



Exceptional investments, extraordinary world

The Standard Life Investments Global SICAV China Equities Fund

For the month to 31 May 2009

Investment Objective

The objective of the Sub-fund is to achieve long-term growth in the share price through capital appreciation of the underlying equity portfolio. It will achieve this objective primarily through investment in equities and equity related securities of corporations domiciled in the People's Republic of China or companies that derive a significant proportion of their revenues or profits from Chinese operations or have a significant proportion of their assets there.

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

The Chinese stock market posted significant gains over May, extending the rally of recent months, as further evidence of a renascent Chinese economic recovery spurred investor confidence.

Investors were encouraged by ongoing signs of improvement in Chinese manufacturing data, increased bank lending activity and property market transactions. Meanwhile, the government's announcement of further spending in areas such as healthcare boosted individual sectors.

Our investments within the consumer staples and IT sector provided a solid boost to Fund performance, while underweight exposure to China Telecom also proved beneficial.

At a stock-specific level, Alibaba.com made a positive contribution, advancing on evidence of faster-than-expected subscriber growth amid lower fees. Resilient quarterly results, combined with signs of the firm's cost-cutting efforts, also sent the stock higher.

On the downside, our position in Zhuzhou CSR Times Electric, which develops and sells power converters for trains, was detrimental to Fund performance. The company's share price retreated following sharp outperformance over April.

In terms of trading activity, we topped up the Fund's existing positions in New Oriental Education, Beijing Enterprises and Tencent Holdings.

Property developer Yanlord Land Group was eliminated from the portfolio, following a profitable period of outperformance.

We also sold our holding in e-commerce company Alibaba.com, as the stock had become less attractively valued.

Chinese economic figures show ongoing signs of recovery, with private investment in housing picking up as well, and we are confident that economic growth will continue.

The momentum is looking very strong although the share prices of certain firms have begun to look overvalued.

We remain focused on bottom-up stock picking, identifying opportunities to add to stocks we think will benefit from changes within industry structure or corporate behaviour.

Fund Information

Fund Manager	Magdalene Miller	
Fund Launch Date	21 February 2005	
Domicile	Luxembourg	
Bloomberg Code (Class A)	SLCHNEA LX	
Bloomberg Code (Class D)	SLCHNED LX	
ISIN (Class A)	LU0213068272	
ISIN (Class D)	LU0213069320	
WKN (Class A)	A0MRSE	
WKN (Class D)	A0MRSF	
Morningstar Rating	★★★★★	
Fund Currency	USD	
Report Dates	Interim	Annual
	30 June	31 December
Distribution Dates	Interim	Annual
	31 August	30 April
Tracking Error	7.37%	
Volatility	40.97%	
Fund Size	US\$ 45.55m	
NAV (Class A)	US\$ 27.94	
NAV (Class D)	US\$ 29.75	

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

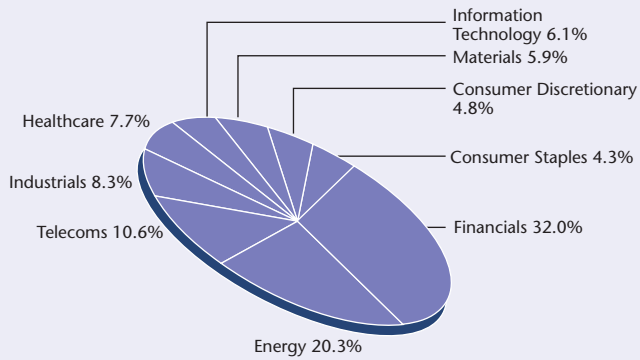
Volatility measures the extent to which the price of a fund has risen or fallen over a particular historic period. Volatility figures are calculated using the standard deviation of a fund's monthly return (with income reinvested) over the most recent 36 month period. Source: Standard Life Investments

Top Ten Holdings	% of Fund
Bank of China	11.1
PetroChina	9.4
Industrial & Commercial Bank of China	8.0
China Life Insurance	7.2
China Mobile	7.1
Tencent Holdings	6.4
China Shenhua Energy	5.5
China Unicom	4.6
China Petroleum & Chemical Holding	3.9
Parkson Retail Group	3.7
Total of the Top Ten Holdings	66.9

China Equities Fund (continued)

Asset Allocation as at 31 May 2009

Industry Breakdown



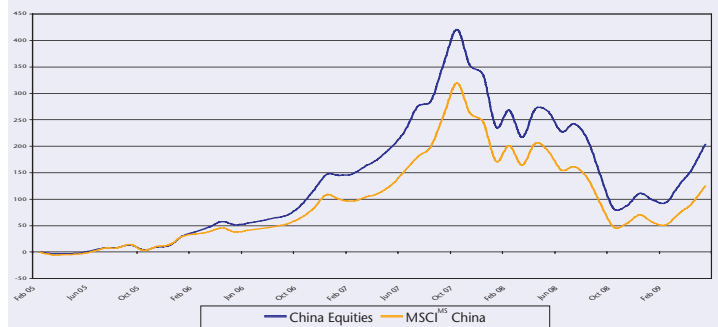
Note: The percentage breakdown above may not sum to 100% due to rounding.

Fund Performance v Benchmark (MSCI^{MS} China)

	YTD	1 month	3 months	6 months
Fund (%)	44.2	18.6	57.2	62.4
Benchmark (%)	32.2	17.4	48.9	46.0
	1 year	3 years	Since launch	
Fund (%)	-16.8	100.8	204.0	
Benchmark (%)	-22.5	63.0	125.2	

Cumulative Performance (USD)

China Equities SICAV v MSCI^{MS} China (US\$)



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 31 May 2009. (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.