



# UBAM - HYBRID BOND

## Class A EUR (capitalisation share)

Factsheet | September 2020

### FUND CHARACTERISTICS

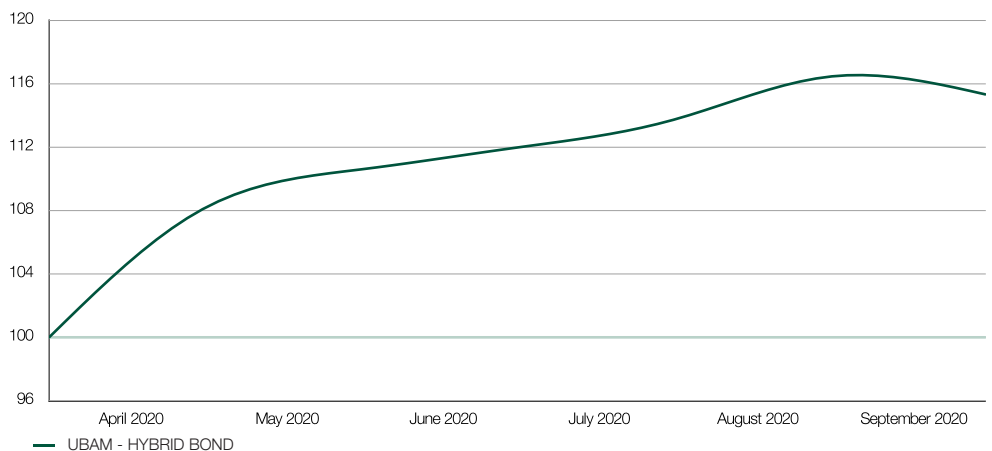
Legal form	UBAM is a Luxembourg SICAV (UCITS, Part I of the Luxembourg law of 17/12/2010)
Fund domicile	LUXEMBOURG
Currency	EUR
NAV	109.64
Modified Duration	3.99
Yield to call	4.43 %
Fund's AUM	USD 405.49 mio
Track record since	06 November 2018
Minimum investment	50'000 USD or eq
Subscription	Daily
Redemption	Daily
Price publication	www.ubp.com
Management fee	0.75 %
Number of holdings	109
ISIN	LU1861451786
Telekurs	42925843
Bloomberg ticker	UBHBAHC LX



### ABOUT THE FUND

The UBAM - Hybrid Bond is an actively managed portfolio that invests primarily in subordinated debt instruments issued by banks, insurance companies and non-financial companies. Investments in banking subordinated debt will typically range from Tier 2 to Additional Tier 1 debt (AT1 - "CoCo"). Exposure to AT1 can be up to 100%.

### PERFORMANCE EVOLUTION EUR (NET OF FEES)



Performance over 5 years or since inception. Source of data: UBP. Exchange rate fluctuations can have a positive or a negative impact on performance. Past performance is not a reliable indicator of future results. The value of investments can fall as well as rise.

### PERFORMANCE HISTORY EUR (NET OF FEES)

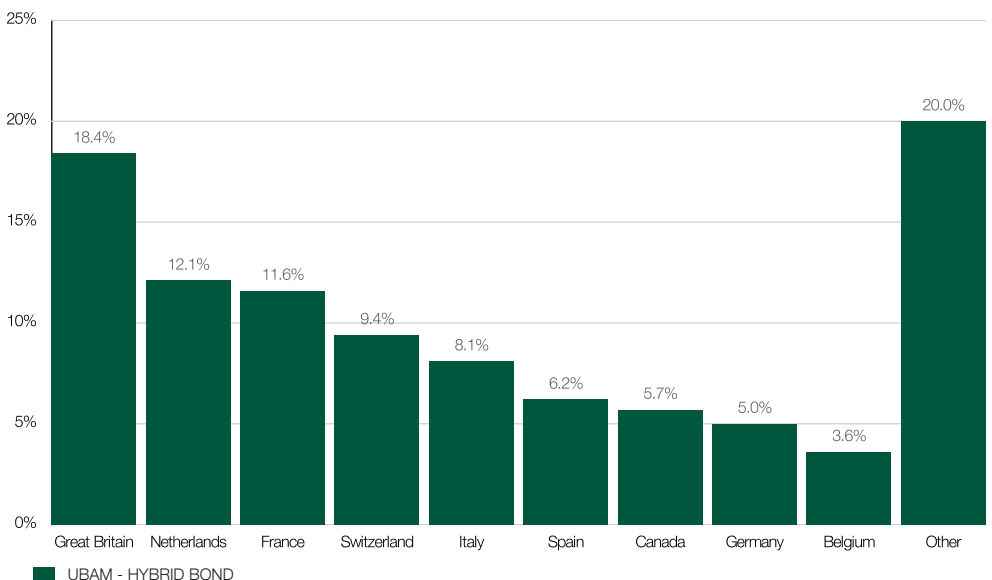
	YTD	September 2020	3 months	1 year	3 years	5 years	Since inception
UBAM - HYBRID BOND	1.38 %	-0.98 %	3.02 %	3.36 %			9.64 %

Since launch. Source of data: UBP. Exchange rate fluctuations can have a positive or a negative impact on performance. Past performance is not a reliable indicator of future results. The value of investments can fall as well as rise. Past performance figures are stated in the currency of the share class and calculated with dividends reinvested; they are free of ongoing charges. The calculation does not take into account sales commissions and other fees, taxes and applicable costs to be paid by the investor. For example, with an investment of EUR 100, the actual investment would amount to EUR 99 in the case of an entrance fee of 1%. At investor level, additional costs may also be incurred (e. g. front-end load or custody fee charged by the financial intermediary).

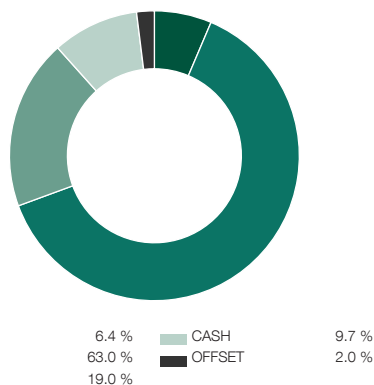
### SPECIFIC RISKS

- ◆ Credit risk: The Fund invests in bonds, cash or other money market instruments. There is a risk that the issuer may default. The likelihood of this happening will depend on the credit-worthiness of the issuer. The risk of default is usually greatest with bonds that are rated as sub-investment grade.
- ◆ Liquidity risk: Liquidity risk exists when particular investments are difficult to purchase or sell. This can reduce the Fund's returns because the Fund may be unable to transact at advantageous times or prices.
- ◆ Full details of risks are disclosed in the chapter 'Risk Factors' in the prospectus.

### COUNTRY BREAKDOWN



Source of data: UBP

**RATING ALLOCATION**


Source of data: UBP

**TOP TEN BOND HOLDINGS**

Asset	Coupon	Maturity	Fund weight
BK OF NOVA SCOTIA FL.R 20-XX	4.9%	31.12.2049	3.0%
LLOYDS BANKING GROUP 6.75 19-99	6.8%	31.12.2049	2.7%
BANK OF MONTREAL FL.R 19-99 31/12S	4.8%	31.12.2049	2.6%
BNP PAR FL.R 15-XX 19/08S	7.4%	31.12.2049	2.5%
STANDARD CHART. 7.75 17-49 02/04S	7.8%	31.12.2049	2.4%
CREDIT AGRI REGS SUB FL.R 16-66	8.1%	19.01.2066	2.3%
ROYAL BK SCOTLAND GRP FL.R 20-XX	6.0%	31.12.2049	2.3%
UBS GROUP AG FL.R 15-XX 07/08S	6.9%	31.12.2049	2.3%
KBC GROUPE SA FL.R 19-99 31/12S	4.8%	31.12.2049	2.0%
SKANDINAVISKA ENSKIL FL.R 19-XX	5.1%	31.12.2049	2.0%

\*Next call date or maturity for senior bullet debt

**PORTFOLIO COMPOSITION MONTHLY EVOLUTION**

	September	August	July	June	May
Weight of the top ten holdings	24.00 %	24.39 %	24.20 %	24.49 %	28.79 %
Number of holdings	109	107	101	95	85

Source of data: UBP

**ADMINISTRATION**
**Management Company**

UBP Asset Management (Europe) S.A., 287-289, route d'Arlon, L-1150 Luxembourg

**General distributor, Swiss representative and Swiss paying agent**

Union Bancaire Privée, UBP SA, 96-98 rue du Rhône, CH-1211 Geneva 1

**Administrative agent, registrar and transfer agent**

CACEIS Bank Luxembourg Branch, 5, allée Scheffer, L-2520 Luxembourg

**Custodian bank**

BNP Paribas Securities Services Luxembourg Branch 60 avenue J.F. Kennedy, L-1855 Luxembourg

**Auditor**

Deloitte Audit S.à.r.l, 20 Boulevard de Kockelscheuer, L-1821 Luxembourg

**Legal form**

UBAM is a Luxembourg SICAV (UCITS, Part I of the Luxembourg law of 17/12/2010)

**REGISTRATION AND DOCUMENTATION**
**Countries where Distribution is Authorised**

Depending on the country, certain share classes may or may not be registered for public distribution. The registered share classes are recorded in a Key Investor Information Document (KIID). Investors are invited to inform themselves about the registered share classes or to request copies of the relevant KIIDs from the fund's headquarters, the general distributor (Union Bancaire Privée, UBP SA, Geneva), or from the local representative for their country.

Registered Office	UBP Asset Management (Europe) S.A., 287-289, route d'Arlon, L-1150 Luxembourg
Representatives	
Austria	Erste Bank der Österreichischen Sparkassen AG, 21 Graben, A-1010 Wien
Belgium	Caceis Belgium Fund Administration Service & Technology Network Belgium, Avenue du Port 86 C, b320, B-1000 Bruxelles
France	Caceis Bank, 1-3, Place Valhubert, F-75206 Paris Cedex 13
Germany	Sal. Oppenheim Jr. & Cie. KGaA, 4 Unter Sachsenhausen, D-50667 Köln
Italy	State Street Bank S.p.A., con sede legale in Via Ferrante Aporti, 10, 20125 Milano Alfunds Bank S.A., via Santa Margherita 7, 20121 Milano BNP Paribas Securities Services, Succursale di Milano, con sede in Milano, Piazza Lina Bo Bardi 3, 20124 Milano
Portugal	BEST - Banco Electronico de Serviço Total S.A., Praça Marquês de Pompal, no. 3 - 3º 1250 - 161 Lisboa
Singapore	Union Bancaire Privée, UBP SA, Singapore branch, Level 38, One Raffles Quay, North Tower, Singapore 048583
Spain	Alfunds Banks S.a., 57 Nuria, E-28034 Madrid UBP Gestion Institucional S.A., Avenida Diagonal 520 2º, 2a-B, E-08006 Barcelona
Sweden	Skandinaviska Enskilda Banken AB (PUBL) ("SEB"), 106 40 Stockholm
Switzerland	Union Bancaire Privée, UBP SA, 96-98 rue du Rhône, CH-1211 Genève 1
United Kingdom	Union Bancaire Privée, 26 St James's Square, London SW1Y 4JH
OTHER COUNTRIES	Countries where distribution is authorised : Finland, Netherlands

**GLOSSARY**
**Additional Tier 1**

Additional Tier 1 (also known as CoCo bonds) are typically perpetual debt. Issuers can repay the debt on pre-defined dates ("call dates") during the life of the instrument. An AT1, in the same fashion as other hybrid securities, has both debt and equity-like features embedded within its structure. AT1 debt pay coupons. Coupon payments are discretionary. They can be suspended by the issuer without triggering a credit event. AT1 are instruments that can transform into shares of equity or can be written off upon a triggering event. The trigger is a pre-defined limit expressed as a threshold of the issuing bank's capital ratio: typically low trigger (5.125%) and high trigger (7% or 8%). The trigger can also be activated by the relevant regulatory authority, if it considers that the bank faces risks of becoming non-viable, even though the trigger has not yet been reached: PONV (Point of Non Viability).

**Duration**

Duration assesses the sensitivity of interest rate changes or credit spread changes on the price of a bond or of the NAV of a bond fund: e. g. 3-year interest rate duration means that the value of a bond would increase by 3% if interest rates decrease by 1% and vice versa, 3-year credit spread duration means that the value of a bond would increase by 3% if credit spread decrease by 1% and vice versa.

**Investment grade**

A rating provides information about the creditworthiness of a debtor. The higher the rating, the less likely the debtor is to default. A distinction is made between high-quality (investment grade) and speculative bonds (high-yield or junk bonds). For investment-

grade bonds, Standard & Poor's issues ratings from AAA to BBB, while Moody's ratings range from Aaa to Baa.

**High-yield bonds**

High-yield bonds pay a higher coupon than investment grade bonds because they are viewed by rating agencies and investors as more likely to default than investment grade bonds. For high yield bonds, Standard & Poor's issues ratings from BB to C, while Moody's ratings range from Ba1 to C.

**Subordinated debt**

A subordinated debt ranks lower than senior debt in case of liquidation. A subordinated debt ranks higher than equity in case of liquidation.

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