%
KKR & Co Inc Ordinary Shares	Financial Services	6.64%
Partners Group Holding AG	Financial Services	6.13%
Oakley Capital Investments Ord	-	5.78%

Top Sectors	
Financial Services	80.57%
Basic Materials	9.81%
Real Estate	9.41%
Technology	0.21%

Top 5 Regions	
United States	36.49%
Canada	23.17%
United Kingdom	16.93%
Europe ex Euro	10.74%
Eurozone	7.11%

## UPDATE....

This was our first meeting with the team although we have met Andrew (Andy) Lister when he managed the Aberdeen Emerging Markets Trust. The strategy should be seen as an alternative investment source. It will be more volatile but aims to deliver over a 5-to-7-year timeframe between 10% and 12% p.a. The strategy was launched 4 years ago and has achieved returns significantly above this despite negative periods in the markets in 2018, 2020 and 2022.

The strategy looks to invest across all private markets. This includes private equity, private credit, REITS, infrastructure, and commodities. One of our concerns is the perceived risk and negative sentiment towards this part of the market. Andy explained that the universe is broad, and many companies choose to be unlisted because to go listed is expensive, there are increased regulatory pressures and there are pressures around quarterly reporting. All of this can be detrimental to a business's growth.

Investing in private equity doesn't have to be speculative and they invest in two ways. Around two thirds of the portfolio is invested in traditional investment companies like 3i. These types of companies are involved with private markets. Although the underlying investments are unlisted, the companies

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Andy invests in are listed and therefore can be traded. The balance of the fund is invested in asset managers. An example would be Capital Group who are a specialist private credit and equity manager. They have around 20 strategies they are running and through the structure they operate they have predictable earnings.

Where this is different is that it is investing in companies which are listed that operate in the private market space. This means the strategy is highly liquid and they can sell and buy with ease. It also means that they are not doing the deals but allowing specialists to manage different portfolios. Effectively investors are getting a managed private market fund so provides diversification across asset classes and investments.

Investors should be aware that this can be volatile, but can deliver opportunities. In 2020 at the low point the fund was down 30 to 35%. As an example, Oaktree had moved defensively with their portfolio, with a yield of 6% which was below the market average. When COVID happened, they were in a stronger position to pick up opportunities and increase their yield. Because the market didn't discern a good or bad company, Oaktree traded at a significant discount, so Andy was able to add to the funds position during this time.

They are aware that they have had a good run and so there has been a pull back in terms of performance, and they think returns will moderate and move towards the longer-term average that they are looking to achieve.

The fund was launched by Andy Lister and Bernard Moody. Andy explained they have worked together for 17 years, and they invested time and effort to launch this feed. It did have seed capital and now it has a three-year track record, abrdn are fully behind the team and strategy and they expect interest to grow. This is their focus now and Andy doesn't manage the EM strategy anymore. The risk lies in whether Andy and Bernard stay and that will always be the risk with large investment houses compared to boutiques.

In summary, we would like to spend more time with the manager understanding the strategy but on paper it is a transparent strategy that gives investors access to the private market through different classes. The key difference is that it uses other companies and managers to do the underlying trades which means this is liquid and diversified across asset classes and investments. We would see this more for an adventurous investor and are happy to add to our watchlist as we do further due diligence.

*The source of information in this note has been provided by abrdn and is correct as at April 2022. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.*