abrdn Global Dynamic Dividend Fund

Quarterly Commentary

Three-month period ended April 30, 2024

Fund performance

The abrdn Global Dynamic Dividend Fund returned 2.07%[1] on a net asset value basis for the three-month period ending April 30, 2024, underperforming the 4.02% return of its benchmark, the MSCI All Country (AC) World Net Index[2].

In terms of individual stock detractors, not holding NVIDIA cost the Fund in relative terms, as the shares performed strongly over the period due to continued excitement related to artificial intelligence. We are monitoring the company; however, the extremely low yield raises questions about its appropriateness for a mandate of this nature. Shares in France-listed industrial services firm Teleperformance fell over the period. This was after the company released a fourth-quarter earnings report in which organic growth was below expectations and guidance for both the full year and next year was lowered. During the quarter, Taylor Wimpey's performance lagged as concerns over rising mortgage interest rates, a decrease in UK housing volumes, and planning delays weighed on investor sentiment.

In terms of individual stock contributors, Target Corporation performed well after the company announced stronger-than-expected fourth-quarter results driven by lower markdowns, reduced freight costs, and a favorable category mix. During the quarter, ING Groep experienced a recovery, buoyed by the prospect of "higher-for-longer" interest rates, which are expected to favorably affect net interest income. Furthermore, the anticipation of a promising Capital Markets Day in June likely contributed to investor optimism, potentially serving as a catalyst for the stock's performance. Schneider Electric, the future-facing industrial equipment manufacturer, also performed well as it experienced a better cycle than initially anticipated by investors.

Cumulative and annualised total return as of March 31, 2024 (%)

	NAV	Market Price	MSCI AC World Index (Net TR)
Since inception (p.a.)	3.70	2.56	7.26
10 Years (p.a.)	8.22	7.93	8.66
5 Years (p.a.)	9.21	8.75	10.92
3 Years (p.a.)	4.42	3.17	6.96
1 Year	12.87	13.20	23.22
Year to Date	4.11	6.12	8.20
3 Months	4.11	6.12	8.20
1 month	2.77	3.99	3.14

Effective February 28, 2020, the MSCI All Country World Index (Net Dividends) replaced the MSCI All Country World Index (Gross Dividends) as the Fund's primary benchmark. The Fund is subject to investment risk, including the possible loss of principal. Returns for periods less than one year are not annualized.

Market review

Global equity markets ended the period higher, supported by reduced inflationary pressures in most developed economies after a prolonged period of monetary tightening. The improved backdrop means that major central banks are now expected to start cutting interest rates during 2024. Nevertheless, they remain determined to keep inflation under control for now; fears of interest rates remaining higher for longer led to a sell-off in equities in April. Meanwhile, economic data has generally been more robust than feared, meaning that a 'soft landing' has become more likely. However, investors continue to be concerned about the outlook for the Chinese economy, particularly the country's property sector, and the implications for global economic growth. The ongoing wars in Ukraine and the Middle East remain other key risks.

[1] **Past performance is no guarantee of future results. Investment returns and principal value will fluctuate and shares, when sold, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Net asset value return data include investment management fees, custodial charges and administrative fees (such as Director and legal fees) and assumes the reinvestment of all distributions.**

[2] The MSCI AC World Index is an unmanaged index considered representative of stock markets of developed and emerging markets.

U.S. equities ended higher. According to an advance estimate, U.S. annualized G.D.P. grew by 1.6% in the first quarter of 2024, which was lower than expected and a decrease from the 3.4% growth rate in the previous three months. Annual consumer price inflation data came in higher than expected over the first three months of 2024, despite a succession of interest-rate increases from the U.S. Federal Reserve (Fed) since early 2022. Moreover, the Fed's favoured measure of inflation, the core Personal Consumptions Expenditures Price Index, remained at an annual rate of 2.8% in March, which was higher than expected and still above the 2% target. As a result, the Fed kept the target range for the fed funds rate at a 42-year high of 5.25-5.50% over the period and stated that it would maintain a data-dependent approach to monetary policy.

European equities rose over the period. After the region's economy stagnated in the fourth quarter of 2023, GDP was estimated to have grown a sequential 0.3% in the first quarter of 2024, which was higher than expected. According to a preliminary estimate, annual inflation remained at 2.4% in April, as expected (with the core rate declining from 2.9% to 2.7%, which was above expectations), but remained above the European Central Bank (ECB)'s 2% target. Therefore, the ECB kept its main refinancing operations rate at a 22-year high of 4.5% over the period.

UK equities ended higher. Annual GDP grew by just 0.1% in 2023, and the UK economy entered a recession in the fourth quarter of the year. Annual inflation fell from 3.4% in February to 3.2% in March 2024, which was higher than expected. This rate remains above the Bank of England (BoE)'s 2% target. Similarly, annual core inflation decreased from 4.5% to 4.2% over the same period, also exceeding expectations. The BoE maintained its Bank Rate at a 15-year high of 5.25%.

In the Asia Pacific region, stocks in Australia ended flat. The market rose until the end of March, supported by reduced concerns about the global economic outlook, partly due to recent Chinese stimulus measures. However, fears of interest rates staying higher for longer then caused the market to sell off in April. Japanese equities ended higher over the period. Annual GDP growth was 1.9% in 2023, but the economy only narrowly avoided a recession in the fourth quarter of the year. Annual core inflation of 2.6% in March remained above the Bank of Japan (BoJ)'s 2% target. At its March meeting, the BoJ raised its key short-term interest rate from -0.1% to around 0-0.1%, as expected. This was the first rate hike since 2007, concluding eight years of negative rates. The BoJ also ended its yield-curve-control policy for 10-year government bonds. However, it still has a relatively dovish monetary policy stance compared with other major central banks.

Outlook

Macroeconomic factors remain as unpredictable as ever, with investors scrutinizing the latest data and trying to predict when a pivot in the direction of interest rates might occur. Geopolitical pressures remain elevated throughout the world. Recessionary concerns are all too present, as global growth stagnates while inflationary pressures remain. Our main focus remains at the stock level, ensuring the portfolio is well diversified on both a regional and sectoral basis, and robust enough to preserve capital in periods of market weakness. We aim to have exposure to higher-quality businesses with the financial strength to withstand volatility and that are exposed to strong structural drivers for long-term growth.

Top 10 Holdings as of March 31, 2024 (%)[3]

Microsoft Corp	3.9
Apple Inc	3.3
Broadcom Inc	2.2
Alphabet Inc	2.0
Target Corp	1.8
Taylor Wimpey PLC	1.8
Eli Lilly & Co	1.6
ASML Holding NV	1.6
AbbVie Inc	1.6
JPMorgan Chase & Co	1.5
Percent of Portfolio in Top Ten	**21.2**

Source: abrdn 03/31/2024.

[3] Holdings are subject to change and are provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities shown. The top ten holdings are reported by share class. Certain companies listed may be held in additional share classes not listed above.

Important Information

Past performance is no guarantee of future results.

The MSCI information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI" Parties) expressly disclaims all warranties (including without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages **(www.msci.com)**.

Closed-end funds are traded on the secondary market through one of the stock exchanges. The Fund's investment return and principal value will fluctuate so that an investor's shares may be worth more or less than the original cost. Shares of closed-end funds may trade above (a premium) or below (a discount) the net asset value (NAV) of the Fund. The net asset value (NAV) is the value of an entity's assets less the value of its liabilities. The market price is the current price at which an asset can be bought or sold. There is no assurance that the Fund will achieve its investment objective. Past performance does not guarantee future results.

Under U.S. tax rules applicable to the Fund, the amount and character of distributable income for each fiscal year can be finally determined only as of the end of the Fund's fiscal year. The Fund anticipates that sources of distributions to shareholders may include net investment income, net realized short-term capital gains, net realized long-term capital gains and return of capital. The estimated composition of the distributions may vary from time to time because the estimated composition may be impacted by future income, expenses and realized gains and losses on securities. For more detailed information related to the composition of the Fund's distributions, see abrdnAGD.com.

Foreign securities are more volatile, harder to price and less liquid than U.S. securities. They are subject to different accounting and regulatory standards, as well as political and economic risks. These risks are enhanced in emerging markets countries. Equity stocks of small and mid-cap companies carry greater risk, and more volatility than equity stocks of larger, more established companies.

Commentary contained within this document is for informational purposes only, and is not intended as an offer or recommendation with respect to the purchase or sale of any security, option, future or other derivatives in such securities. Some of the information in this document may contain projections or other forward-looking statements regarding future events or future financial performance of countries, markets or companies. These statements are only predictions and actual events or results may differ materially. The reader must make his/ her own assessment of the relevance, accuracy and adequacy of the information contained in this document, and make such independent investigations, as he/she may consider necessary or appropriate for the purpose of such assessment.

Any opinion or estimate contained in this document is made on a general basis and is not to be relied on by the reader as advice. Neither abrdn nor any of its agents have given any consideration to nor have they made any investigation of the investment objectives, financial situation or particular need of the reader, any specific person or for any loss arising whether directly or indirectly as a result of the reader, any person or group of persons acting on any information, opinion or estimate contained in this document.

abrdn reserves the right to make changes and corrections to its opinions expressed in this document at any time, without notice.

For more information visit abrdn.com

AA-230524-178529-26

abrdn.com

0003405594