

# The Standard Life Investments Global SICAV European Corporate Bond Fund

Exceptional investments, extraordinary world

For the month to 30 November 2008

## Investment Objective

The objective of the Sub-fund is to achieve long-term growth in the share price through investing substantially in debt securities issued by corporations and agencies domiciled in European countries or whose securities are quoted in European stock exchanges. Holdings will principally be of investment grade bonds. To a lesser extent, the Sub-fund can also hold government guaranteed securities. Non-Euro denominated issues will generally be hedged back into that currency. Return of the Sub-fund will be both through the reinvestment of income and from capital gains.

## General Risk Factors

- Shareholders should understand that all investments involve risk and there can be no guarantee against loss resulting from an investment in any Subfund, nor can there be any assurance that the Sub-funds' investment objective will be attained. Neither the Investment Managers, nor any of their worldwide affiliated entities, guarantee the performance or any future return of the Company or any of its Sub-funds.
- Past performance is not a guide to future returns. Charges also affect what Shareholders will get back and the amount returned may be less than the original investment.
- The value of Shareholders' investment and any income received from it may go down as well as up.
- Tax laws may change in future.
- The charges on Sub-funds may be increased in the future.
- Sub-funds that invest in a small number of stocks or in certain overseas markets may be subject to increased risk and volatility.
- Inflation reduces the buying power of Shareholder's investment and income.

## Market Report

Many companies continued to reduce their debt in November, leading to further weakness in corporate bond markets. Economic data deteriorated further in both Europe and the UK as companies reduced their profit forecasts and announced job cuts.

Non-financial bond issuance reached €23 billion in November, as companies sought to raise money in the face of refinancing requirements. This was the highest monthly level since June 2003.

However, the high levels of discounts available for new issues had a negative effect on corporate bond prices in the secondary market.

Our lack of exposure to Goldman Sachs, Vinci, and Crédit Agricole boosted Fund returns. Performance also benefited from our underweight position in advertising company WPP, which suffered from lower spending within the UK media sector.

On the downside, our overweight in selected bank bonds impacted Fund returns over concerns that maturities would be extended. In particular, our holdings in Intesa and Société Générale detracted from performance.

Liquidity in the secondary market is still very much constrained. So, during the month we purchased some attractively-priced new issues including Danone, BMW, and BASF.

We also bought new issues from utility companies RWE, EDF Energy and E.ON, as well as bonds from Vodafone and Diageo. We funded these purchases by selling some government debt.

Investment grade credit is pricing in a severe recession, and therefore represents value on a longer-term basis. However, markets are likely to remain illiquid in the short term, particularly around the end of the year.

## Fund Information

Fund Manager	Craig MacDonald	
Fund Launch Date	25 September 2003	
Domicile	Luxembourg	
Bloomberg Code	STPECBA LX	
ISIN	LU0177497814	
WKN	A0MR5B	
Morningstar Rating	☆☆☆	
Fund Currency	Euro	
Report Dates	Interim 30 June	Annual 31 December
Distribution Dates	Interim 31 August	Annual 30 April
Tracking Error	0.77%	
Volatility	3.71%	
Fund Size	Euro 114.50m	
NAV (Class A)	Euro 10.35	
NAV (Class D)	Euro 10.82	

Tracking error is a measure of how closely a fund follows a given index. It is measured as the standard deviation of the difference between the fund and the index returns. As with most measures of risk, it is best looked at in conjunction with the return to fully understand the implications. Source: Standard Life Investments

Volatility measures the extent to which the price of a fund has risen or fallen over a particular historic period. Volatility figures are calculated using the standard deviation of a fund's monthly return (with income reinvested) over the most recent 36 month period. Source: Standard Life Investments

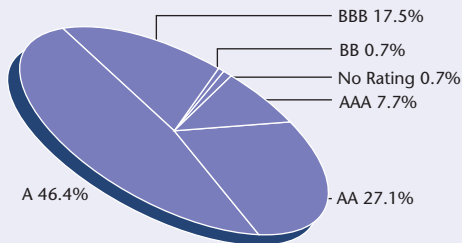
## Top Ten Holdings

	% of Fund
Banco Santander Central Hispano	1.7
ANZ 4.45% 2015	1.7
BBVA 4.375% 2019	1.4
Deutsche Telecom 2011	1.3
BHP Billiton 4.125%	1.2
e.on 4.75% 2010	1.2
Anglian Water 4.625%	1.2
JPMorgan Chase 4.625% 2011	1.1
JP Morgan Chase 4.625%	1.0
NGGLN 5.125% 2013	0.9
Total of the Top Ten Holdings	12.7

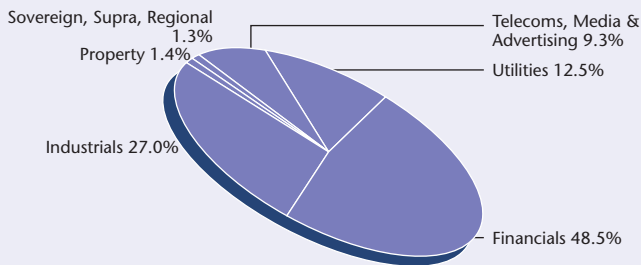
# European Corporate Bond Fund (continued)

## Asset Allocation as at 30 November 2008

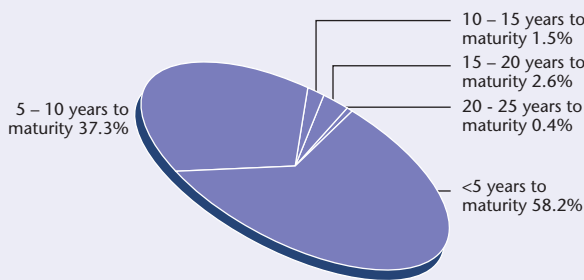
### Credit Rating



### Industry Breakdown



### Maturity Breakdown



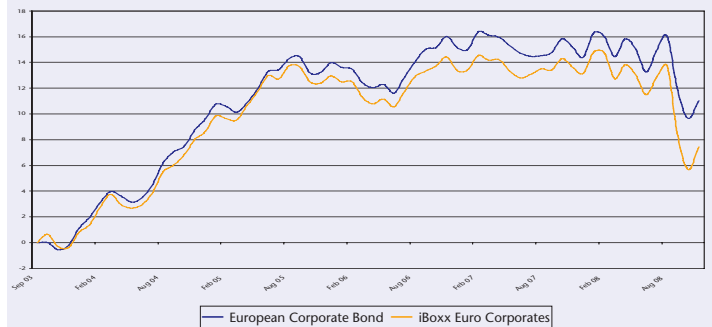
Note: The percentage breakdowns above may not sum to 100% due to rounding.

## Fund Performance v Benchmark (iBoxx Euro Corporates)

	YTD	1 month	3 months	6 months
Fund (%)	-3.0	1.3	-4.3	-3.5
Benchmark (%)	-5.1	1.7	-5.5	-5.0
	1 year	3 years	5 years	Since launch
Fund (%)	-3.6	-1.9	11.3	11.0
Benchmark (%)	-5.5	-4.4	7.8	7.4

## Cumulative Performance

### European Corporate Bond SICAV v iBoxx Euro Corporates (EUR)



Source: Standard Life Investments and Morningstar

Performance figures are calculated gross of fees and are on the share price performance basis over the stated periods to 30 November 2008. (Note: This Fund is single priced, there is no bid-offer spread.)

Past performance is not a guide to future performance. The price of shares and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment. Returns are not guaranteed.

The Prospectus should be read for further details.