

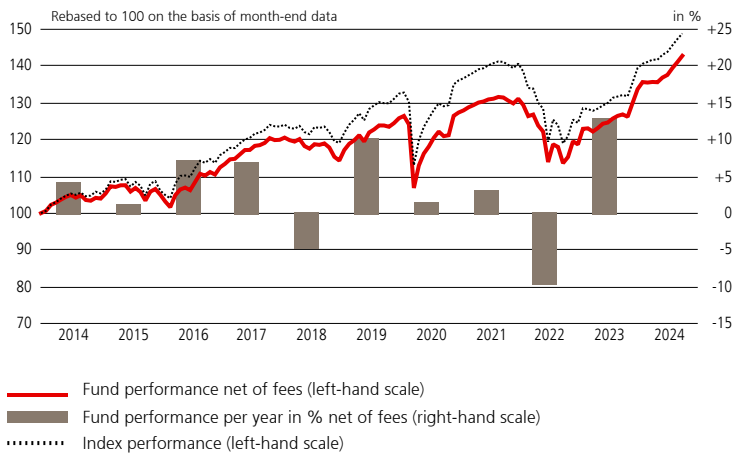
UBS Euro High Yield Bond Fund EUR

Performance **Review**

UBS (Lux) Bond Fund - Euro High Yield (EUR) P-acc



Performance (basis EUR, net of fees)¹



Past performance is not a reliable indicator of future results.

Performance in % (net of fees)¹

in %	2020	2021	2022	2023	2024 YTD ²	Sep. 2024	5 years Ø p.a.	5 years
Fund (EUR)	1.24	2.94	-9.48	12.67	6.78	1.22	15.30	2.89
Benchmark ³	2.73	3.35	-11.47	12.01	6.72	1.03	14.59	2.76

The performance shown does not take account of any commissions, entry or exit charges.

¹ These figures refer to the past. **If the currency of a financial product, financial service or its costs is different from your reference currency, the return and/or costs can increase or decrease as a result of currency fluctuations.** Source for all data and chart (if not indicated otherwise): UBS Asset Management.

² YTD: year-to-date (since beginning of the year)

³ Reference Index in currency of share class (without costs)

September marked the 10th month of positive total returns this year.

Monthly performance

In September the fund performed positively with 1.2%. September brought a sense of déjà vu as for the third consecutive month high yield delivered in excess of a 1.0% (in EUR) total return, driven by falling inflation and lower government bond rates.

YTD performance

YTD as of the end of September, the fund has delivered a positive performance of 6.8%. Yield to worst moved lower and spreads tightened in European high yield as government bond yields ended where they started the year.

Performance contributors

The biggest contributor by far was issue selection within homebuilders & real estate, a sector that is recovering as asset values stabilise and interest rates have moved lower. Other contributors to performance included issue selection within telecommunications and our underweight in autos, which is a very tight sector.

Performance detractors

Small detractors from performance included our underweight in energy and issue selection within leisure and diversified financial services. The latter was mainly driven by Intrum, which we do not own, and whose bonds appreciated.

For more information

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Credit quality (%)

	Fund	Deviation from index
BB	43.37	-27.2
B	39.69	+18.1
NR	0.97	+1.0
BBB- and higher	6.60	+6.2
CCC and lower	5.41	-1.5
Cash and Equivalents	3.96	+3.5

Categories of borrowers (%)

Sectors	Fund	Deviation from index
Industrials	64.75	-12.1
Financials	26.80	+11.7
Cash & Equivalents	3.96	+3.5
Utility	3.35	-4.3
Others	1.14	+1.1

10 largest positions (%)

	Fund
Teva Pharmaceutical Industries Ltd	2.7
CPI PROPERTY GROUP S.A	2.3
Summer Bidco	2.1
Cirsa Finance International	2.1
Nidda Healthcare Holding	1.8
Heimstaden Bostad AB	1.6
Telecom Italia	1.5
Pinnacle Bidco PLC	1.5
AROUNDTOWN S.A	1.3
Commerzbank AG	1.3

Current investment strategy

We increased our overweight to homebuilders/real estate as we added to existing issuers such as AroundTown and CPI Property, while we also participated in new issues such as the new bonds from Accor. We also increased our overweights to banking and financial services as we added to AT1s via the primary market and increased our allocation to certain existing positions. Our short-dated BTP (Italian government bond) position – which we use as a cash equivalent – matured in September, and we used the proceeds in the new issue market.

Risks

Depending on the credit quality, the default risk is higher in the case of high yield bonds than with investment grade corporate and government bonds. Changes in interest rates have an effect on the value of the portfolio. This requires corresponding risk tolerance and capacity. All investments are subject to market fluctuations. Every fund has specific risks, which can significantly increase under unusual market conditions. The fund can use derivatives, which may result in additional risks (particularly counterparty risk). This Fund may not be appropriate for investors who plan to withdraw their money before the recommended holding period disclosed in the PRIIPs KID, if available for this share class.

Please note that additional fees (e.g. entry or exit fees) may be charged. Please refer to your financial adviser for more details. Investors should read the Key Information Document, Prospectus and any applicable local offering document prior to investing and to get complete information of the risks. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. For a definition of financial terms refer to the glossary available at www.ubs.com/am-glossary.

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