

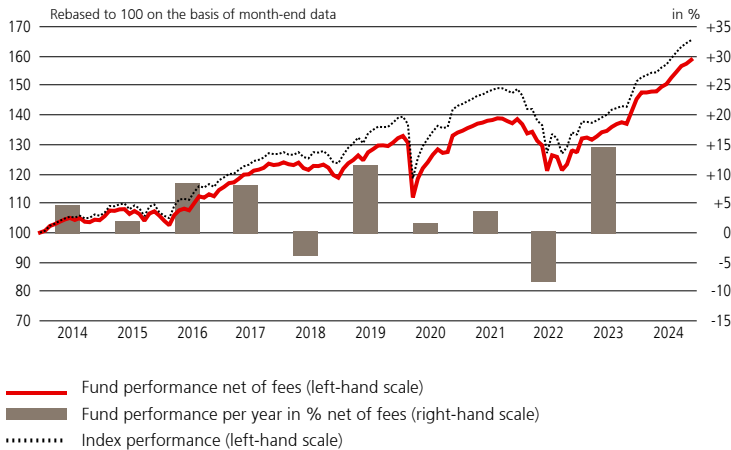
UBS Euro High Yield Bond Fund EUR

Performance Review

UBS (Lux) Bond Fund - Euro High Yield (EUR) (GBP hedged) P-mdist



Performance (basis GBP, 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	Nov. 2024	5 years Ø	p.a. 5 years
Fund (GBP)	1.44	3.41	-8.14	14.23	9.17	0.85	21.57	3.98
Benchmark ³	2.96	4.00	-10.43	13.60	9.27	0.64	20.44	3.79

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)

Another month of positive performance for European high yield meant that performance has been positive every month this year (in EUR). Returns were driven by strong technicals from inflows, monthly coupon income and lower government bond yields on weaker-than-expected inflation and PMI data, which helped to send bond prices higher.

Monthly performance

In November the fund performed positively with 0.8%. There were bouts of weakness in idiosyncratic stories, which caused spreads to be volatile and end the month higher at the index level. Supply was more muted in November but remained dominated by refinancings.

YTD performance

YTD as of the end of November, the fund has delivered a positive performance of 9.2%. Yield to worst has fallen and spreads have tightened for European high yield as government bond yields are marginally lower than they were at year-end.

Performance contributors

The main positive contributor to performance was our allocation to homebuilders & real estate, a sector that continues to recover as asset values stabilise on the back of a lower interest rate regime. Other positive contributors included issue selection within healthcare and our overweight in the banking sector.

Performance detractors

The only notable detractor from performance was issue selection within telecoms, which was driven by some weakness in Altice.

For more information

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Credit quality (%)

	Fund
BB	43.3
B	39.7
NR	1.3
BBB- and higher	8.0
CCC and lower	5.5
Cash and Equivalents	2.2

Categories of borrowers (%)

Sectors	Fund
Industrials	65.8
Financials	26.5
Utility	3.3
Cash & Equivalents	2.2
Others	2.3

10 largest positions (%)¹

	Fund
Teva Pharmaceutical Finance Netherlands II BV	2.8
Heimstaden Bostad AB	2.4
CPI Property Group SA	2.2
Nidda Healthcare Holding GmbH	1.9
Telecom Italia SpA/Milano	1.7
Pinnacle Bidco PLC	1.5
Raiffeisen Bank International AG	1.4
Aroundtown Finance Sarl	1.2
Electricite de France SA	1.2
United Group BV	1.2

¹ This is not a recommendation to buy or sell any security

Current investment strategy

We increased our overweight to diverse financial services via a combination of adding to existing issuers and new primary deals such as Arrow. We also increased our overweight to leisure by adding to TUI Cruises, and to homebuilders & real estate by adding to existing issuers such as CPI Property and Aroundtown. Finally, we decreased our overweight to banks as we had calls such as the Cooperative Bank and also reduced our allocations to selected issuers.

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.

This share class (mdist) may make monthly, gross-of-fee distributions. As a consequence, in addition to income, this share class may also distribute capital. This can have negative tax consequences for investors in some jurisdictions. Investors should seek their own tax advice.

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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