

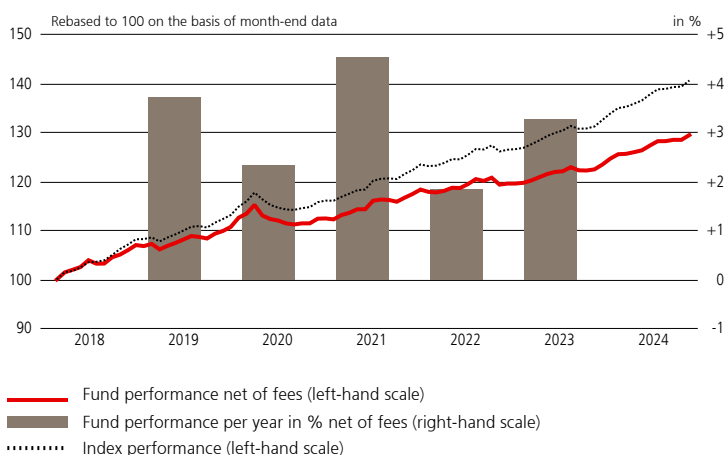
UBS China Fixed Income RMB

Performance **Review**

UBS (Lux) Bond SICAV - China Fixed Income (RMB) P-acc



Performance (basis CNY, 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 (CNY)	2.29	4.49	1.80	3.24	4.88	0.77	18.41	3.44
Benchmark ³	3.06	5.65	3.40	4.79	6.08	0.89	25.99	4.73

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)

In China, the National People's Congress concluded after the US election, unveiling a USD 1.4 trillion programme to help resolve the country's local government debt crisis. While the programme announced was at the upper end of prior expectations, the lack of more concrete fiscal measures meant that the package fell short of investors' hopes.

Monthly performance

In November the fund performed positively with 0.8%. Fund performance was positive in CNY, with Chinese rates lower over the month.

YTD performance

YTD as of the end of November, the fund has delivered a positive performance of 4.9%. The recovery in China's macroeconomic environment has probably been the main driver of performance. Rates are likely to remain supportive of positive returns from the asset class.

Performance contributors

The main contributors were the overweight in Chinese government bonds and the overweight in agencies.

Performance detractors

The largest detractors stemmed from duration management, the underweight in policy bank bonds and the underweight in local government bonds.

For more information

UBS Fund Infoline: 0800 899 899

Internet: www.ubs.com/funds

Contact your client advisor

Portfolio management representatives

Raymond Gui

Yunxi Liu

Lewis Teo

UBS China Fixed Income RMB

Credit quality (%)

	Fund
A	93.17
BBB	1.66
Cash & Equivalents	1.05
Not rated	4.12

Structure of maturities (%)

	Fund
Until 3 years	29.13
3–5 years	22.32
5–7 years	20.91
7–10 years	10.52
10–20 years	9.42
over 20 years	7.70

Sector exposure (%)

	Fund
Government National	33.08
Government Policy Banks	25.63
Central SOEs	20.82
LBGs	10.88
Agencies (China Railway & Central Huijin)	6.14
Corporates	2.40
Cash	1.05
Local SOEs	0.00

Current investment strategy

For China onshore bonds, we still believe that policy coordination will be much better than in the recent past, and we do not expect CNY rates to sell off sharply. This scenario would be supportive of the asset class. The asset class offers an attractive yield, as well as the benefits of diversification and a low correlation with the rest of the world.

Risks

The fund offers higher return potential than a developed market bond portfolio and therefore bears a higher risk. In addition, emerging markets are at an early stage of development which can typically involve a high level of price volatility and other specific risks such as lower market transparency, regulatory hurdles, corporate governance and political and social challenges. Corresponding risk tolerance and capacity are required. All investments are subject to market fluctuations. The fund can invest in less liquid assets that may be difficult to sell in the case of distressed markets. 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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