



For Swiss qualified investors only

UBAM (CH) - HIGH GRADE CHF INCOME

Optimising income in CHF within the medium-dated investment-grade space

UBAM (CH) - High Grade CHF Income offers Swiss investors the benefit of an attractive income in Swiss francs while maintaining similar risk characteristics as the SBI AAA-BBB 1–10-year index.

Key points

- *Attractive income in CHF while maintaining similar risk characteristics as the Swiss bond market (SBI AAA-BBB 1–10-year index)*
- *Investment-grade portfolio with a typical maturity of 5 years and no economic leverage*
- *Top-down macroeconomic-driven process to actively manage the interest rate and credit exposure*
- *Use of standardised and cleared interest rate and credit derivatives*
- *Experienced investment professionals with expertise in Swiss bond and derivative markets*
- *No stamp duty for Swiss investors and dedicated share classes for pension funds*

Investment case

Swiss fixed income investors with the Swiss franc (CHF) as their base currency can either invest in CHF bonds issued by Swiss or foreign entities or in EUR and USD bonds with currency hedging to the CHF. This second solution could generate a yield pick-up with a similar economic risk.

With the high cost of hedging to the CHF, UBAM (CH) - High Grade CHF Income allows Swiss investors to optimise expected returns in CHF by accessing further fixed income opportunities while maintaining a similar risk profile to that of a typical Swiss bond portfolio: investment-grade ratings and moderate interest rate risk.

Fund concept

UBAM (CH) - High Grade CHF Income offers Swiss investors the benefit of an attractive income in CHF while maintaining similar risk characteristics as the Swiss investment-grade fixed income market, with moderate interest rate risk, as expressed by the SBI AAA-BBB 1–10-year index.

This actively managed fund only invests in investment-grade securities with a typical average maturity of 5 years and selects the most attractive segment among:

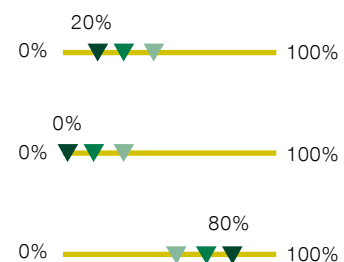
1. CHF-denominated bonds
2. EUR- or USD-denominated bonds hedged to the CHF
3. A CHF fixed income portfolio built with standardised and cleared interest rate and credit derivatives.

Asset allocation based on relative value opportunities across 3 segments

Fixed income segments

1. CHF-denominated bonds
2. EUR or USD hedged into CHF
3. Interest rate futures and CDS indices

Asset allocation (Illustration)



Source: UBP
Past performance is not indicative of future results

Investment process

- Three dimensions: top-down relative value across segments, top-down and macro-driven investment views, and bottom-up selection (only when bonds' top-down relative value is appealing):
 - Top-down relative value across segments determines the fixed income allocation
 - Top-down macroeconomic views determine interest rate, credit and geographic exposure
 - Bottom-up credit research and relative value analysis applies when cash bond segments are offering the most attractive expected returns
- Risk-management is carried out throughout the investment process with real-time monitoring of positions

1. Top-down relative value across segments

- Analysis of carry and roll-down
- Analysis of FX hedging costs
- Analysis of liquidity

2. Macroeconomic and top-down views to determine

- Interest rate exposure
- Credit exposure
- Geographic exposure

3. Bottom-up: only when bonds are more appealing in terms of top-down relative value

- Fundamental credit research
- Relative value at security level

Investment team

- 14-strong team overseeing USD 14 billion worth of fixed-income assets as of 30 June 2023
- Led by Philippe Gräub, who has over 20 years' financial market experience

Main Risks

Counterparty, Credit, ESG & Sustainability, Liquidity.

Please refer to the prospectus for more detailed information on the specific and material risks relevant to the Fund. This Fund does not include any protection from future market performance, so you could lose some or all of your investment.

General information

Name	UBAM (CH) - High Grade CHF Income
Legal form	Sub-fund of UBAM (CH) Swiss contractual fund
Base currency	CHF
Currency-hedged share classes	-
Cut-off time	12:00 (CH time)
Inception date	30.06.2015
Minimum investment	1 share
Liquidity	Daily
Applicable management fee ¹	AD CHF: 0.40% ID CHF: 0.25% UD CHF: 0.25%
Registered countries ²	CH
ISIN	AD CHF: CH0271453414 ID CHF: CH0271453422 UD CHF: CH0336225252

Investment guidelines*

- Maximum total economic exposure: 100%
- Initial investment in investment-grade securities only
- Typical average maturity: 5 years
- Use of standardised and cleared derivatives for interest rates and credit

Bloomberg ticker	AD CHF: UBHGCI SW ID CHF: UBHGCI SW
Investment manager	Union Bancaire Privée, UBP SA
Depository bank	Banque Cantonale Vaudoise
Administrator	Gérfonds SA

¹Only the main share classes are mentioned. Available share classes include A: Standard; I: Institutional; U: No entitlement to retrocessions / RDR-compliant; C: Capitalisation. Others are available.

²Please check availability before subscribing as not all share classes are registered in all jurisdictions. Subscriptions can only be made on the basis of the fund's current KID, full prospectus, and latest available audited annual report – as well as the latest semi-annual report, if published subsequently. These documents can be obtained free of charge from the fund's headquarters, general distributor (Union Bancaire Privée, UBP SA, Geneva), or local representative for the country concerned. KIDs are translated into the local language of each country where the share class is registered and available on <https://www.ubp.com/en/funds.html>.

*All portfolio exposures indicated are as measured at the time of investment, unless otherwise specified. While UBP generally expects to adhere to those exposures under normal market conditions, they are targets and not investment restrictions. UBP may amend them at any time and in any manner which it believes is consistent with its overall investment objective in response to market conditions or other factors without notice to investors.

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