abrdn Global Income Fund

aberdeen Investments

Quarterly Commentary

Quarter ended April 30, 2025

Fund performance

The investment portfolio underperformed its benchmark by approximately 2.10%, with the primary source of underperformance being the overweight to US-denominated high-yielding bonds in the US and emerging markets. The two factors of widening spreads and a weaker dollar contributed to the underperformance. Those overweight were funded out of Asia Pacific currencies, which performed strongly against the US dollar. Notably, the lack of exposure to the New Zealand dollar was a source of relative underperformance.[1]

The Fund's NAV decreased by 4.82%, underperforming its benchmark. While the impact of leverage was a small positive contributor due to the positive market performance, the underperformance relates to impact of the reinvestment of dividends.

Cumulative and annualized total return as of April 30, 2025 (%)

NAV	NAV	Market Price
10 Years (p.a)	-0.09	7.59
5 Years (p.a)	0.70	16.31
3 Years (p.a)	0.60	16.75
1 Year	-3.97	25.23
Year to Date	-3.95	5.01
3 Months	-4.82	0.68
1 month	-1.91	-0.60

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. Investment returns and principal value will fluctuate and shares, when sold, may be worth more or less than original cost. Current performance may be lower or higher than the performance quoted. NAV return data includes investment management fees, custodial charges and administrative fees (such as Director and legal fees) and assumes the reinvestment of all distributions.

The Fund is subject to investment risk, including the possible loss of principal. Returns for periods less than one year are not annualized.

[1] The Fund's blended benchmark comprises 10% ICE Bank of America (BofA) All Maturity Australia Government Index; 25% ICE BofA Global High Yield Constrained Index (hedged into U.S. dollars); 35% J.P. Morgan EMBI Global Diversified Index; 5% ICE BofA New Zealand Government Index; and 25% Markit iBoxx Asia Government Index.
The ICE BofA Global High Yield Constrained Index tracks the performance of U.S. dollar-, Canadian dollar-, British pound- and eurodenominated below-investment-grade corporate debt publicly issued in the major domestic or eurobond markets.
The J.P. Morgan EMBI Global Diversified Index is an nnmanaged index that tracks debt securities of emerging markets.
The ICE BofA New Zealand Government Index tracks the performance of local-currency sovereign and quasi-sovereign bonds in New Zealand.
The Markit iBoxx Asia Government Index tracks the performance of local currency-denominated sovereign and quasi sovereign debt from 10 Asian countries/territories.
Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected.

The investment portfolio performance is gross of fees and expenses and not subject to leverage. The NAV performance is net of fees and expenses and includes the impact of leverage. The benchmark performance is not subject to fees and expenses and is not subject to leverage.

For current holdings information, please visit **abrdn Global Income Fund, Inc. - Portfolio Holdings**

Economic & market overview

The 3-month period ending April 30, 2025 was very eventful for global trade, geopolitical relationship and market performance. To say that the new US administration has begun its term in office with a great amount of gusto is an understatement. The impact that many Presidential executive orders culminating in the aggressive and widespread April 2 Liberation Day tariffs and then subsequent delays and watered-down implementation has had a dramatic impact on the performance of bond markets and begun to erode the market's perception of US exceptionalism. Stagflation, volatility have emerged as often referenced terms in participants analysis. High yield markets globally and the US dollar bore the brunt of the market adjustments.

The US yield curve bull steepened over the period under review, with the 2-year yield falling by 60 basis points (bps) while the yield on 10- and 30-year instruments declined by 33 and 11 bps, respectively. Yields largely declined in response to fears that US President Trump's tariffs would negatively affect economic growth and lead to more aggressive easing by the US Federal Reserve (Fed). That said, markets were particularly volatile towards the end of this period, with the Bank of America 'Move' index – a measure of volatility in US Treasuries – rising to around 140, its highest level in over two years. Indeed, at the time of writing, bond yields had shot back up, particularly from the 10-year tenor onwards, as investors reacted to news that the US and China would lower tariffs on each other for the next 90 days. This volatility was largely due to the fact that the tariff spats had made it increasingly difficult to gauge the underlying economic picture, with businesses, consumers and investors all trying to predict or react to the latest iteration. The Brent crude oil price fell by almost 20% over the period under review to $61 a barrel, with the trade wars eroding the outlook for demand and Saudi Arabia signalling a move to increase supply.

EM debt & currencies

Performance for emerging-market (EM) debt was mixed during a historic three-month period for financial markets. The announcement of US reciprocal tariffs triggered a global sell-off, which was later mitigated by a 90-day pause in their implementation. Amid this turmoil, hard-currency EM bonds (+0.57%) posted positive returns over the period, led by IG (+2.23%), which was the standout performer over the three months, with HY detracting (-0.98%).

The Middle East was the standout region, with Asia also performing solidly over the period. That said, Bolivia (+6.12%) was the top performer due to expectations of a more market-friendly administration after this year's election. Lebanon (+5.97%) continued its recent strong performance after the cabinet approved a draft law to restructure the country's banking sector, which mostly aligns with the IMF's conditions. Conversely, Senegal was the worst performer after S&P downgraded the country's rating to B with a negative outlook, following weaker fiscal metrics revealed by auditors. This came after a downgrade by Moody's in February, with the IMF confirming the auditors' findings and estimating public debt at 105.7% of GDP. EM local-currency bonds underperformed both their hard-currency counterparts and Asian local-currency markets. The JPMorgan GBI-EM Global Diversified Index (unhedged in US dollar terms) returned +5.53%. Poland (+12.62%) was the top performer after annual inflation fell by more than expected to 44.4% and the central bank commenced its rate-cutting cycle, while Turkey (-14.69%) exhibited the largest underperformance in a difficult period for the country after the central bank raised the policy rate to 46% following the arrest of Istanbul Mayor Ekrem Imamoglu, which triggered a sell-off in Turkish assets.

Global high yield

Global HY ended the three-month period slightly lower amid ongoing macroeconomic uncertainties. Following a strong start to the period, the uncertainty surrounding the implications of the tariff wars initially saw spreads widen (peaking at over 450 bps) as investors rotated into higher-quality holdings as they sought to defensively position their portfolios. However, the 90-day delay to the implementation of tariffs after a two-day sell-off that wiped $6 trillion off US equity markets led to investors deducing that the Trump administration's appetite for pain was not limitless. This led to spreads tightening somewhat, although they still ended the period around 100 bps wider, with those on US HY moving off historic lows to finish at 384 bps (+104 bps) and European HY spreads widening to 380 bps (+100 bps). That said, the move in spreads was cushioned to a degree by the increase in Treasury yields, boosting returns and providing a calmer end to a fairly unpredictable period.

Asian bonds

Asian bond markets performed strongly once again over the period under review, with 10-year yields falling across most countries in the region. Hong Kong (-49 bps) led the gains, reflecting the moves in the US as well as the relative attractiveness of carry trades, which are likely to ebb and flow depending on changing US rates expectations, with the risks for bonds and the Hong Kong dollar seemingly balanced. Singapore (-44 bps) and Thailand (-41 bps) also performed strongly, with investors reacting to Singapore's trade dependency on the US and the Bank of Thailand's decision to cut rates by 50 bps over the period. India (-34 bps) and South Korea (-29 bps) also posted solid returns, with the latter buoyed by news that FTSE Russell will include Korean Treasury Bonds in the World Government Bond Index from April 2026. Yields also fell in Malaysia (-15 bps) and Indonesia (-12 bps). Conversely, the Philippines (+4 bps) was the only market that saw its 10-year yield increase over the period under review.

China's 10-year yield was flat over the period. The performance of this market was a fairly accurate representation of how investor sentiment evolved during the three-month period, with the yield on its 10-year bond spiking by as much as 30 bps. While the impact of its tariff wars with the US is hard to quantify, given their evolving nature, China's export growth rate for the second quarter of 2025 will likely experience a significant decline, and the need for hedging with domestic demand policies has become more pressing. Investors are anticipating an earlier reduction in the reserve requirement ratio and interest-rate cuts.

Outlook

The market has settled down from the peak of the tariff-driven panic. Optimists seem to be taking the Trump administration's 90-day delay on the tariff implementation as capitulation and a reason to look past it. We are not quite so sanguine, as we feel it is likely that this extended period of uncertainty could weigh on economic growth, ignite inflation, or both. This may take more time to filter into the hard data than many expected. The good news is that if there is a slowdown, we expect it to be relatively short-lived and shallow.

Although the first round of tariff announcements most negatively impacted Asia within the EM complex, there is every likelihood that the outcomes for Asia will not be as bad as first feared. The reasons for this remain Asian economic fundamentals and policy-making credibility, the resilient intra-regional and trade linkages with the rest of the world, and, of course, plenty of opportunity for deals to be struck with the US. Additionally, over the course of the past couple of years, many multinational companies have diversified their supply chains geographically, so thinking about trade on a purely bilateral basis may provide a too simplistic assessment. Resilience in Asian economic performance will be a key consideration for resilient global growth, especially in support of emerging markets.

For EM corporate debt issuers, the direct impact of tariffs is modest, with most of the effect coming indirectly through slower growth, currency volatility and higher refinancing costs. Strong balance sheets will help provide downside protection, with very modest defaults expected for the asset class. For developed markets, we feel HY companies, which tend to be more domestically focused, are relatively well positioned due to both the solid fundamentals of the credits and the overall quality bias of the current market composition.

Important Information

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.

This commentary 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.

The information contained herein is current at the time of distribution, intended to be of general interest only and does not constitute legal or tax advice. Aberdeen does not warrant the accuracy, adequacy or completeness of the information and materials contained in this document and expressly disclaims liability for errors or omissions in such information and materials. Aberdeen reserves the right to make changes and corrections to its opinions expressed in this document at any time, without notice.

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 Aberdeen 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 group of persons. Accordingly, no warranty whatsoever is given and no liability whatsoever is accepted 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.

In the United States, Aberdeen is the marketing name for the following affiliated, registered investment advisers: abrdn Inc., abrdn Investments Ltd., and abrdn Asia Limited.

International investing entails special risk considerations, including currency fluctuations, lower liquidity, economic and political risks, and differences in accounting methods; these risks are generally heightened for emerging market investments.

Fixed income securities are subject to certain risks including, but not limited to: interest rate (changes in interest rates may cause a decline in the market value of an investment), credit (changes in the financial condition of the issuer, borrower, counterparty, or underlying collateral), prepayment (debt issuers may repay or refinance their loans or obligations earlier than anticipated), and extension (principal repayments may not occur as quickly as anticipated, causing the expected maturity of a security to increase).

Please see the Fund's most recent annual report for more information on risks applicable to the Fund.

For more information visit aberdeeninvestments.com

AA-300525-194294-6