

The Standard Life Investments Global SICAV Global Bond Fund

Exceptional investments, extraordinary world

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 investing in debt securities issued by sovereign and non-governmental agencies and corporate transferable debt securities in the constituent countries of the Citigroup World Government Bond Index. Holdings will principally be of investment grade bonds. Returns on 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

Global government bond markets produced negative returns in May amid ongoing risk appetite, and the expectation of an earlier global economic recovery.

However, while the overall market fell in local currency terms, the US dollar again depreciated on a trade-weighted basis over the month, boosting the total return to a positive of +3.05% in May.

Generally, global economic data bounced in May, although from severely low levels. Business surveys, both in the US and in Europe, began to tentatively move up, although readings remained at contracted levels.

During the month, we increased our exposure to Irish bonds as the spread over Germany reached attractive levels ahead of an Irish bond auction.

Elsewhere, we extended duration in Greece by selling 2013 bonds and buying the 2014 counterparts, to take advantage of a pick-up in yield.

In early May, we also re-entered a long position in US Treasuries using the proceeds of German bunds as the spread moved back to zero. We then closed this position, at a profit, later in the month.

We remain concerned that the recent bounce in risk appetite and stimulus-led improvement in economic sentiment has been more enduring than we initially expected. However, we maintain our positive exposure to government bond markets as believe that the current inventory-led bounce in economic activity will be replaced by a more dominant theme of consumer retrenchment, as rising unemployment weighs on spending.

We also believe that the most recent back-up in bond yields is in itself detrimental to an economic recovery, as it prematurely tightens lending conditions.

We continue to insulate our outright long duration position by increasing exposure to peripheral European debt. It is likely to benefit from increasing investor demand for yield, should the improvement in broader economic confidence persist.

Fund Information

Fund Manager	Gregor MacIntosh	
Fund Launch Date	1 December 2000	
Domicile	Luxembourg	
Bloomberg Code (Class A)	STAGBDA LX	
Bloomberg Code (Class D)	STAGBDD LX	
ISIN (Class A)	LU0137296389	
ISIN (Class D)	LU0137297866	
WKN (Class A)	A0MRSU	
WKN (Class D)	A0MRSV	
Morningstar Rating	★ ★ ★	
Fund Currency	US\$	
Report Dates	Interim 30 June	Annual 31 December
Distribution Dates	Interim 31 August	Annual 30 April
Tracking Error	1.05%	
Volatility	8.34%	
Fund Size	US\$ 269.89m	
NAV (Class A)	US\$ 16.28	
NAV (Class D)	US\$ 17.04	

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

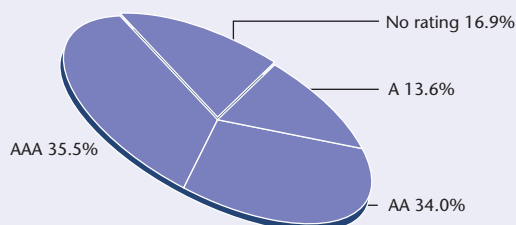
	% of Fund
USA Treasury 1.375% 2012	6.1
Italy Buoni Poliennali Del Tesoro 4.5% 2019	5.7
Japan (Govt of) 1.2% 2011	5.6
Japan Finance 1.35% 2013	5.6
Netherlands (Kingdom of) 4.25% 2013	4.5
Germany (Fed Rep) 6% 2016	4.4
Spain (Kingdom of) 5.35% 2011	4.1
USA Treasury 2.75% 2019	3.8
Austria (Rep of) 4.3% 2014	3.7
Japan (Govt of) 1.4% 2014	3.4
Total of the Top Ten Holdings	46.9

Global Bond Fund (continued)

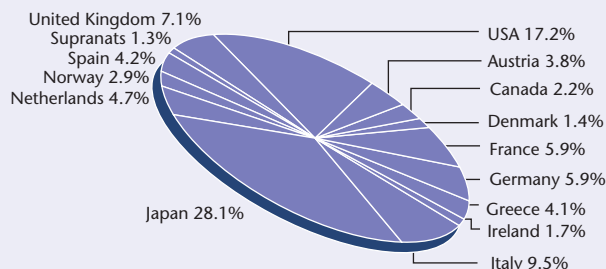
Asset Allocation as at 31 May 2009

Credit Rating

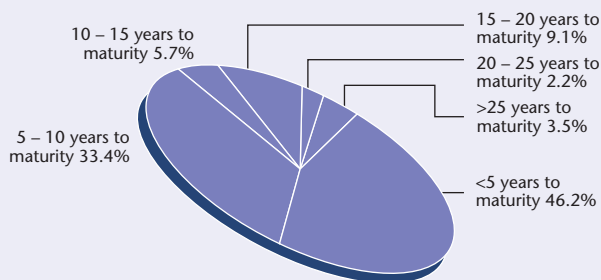
Source: S&P



Geographic Breakdown



Maturity Breakdown



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

Fund Performance v Benchmark (Citigroup WGBI)

	YTD	1 month	3 months	6 months
Fund (%)	-2.7	2.8	4.9	4.6
Benchmark (%)	-1.6	3.3	6.0	5.4

	1 year	3 years	5 years	Since launch
Fund (%)	5.7	24.0	32.6	77.8
Benchmark (%)	4.4	23.7	32.6	76.9

Cumulative Performance

Global Bond SICAV v Citigroup WGBI (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.