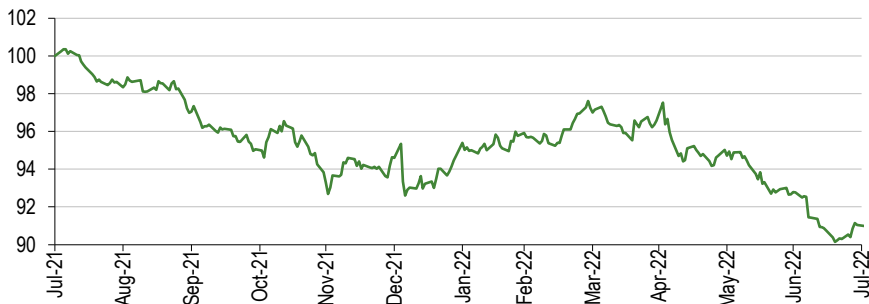


abrdn Latin American Income Fund

Valuation providing attractive opportunities

abrdn Latin American Income Fund (ALAI) is managed by two well-resourced, experienced teams at abrdn (global emerging markets equities and emerging market debt) offering investors exposure to both equities and fixed income securities. Despite outpacing the performance of other markets in a volatile 2022 year to date, Latin America continues to look very inexpensive compared to other regions on both an absolute and relative basis, suggesting that political risks may already be being priced in. Central banks in the region have followed conventional monetary policies and some are nearing the end of their interest-rate tightening cycles in response to rising inflation, at a time when developed regions have just started to raise interest rates, which could lead to an improvement in investor sentiment towards Latin America.

NAV versus the benchmark over 12 months to end-July 2022



Source: Refinitiv, Edison Investment Research

The analyst's view

While the global macroeconomic backdrop is uncertain, there is strong valuation support for Latin America, with the Datastream Latin America Index trading at a c 40% discount to the Datastream World Index compared with its c 26% five-year average. The region is a beneficiary of high global commodity prices and domestic businesses are also reaping the benefits of economies re-opening following COVID-induced lockdowns. ALAI's managers remain cautiously optimistic on the prospects for Latin America, evidenced by the continued relatively high (60% plus) weighting to equities rather than fixed income securities, including exposure to a series of growth themes such as financial services and higher demand from an expanding middle class.

Discount towards higher end of 12-month range

ALAI's 18.3% discount is towards the wider end of the 4.2% to 19.9% range over the last 12 months and is above the 10.7% to 13.1% range of average discounts over the last one, three, five and 10 years. An improvement in the fund's relative performance could see it being afforded a higher valuation. ALAI is on course for the seventh consecutive year of a 3.50p per share annual dividend and currently offers an attractive 6.7% yield.

Investment companies
Latin American equities/debt

31 August 2022

Price 52.5p
Market cap £30m
AUM £41m

NAV* 64.3p
Discount to NAV 18.3%

*Including income. At 26 August 2022.

Yield 6.7%

Ordinary shares in issue 57.1m

Code/ISIN ALAI/JE00B44ZTP62

Primary exchange LSE

AIC sector Latin America

Financial year end 31 August

52-week high/low 61.3p 45.6p

NAV* high/low 69.6p 51.6p

*Including income

Net gearing* 15.4%

*At 26 August 2022.

Fund objective

abrdn Latin American Income Fund (ALAI) aims to provide investors with a total return and an above-average yield, primarily through investing in Latin American securities. While the portfolio is constructed without reference to any benchmark, the company measures its performance against a composite index (in sterling terms): 60% MSCI EM Latin America 10/40 Index and 40% JP Morgan Government Bond Index EM Global Diversified (Latin America carve-out).

Bull points

- Broad exposure to Latin America via both equities and government bonds.
- Attractive dividend yield.
- Well-resourced investment teams with consistent quality and value approach.

Bear points

- Higher political and currency risk in Latin America than in developed economies.
- Securities markets in the region can experience periods of volatility.
- Relatively high level of gearing will exacerbate losses during stock market weakness.

Analyst

Mel Jenner +44 (0)20 3077 5700

investmenttrusts@edisongroup.com

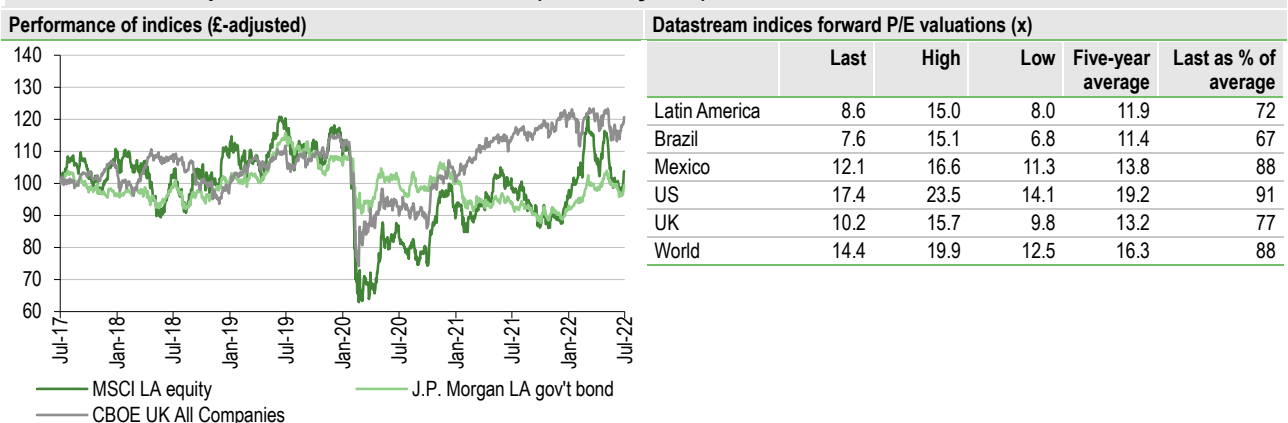
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abrdn Latin American Income Fund
is a research client of Edison
Investment Research Limited

Market outlook: Region remains unloved

Latin American stocks have performed relatively well so far in 2022, as growth has exceeded consensus expectations, with the MSCI Emerging Market Latin America Index returning a +3.9% return from 31 December 2021 to 31 July 2022, which compared to a 17.6% decline in the MSCI Emerging Markets Index and a 14.4% decline in the MSCI All Countries World Index (all returns in US dollars). However, the region remains out of favour with investors, as shown in the table below (Exhibit 1, right-hand side). The Datastream Latin America Index is trading on a modest forward P/E of 8.6x and a 40.3% discount to the Datastream World Index, which is considerably wider than the 26.4% average discount over the last five years. Brazil is by far the dominant weight within Latin American indices (more than 60%) and has experienced double-digit valuation multiple compression so far this year. While 2022 is a presidential election year in Brazil, the two front-running candidates are known quantities, so perhaps investors are overestimating the political risks in Brazil. Also, Latin America is exposed to segments which should show resilience in an environment of economic slowdown, such as the agribusiness sector, while corporate earnings have held up well so far this year. Hence, global investors may benefit from an allocation to a region that looks somewhat unloved and has the potential to be afforded a higher valuation.

Exhibit 1: Market performance and valuations (last five years)



Source: Refinitiv, Edison Investment Research. Note: Valuation data at 30 August 2022.

The fund manager: abrdn

The managers' view: Good opportunities at attractive prices

In a recent webinar, Viktor Szabó (a member of abrdn's emerging market debt team) and Mubashira Bukhari Khwaja (a member of abrdn's global emerging markets equities team) discussed their outlook for Latin America. Bukhari Khwaja considers it to be a good time to consider Latin America, as she believes the region remains a 'value play' with attractive investment opportunities at a reasonable price. Latin America is a beneficiary of the global energy crisis and the negative economic COVID impacts are lessening, which is helping domestic businesses. The manager comments that Latin America has historically offered higher dividend returns compared with other regions and, in aggregate, she expects this to continue, supported by strong free cash flow from higher commodity prices.

Bukhari Khwaja explains that abrdn's emerging market equity specialists seek long-term winning companies whose shares can be held even in challenging times. She notes that consumer stocks have performed well even as interest rates have risen, and economies have been closed due to COVID. abrdn has had an office in São Paulo since 2009 and the manager stresses the importance of having a local presence to regularly engage with companies. The team is a long-term investor,

which helps to maintain a perspective when markets are volatile. Bukhari Khwaja highlights some of the important investment themes in ALAI's equity portfolio including 'aspiration', where consumer companies are benefiting from strong demand from an expanding middle class and healthcare businesses from a low but growing private insurance penetration in Brazil. Embracing the 'digital future', the manager prefers better-established software companies with wider economic moats and broader customer/geographic bases than fintech businesses with higher valuations. For 'going green', Bukhari Khwaja comments that Latin America is home to some of the best-in-class producers of important commodities such as lithium, required for transition and electrification trends. 'Financial services expansion' is ALAI's largest equity theme, where holdings include banks and stock exchanges. Regarding 'tech enablers', the manager says that Latin America offers access to skilled human capital and an innovative culture, which enables the creation of attractive business models in the technology space.

Szabó gives some perspectives on the macroeconomic backdrop in Latin America. He says inflation has surprised to the upside, led by higher food and energy prices, while investors have been cautious about the war in Ukraine. With inflation coming in above expectations, central banks have been tightening their monetary policies; for example, in Brazil, the base rate has risen from 2.00% to 13.75%. However, the Latin America market has performed relatively well compared with other regions as it benefits from higher soft and energy commodity prices despite political noise in the region. The manager says that an important issue is how leaders will address underlying structural issues in Latin America, where there are wide inequalities.

ALAI's approach to ESG

ALAI's managers embed environmental, social and governance (ESG) considerations into the research of each asset class as part of the investment process. It is about active engagement, with the goal of improving the fund's performance. The managers aim to make the best possible decisions, by understanding the whole picture, before, during and after an investment is made. This includes focusing on the environmental (including climate change), social and governance risks and opportunities they present, and how these could affect the longer-term performance of investments.

abrdn employs more than 1,000 investment professionals, who take ESG factors into account during their company research, stock selection and portfolio construction activities; they are supported by more than 50 ESG specialists around the world. Through engagement and exercising voting rights, the managers actively work with companies to improve corporate standards, transparency and accountability. In doing so, they aim to deliver improved financial performance over the longer term, as well as actively contributing to a fairer, more sustainable world.

Current portfolio positioning

At end-July 2022, ALAI's equity exposure was 3.5pp lower compared with 12 months before and the total number of holdings had reduced by four.

| Exhibit 2: Current portfolio breakdown (% unless stated) | | | |
|---|--------------------------------|--------------------------------|---------------|
| | Portfolio end-July 2022 | Portfolio end-July 2021 | Change |
| Equity exposure | 61.6 | 65.1 | (3.5) |
| Fixed income exposure | 38.4 | 34.9 | 3.5 |
| Number of holdings | 59 | 63 | (4) |

Source: ALAI, Edison Investment Research

ALAI's top 10 positions (five equities and five government bonds) made up 38.5% of the portfolio at the end of July 2022, which was broadly in line with 38.8% a year earlier.

Exhibit 3: Top 10 holdings (at 31 July 2022)

| Company | Country | Sector | Portfolio weight % | |
|---------------------------------------|----------|-----------------|--------------------|---------------|
| | | | 31 July 2022 | 31 July 2021* |
| Brazil (Fed Rep of) 10% 01/01/25 | Brazil | Government bond | 6.0 | 5.4 |
| Petrobras | Brazil | Energy | 5.4 | N/A |
| Walmart de México y Centroamérica | Mexico | Retail | 3.9 | 3.2 |
| Vale | Brazil | Materials | 3.8 | 4.4 |
| Banco Bradesco | Brazil | Financials | 3.8 | 3.9 |
| Colombia (Rep of) 9.85% 28/06/27 | Colombia | Government bond | 3.8 | 5.0 |
| Uruguay (Rep of) 4.375% 15/12/28 | Uruguay | Government bond | 3.1 | 3.7 |
| Grupo Financiero Banorte | Mexico | Financials | 3.0 | 3.5 |
| Mex Bonos Desarr Fix Rt 10% 20/11/36 | Mexico | Government bond | 2.9 | N/A |
| Mex Bonos Desarr Fix Rt 8.5% 18/11/38 | Mexico | Government bond | 2.8 | N/A |
| Top 10 (% of portfolio) | | | 38.5 | 38.8 |

Source: ALAI, Edison Investment Research. Note *N/A where not in end-July 2021 top 10.

In terms of ALAI's geographic exposure, in the 12 months to the end of July 2022, the most notable changes are a higher (+2.9pp) weighting to Mexico and a lower weighting to Argentina (-2.1pp).

Exhibit 4: Total portfolio breakdown by geography (% unless stated)

| | Portfolio end-July 2022 | Portfolio end-July 2021 | Change (pp) |
|-----------|-------------------------|-------------------------|-------------|
| Brazil | 50.0 | 50.5 | (0.5) |
| Mexico | 28.8 | 25.9 | 2.9 |
| Colombia | 7.3 | 7.5 | (0.2) |
| Uruguay | 6.1 | 5.5 | 0.6 |
| Peru | 3.8 | 2.6 | 1.2 |
| Chile | 2.8 | 3.6 | (0.8) |
| Argentina | 1.2 | 3.3 | (2.1) |
| Cash | 0.0 | 1.1 | (1.1) |
| | 100.0 | 100.0 | |

Source: ALAI, Edison Investment Research

Bukhari Khwaja highlights some of ALAI's portfolio transactions so far this year. There is a new holding in Assaí Atacadista, a leading cash-and-carry Brazilian retailer that the manager believes is well-positioned to capture consumers' changing habits. Telefônica Brasil has also been added to the fund. It is the major Brazilian telecom company that is benefiting from an improving competitive and regulatory environment. Complete disposals from the portfolio include: local services marketplace GetNinjas to reduce ALAI's exposure to growth names; e-commerce retailer Mobly due to a challenging backdrop; retailer Magazine Luiza to fund better opportunities elsewhere; online education company Arco Platform for more compelling opportunities elsewhere with better operational performance; and also, renewable power business Omega Geracao, again to fund better opportunities elsewhere. Bukhari Khwaja explains that most of the exits are from Brazil, some of which were smaller investments in growth company initial public offerings. Some of these businesses are not scalable and it is difficult for a firm to prove itself when access to capital is tight.

Performance: Equity positions hurting relative results

Exhibit 5: Five-year discrete performance data

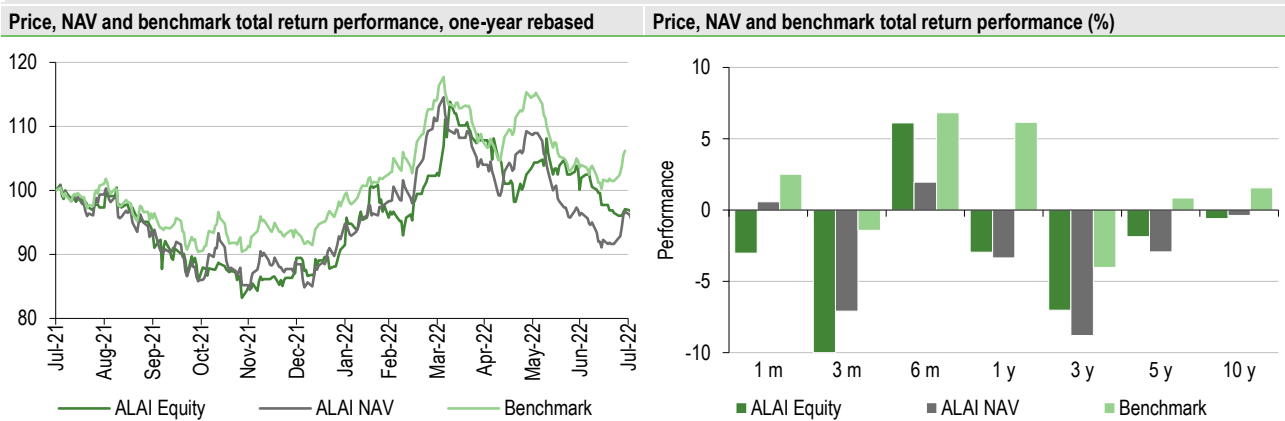
| 12 months ending | Share price (%) | NAV (%) | Composite benchmark (%)* | MSCI EM Latin America 10/40 (%) | JP Morgan GBI-EM Global Diversified (Latin America) (%) |
|------------------|-----------------|---------|--------------------------|---------------------------------|---|
| 31/07/18 | (5.8) | (5.4) | 0.6 | 1.7 | (1.4) |
| 31/07/19 | 20.1 | 20.1 | 17.3 | 16.8 | 17.1 |
| 31/07/20 | (29.1) | (28.2) | (22.9) | (29.9) | (13.6) |
| 31/07/21 | 16.9 | 9.4 | 8.1 | 18.1 | (6.2) |
| 31/07/22 | (2.9) | (3.4) | 6.2 | 5.6 | 6.1 |

Source: Refinitiv. Note: All % on a total return basis in pounds sterling. *Composite benchmark is 60% MSCI EM Latin America 10/40 Index and 40% JP Morgan Government Bond Index EM Global Diversified (Latin America carve-out).

Commenting on ALAI's relative performance so far in 2022, Szabó says the fixed income portion of the portfolio has outperformed its bond benchmark, helped by its overweight exposure to Uruguay. The fund's Brazilian long-duration exposure has underperformed, as due to higher inflation the Brazilian central bank has hiked interest rates by more than expected. However, the manager believes that over the longer term, a long-duration strategy in Brazil will be a 'decent investment' and its central bank is close to the end of its rate-hiking cycle.

Bukhari Khwaja reports that the fund's Brazilian equity exposure has underperformed its equity benchmark in recent months due to negative stock selection. ALAI has an underweight exposure to Petrobras, as it is a politically sensitive stock with risks surrounding government interference; however, it has performed well and offers a high dividend yield. Within the energy sector, the manager prefers 3R Petroleum, which has high-quality assets acquired from Petrobras and has a holding in Colombia-listed GeoPark. An underweight position in banks has detracted from ALAI's relative returns; they are high-beta stocks and can be volatile ahead of presidential elections. Stock selection in Mexico has helped ALAI's relative returns, including not holding América Móvil (lack of growth opportunities and an unappealing valuation) and Cemex (ESG concerns).

Exhibit 6: Investment company performance to 30 July 2022



Source: Refinitiv, Edison Investment Research. Note: Three-, five- and 10-year performance figures annualised.

ALAI's equity underperformance in recent months has had a detrimental effect on the fund's relative returns and it continues to lag the performance of its composite benchmark over all periods shown in Exhibit 7 in both NAV and share price terms.

Exhibit 7: Share price and NAV total return performance, relative to indices (%)

| | One month | Three months | Six months | One year | Three years | Five years | 10 years |
|---|-----------|--------------|------------|----------|-------------|------------|----------|
| Price relative to benchmark | (5.4) | (8.7) | (0.7) | (8.6) | (9.1) | (12.8) | (19.3) |
| NAV relative to benchmark | (1.9) | (5.7) | (4.6) | (9.0) | (14.2) | (17.4) | (17.6) |
| Price relative to MSCI EM LA 10/40 | (6.9) | (7.1) | (0.4) | (8.1) | (8.0) | (12.3) | (14.8) |
| NAV relative to MSCI EM LA 10/40 | (3.5) | (4.1) | (4.3) | (8.5) | (13.2) | (16.9) | (13.0) |
| Price relative to JP Morgan LA gov't bond | (3.0) | (10.8) | (0.6) | (8.6) | (6.6) | (8.4) | (18.6) |
| NAV relative to JP Morgan LA gov't bond | 0.6 | (7.9) | (4.5) | (8.9) | (11.8) | (13.2) | (16.9) |
| Price relative to CBOE UK All Companies | (7.1) | (9.2) | 5.5 | (8.5) | (26.5) | (24.6) | (52.8) |
| NAV relative to CBOE UK All Companies | (3.6) | (6.3) | 1.3 | (8.9) | (30.6) | (28.6) | (51.8) |

Source: Refinitiv, Edison Investment Research. Note: Data to end-July 2022. Geometric calculation.

Peer group comparison

The two funds in the AIC Latin America sector follow different mandates, so are not directly comparable; ALAI invests in equities and government bonds, while BlackRock Latin American Investment Trust is an equity fund. ALAI's NAV total returns rank second over the periods shown. It is currently trading on a wider discount and is more highly geared than its peer. ALAI has a higher

ongoing charge, as its fixed costs are spread over a smaller base, and is capped at 2.0% per year. The company offers a more attractive dividend yield.

Exhibit 8: Selected peer group as at 17 August 2022*

| % unless stated | Market cap/ fund size £m | NAV TR 1 year | NAV TR 3 year | NAV TR 5 year | NAV TR 10 year | Discount (cum-fair) | Ongoing charge | Perf. fee | Net gearing | Dividend yield |
|-----------------------------|-----------------------------|------------------|------------------|------------------|-------------------|------------------------|-------------------|--------------|----------------|-------------------|
| abrdn Latin American Income | 29.7 | 5.3 | (12.5) | (9.7) | 1.6 | (17.2) | 2.0 | No | 116 | 6.7 |
| BlackRock Latin American | 114.0 | 7.1 | (6.0) | (1.0) | 9.6 | (11.3) | 1.1 | No | 109 | 5.2 |
| Average | 71.8 | 6.2 | (9.3) | (5.3) | 5.6 | (14.3) | 1.6 | | 113 | 6.0 |
| ALAI rank | 2 | 2 | 2 | 2 | 2 | 2 | 1 | | 1 | 1 |
| Open-ended funds | | | | | | | TER | | | |
| abrdn Latin American Equity | 81.6 | 4.0 | (12.5) | (10.1) | 2.4 | | 1.6 | | | 1.5 |
| CT Latin America Retail | 230.3 | (10.5) | (16.4) | (14.1) | (19.4) | | 1.7 | | | 2.0 |
| Fidelity Latin America | 319.3 | (1.2) | (7.0) | (0.7) | 8.2 | | 1.1 | | | 0.0 |
| Schroder ISF Latin American | 367.1 | 12.8 | 10.0 | 17.8 | 12.0 | | 1.9 | | | 4.8 |
| Templeton Latin America | 572.8 | 14.0 | (5.8) | 0.0 | (1.5) | | 2.3 | | | 6.4 |
| Average | 314.2 | 3.8 | (6.3) | (1.4) | 0.3 | | 1.7 | | | 2.9 |

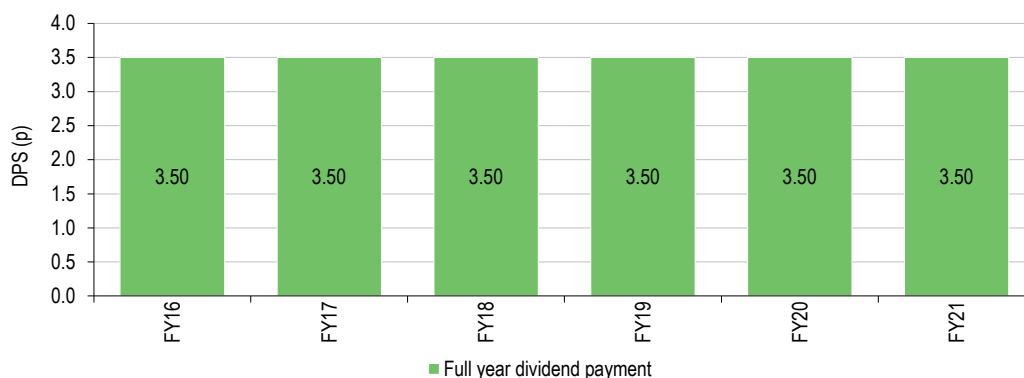
Source: Morningstar, Edison Investment Research. Note: *Performance as at 16 August 2022. TR = total return. TER = total expense ratio. Net gearing is total assets less cash and equivalents as a percentage of net assets.

To enable a broader comparison, in Exhibit 8 we also highlight a range of open-ended equity funds that invest in Latin America. ALAI's NAV total returns are above their average return over one and 10 years, while lagging over the last three and five years. However, the trust's dividend yield is higher than all those of the open-ended funds.

Dividends

Historically, more than 60% of ALAI's income has been derived from its fixed income portfolio. In FY21, the annual dividend was held steady at 3.50p per share for the sixth consecutive financial year; it was 0.76x covered by revenues.

Exhibit 9: Dividend history since FY16



Source: Bloomberg, Edison Investment Research

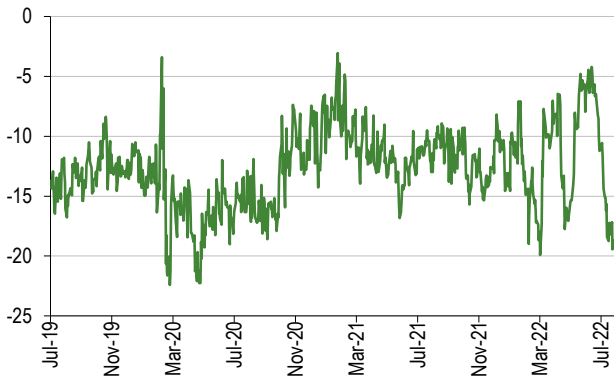
So far in FY22, three quarterly dividends of 0.875p per share have been paid (flat year-on-year). While the dividend has been maintained, supplemented by revenue reserves, the board has previously stated that the payment of a sustainable and covered dividend may necessitate a lower dividend payment in future years. However, it is heartened that there are signs of a post-COVID recovery in ALAI's income, although it keeps the company's distribution policy under review. Based on its current share price ALAI offers an attractive 6.7% yield.

Discount: Wider than historical averages

ALAI's 18.3% share price discount to cum-income NAV is at the wider end of the 4.2% to 19.9% range over the last 12 months. It is also wider than the 11.7%, 12.7%, 13.1% and 10.7% average

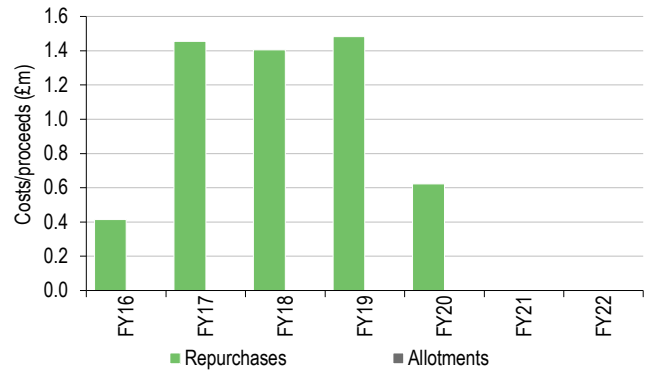
discounts over the last one, three, five and 10 years, respectively. Perhaps investors are concerned about the risk of a possible reduction in the dividend in future years or the fund's underperformance versus its benchmark.

Exhibit 10: Discount over three years (%)



Source: Refinitiv, Edison Investment Research

Exhibit 11: Buybacks and issuance



Source: Morningstar, Edison Investment Research

Renewed annually, the board has the authority to repurchase up to 14.99% and allot up to 10% of issued shares to manage a discount or premium. There have been no share repurchases since March 2020.

Fund profile: Equity and fixed income exposure

Launched on 16 August 2010, ALAI is a Jersey-incorporated closed-end investment company and is listed on the Main Market of the London Stock Exchange. Following shareholder approval at the December 2021 AGM, and effective from 11 January 2022, the company's name was changed from Aberdeen Latin American Income Fund to abrLn Latin American Income Fund.

The fund is managed by abrLn's global emerging markets equities and emerging market debt teams. They aim to generate a total return with an above-average yield from a diversified portfolio of Latin American securities. ALAI's performance is benchmarked against a composite index: 60% MSCI EM Latin America 10/40 Index and 40% JP Morgan Government Bond Index EM Global Diversified (Latin America carve-out); both are sterling adjusted. The benchmark is used as a measurement rather than a portfolio construction tool.

ALAI's portfolio contains equity, equity-related and fixed income securities; at the end of July 2022, it was split broadly 62:38 between equities and government bonds. To mitigate risk, at least 25% of gross assets must be held in equity and equity-related investments, and at least 25% in fixed income investments. At the time of investment, a maximum 15% of gross assets may be held in a single company, with up to 25% in non-investment grade government debt (rated BB+/Ba1 or lower). ALAI has no restrictions on its geographic, sector or market cap exposure. Derivatives are permitted for efficient portfolio management and to mitigate risk (up to 50% of gross assets). Gearing of 20% of net assets is permitted at the time of drawdown; at 26 August 2022, ALAI's net gearing was 15.4%.

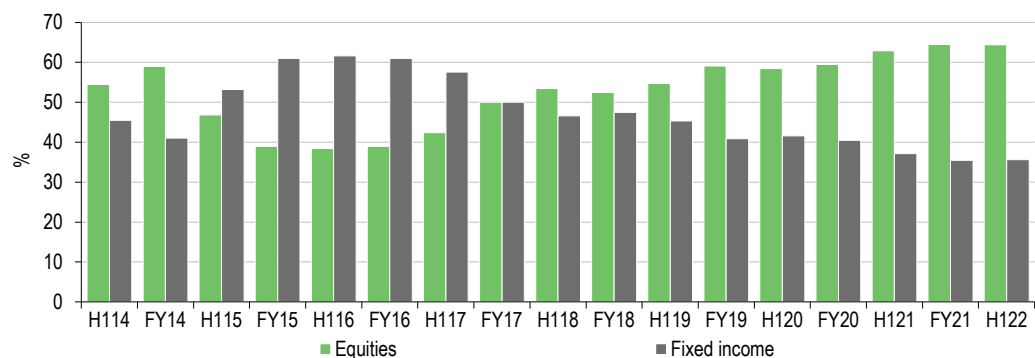
Investment process: Focus on quality and value

ALAI's managers adhere to abrLn's focus on quality and value. The two teams communicate regularly to discuss the macro backdrop, findings from recent company meetings and portfolio positioning (including the level of gearing).

Stocks are selected following thorough fundamental analysis; the emerging markets equities team essentially seeks ‘long-term winners’. These are high-quality companies with robust balance sheets that are cash generative and have strong management teams. An assessment of a firm’s ESG credentials is integral to the investment process. Risk management is also an important consideration; abrdn has an independent performance and risk team to ensure funds adhere to their respective guidelines and managers are aware of their risk exposures. ALAI’s portfolio turnover is relatively low, generally around 15% pa, which implies an average seven-year holding period, although many equity investments have been held for considerably longer.

The emerging market debt team seeks high-quality securities that generate a sufficient level of income, so investments are biased to higher-coupon issues, ensuring that the equity team can focus on selecting companies for their total return potential rather than income. Analysis is on a bottom-up basis, with emphasis on the perceived prospects of each individual country. The team looks for relative value opportunities and builds ALAI’s debt exposure accordingly. For liquidity reasons, investments are made in government or quasi-government issuers rather than corporate debt. They are generally in local rather than hard currencies, but the team can hedge or take forward currency positions. Fixed income positions are also held for the long term.

Exhibit 12: Portfolio exposure (starting in H114)



Source: ALAI, Edison Investment Research

Gearing

ALAI is not permitted to take out fixed long-term borrowings. The company has a one-year £6m revolving multi-currency loan facility with The Bank of Nova Scotia, London branch, of which £5.5m is drawn down. The board continues to monitor the level of gearing under recommendation from the manager and taking current market conditions into account. At 26 August 2022, ALAI’s net gearing was 15.4%.

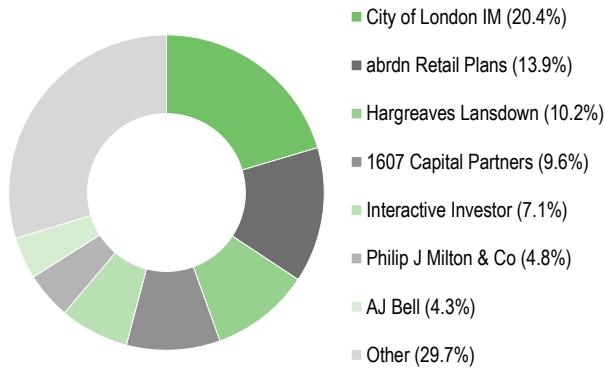
Fees and charges

ALAI pays abrdn an annual management fee of 1.0% of its NAV, which is divided 40:60 between the revenue and capital accounts respectively. This reflects the prospective split between future revenue and capital growth. The manager has agreed that the fund’s ongoing charge ratio (OCR) will be capped at 2.0%, with any excess fees rebated by the manager. In FY21, the OCR was 2.0% (including a £127k rebate), which was in line with FY20 (including an £83k rebate).

Capital structure

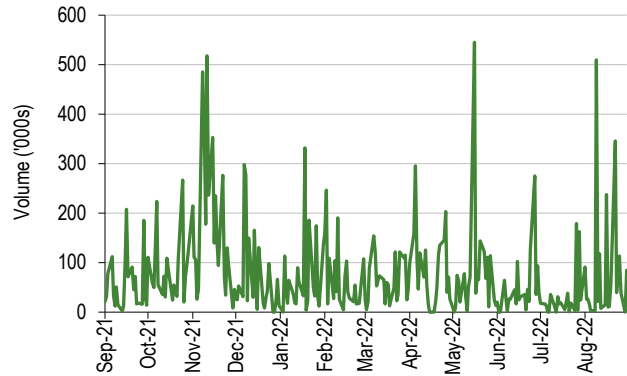
ALAI is a Jersey-registered investment company with one class of share; there are currently 57.1m ordinary shares in issue (with a further 6.1m held in treasury). Its average daily volume over the last 12 months is c 80k shares.

Exhibit 13: Major shareholders



Source: ALAI, at 31 July 2022

Exhibit 14: Average daily volume



Source: Refinitiv, 12 months to 30 August 2022

The board

Exhibit 15: ALAI's board of directors at end-FY21

| Board member | Date of appointment | Remuneration in FY21 | Shareholdings at end-FY21 |
|---|---------------------|----------------------|---------------------------|
| Howard Myles (chairman) | 1 October 2020 | £20,167 | Nil |
| Richard Prosser (former chairman)* | 30 June 2010 | £32,000 | 15,000 |
| Hazel Adam | 27 April 2018 | £22,000 | Nil |
| Heather MacCallum (audit committee chair) | 24 April 2019 | £25,605 | Nil |

Source: ALAI. Note: *Richard Prosser has now retired.

As part of the board's succession planning, Richard Prosser stood down as chairman at the conclusion of ALAI's AGM on 20 December 2021; he is succeeded by Howard Myles. Prosser continued to act as a non-executive director until the completion of an external search for, and the appointment of, a Jersey-resident independent non-executive director.

On 18 February 2022, the board announced the appointment of Michael Gray as an independent, non-executive director, effective immediately. He has extensive investment management experience, including as a closed-end fund director. Gray has over 30 years' management experience in banking, both with ultra-high net worth clients and corporate banking. More recently, he has utilised his corporate experience across a range of industries and is now acting as an adviser to several companies with global interests. Gray is non-executive director of EPE Special Opportunities, Foresight Enterprise VCT, GCP Infrastructure Investments (where he is chairman of the investment committee), JTC and TEAM. He will stand for election as one of ALAI's directors at the AGM to be held on or around 14 December 2022.

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Frankfurt +49 (0)69 78 8076 960
Schumannstrasse 34b
60325 Frankfurt
Germany

London +44 (0)20 3077 5700
280 High Holborn
London, WC1V 7EE
United Kingdom

New York +1 646 653 7026
1185 Avenue of the Americas
3rd Floor, New York, NY 10036
United States of America

Sydney +61 (0)2 8249 8342
Level 4, Office 1205
95 Pitt Street, Sydney
NSW 2000, Australia