

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
https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F000010QAP

Management	
Manager Name	Start Date
Andrew Lister	28 th June 2018

FUND PERFORMANCE

Performance from 1st January 2019 to 31st May 2022:

	2019	2020	2021	2022
abrdn Listed Private Capital Fund	28.76%	12.94%	42.76%	-10.78%
MSCI World NR USD	22.74%	12.32%	22.94%	-6.47%

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

	1 year	3 years	Since launch
abrdn Listed Private Capital Fund	11.42%	58.88%	69.81%
MSCI World NR USD	7.36%	42.96%	49.73%

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
7.51	-	98.41	69.06	61.11	0.85	7.86	Growth/Mid

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Volatility Measurements	
3-Yr Std Dev (volatility)	20.13%
3-Yr Mean Return (average)	16.69%

Investment Style Details	
Giant	4.81%
Large	14.41%
Medium	27.43%
Small	6.68%
Micro	1.99%

Top 5 Holdings – 13 Equity Holdings (68 other holdings)		
3i	-	7.50%
KKR & Co Inc Ordinary Shares	Financial Services	7.07%
Intermediate Capital Group PLC	Financial Services	6.48%
Apollo Global Management Inc Cla...	Financial Services	6.25%
Partners Group Holding AG	Financial Services	6.14%

Top Sectors	
Financial Services	80.26%
Basic Materials	9.83%
Real Estate	9.49%
Consumer Cyclical	0.11%
Communication Services	0.10%

Top 5 Regions	
United States	40.54%
Canada	24.16%
United Kingdom	16.39%
Europe ex Euro	11.80%
Eurozone	7.07%

UPDATE....

This was a follow up meeting with the manager. As a reminder, 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 looks to invest across all private markets. This includes private equity, private credit, REITS, infrastructure, and commodities.

The aim is to provide investors with liquid access to private markets through listed asset managers and listed investment companies. We discussed whether ESG is important and they explained that governance does make a difference. As an example, they have never owned Blackstone as most of the company and profit is taken by one person and there are no AGMs. The shares have gone up over 300% since they launched the fund and so the performance has been delivered without having to hold this.

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As an alternative they own Partners Group and Intermediate Capital Group who are asset managers doing roughly the same as Blackstone, but they remain relatively cheap in comparison. They have better governance and can be seen as more defensive.

Other assets they like are Brookfield Asset Management who have a strong sheet and appear more in control of their future destiny, Oaktree and KKR, the later two providing access to interesting opportunities in the private debt market.

The fund is currently split between 32% in private equity, 32% listed managers, 12% in private debt, 8% in real estate, 5% in precious metals and 4% in infrastructure. The balance is in cash.

In terms of returns, 24% has come from alternative asset managers and the most they have held is 36%, and lowest amount 16.2%. Private debt has delivered around 15.9% with a high exposure of 40.8%, and low exposure of 9%. The private equity has delivered around 12.5% with high exposure of 43.3% and low exposure of 28.1%.

Diversification across the different asset classes is important as elements can be riskier than others. In terms of taking risk, they would argue that this strategy provides investors access to private market capital without the normal levels of risk. They look to apply a quality overlay looking at the quality of the asset and the balance sheet. They are also careful with charges. They have capped their overall fee and do not have any performance fees.

In terms of the markets and returns they still believe they can deliver the long-term average return but acknowledge that markets could go lower before they recover. During this time this is providing them with opportunities which they are making most of.

In summary, this can be seen as an alternative investment, but it does carry greater volatility. We feel this would probably match a riskier investor who is looking for alternatives to normal equity and debt assets. Although there is a target return this is not guaranteed.

The source of information in this note has been provided by abrdn and is correct as at June 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.