

For Professional Investors in Switzerland or Professional Investors as defined by the relevant laws  
Fund classification under the Sustainable Financial Disclosure Regulation (SFDR): **Article 8**

## UBAM - DYNAMIC EURO BOND

**An alternative to cash with enhanced yield, near-zero interest-rate risk and limited credit risk**

UBAM - Dynamic Euro Bond offers investors the benefit of a cash-enhanced fund with limited downside due to active management of the portfolio's structure. It is an appealing option for investors looking for an alternative to cash that benefits from an interest rate hiking cycle. The fund offers an attractive yield-to-risk profile. It has a proven track record of low volatility and had very limited drawdowns during the credit crisis in 2008 and the euro sovereign crisis in 2011.

### Key points

- *An attractive alternative to cash*
- *A historical annualised volatility rate of less than 1.0%*
- *Active management of maturity, rating and sector diversification*
- *Near-zero interest-rate risk, moderate credit risk*
- *Experienced investment team with considerable expertise in credit*

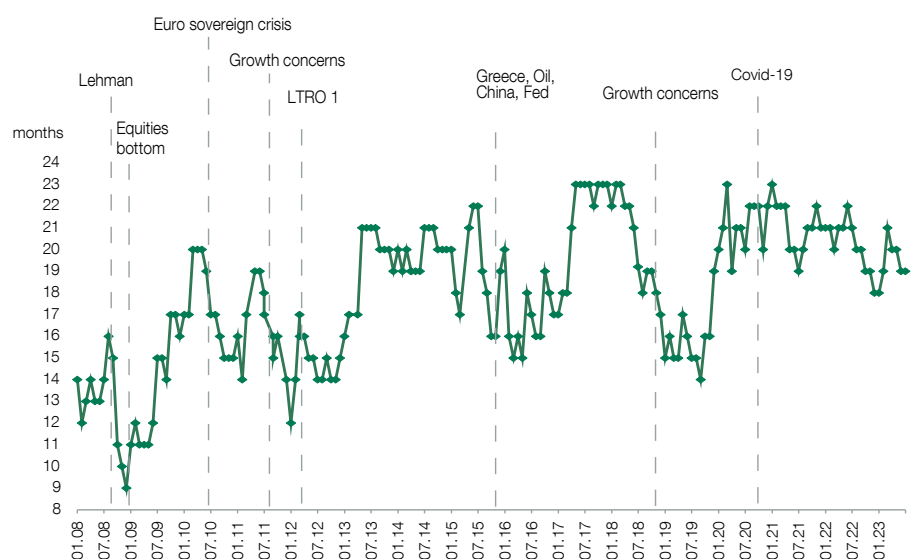
### Investment case

In an effort to contain inflation, the ECB has been increasing interest rates. Against this backdrop, UBAM - Dynamic Euro Bond is offering an appealing yield-to-risk profile, particularly in an interest rate hiking cycle. The fund is positioned in stable names with a limited credit risk of less than 2 years and an average rating of BBB/A.

### Fund concept

UBAM - Dynamic Euro Bond is an actively managed fund that aims to provide investors with consistent excess returns above money-market rates with near-zero interest-rate risk and moderate credit risk. The fund consists of euro-denominated, short-duration floating-rate notes and fixed-coupon bonds, typically duration-hedged, issued by a diverse range of financial and non-financial companies, and single-name CDSs.

### Historical average maturity of the UBAM – Dynamic Euro Bond (in months)



Sources: UBP as at 30.06.2023

Past performance is not indicative of future results

The Fund is actively managed and well diversified, investing mainly in securities denominated in euros.

The Fund is not managed in reference to a benchmark.

## Investment process

- The investment process based on three dimensions – top-down, bottom-up and relative value:
  - Top-down input is crucial: the macroeconomic cycle is a major driver of the portfolio's performance and the top-down view determines its average maturity and rating;
  - Bottom-up credit research focusing on default risk and a 12-month outlook for each bond drives issuer selection;
  - Relative-value analysis is used to select the securities with the best risk–return profiles.
- If necessary, overlay strategies are implemented to help meet the investment objective. They consist of liquid, risk-budgeted, fixed-income multi-strategies.
- Risk-management is carried out at all steps of the investment process with real-time monitoring of the portfolio positions.

### 1. Top-down

- Macro scenario and top-down allocation view drives overall credit exposure (“beta”)

### 2. Bottom-up

- Fundamental bottom-up credit research drives name selection

### 3. Relative value

- Instrument selection as a key yield enhancer

### Overlay

Risk-budgeted set of liquid fixed-income strategies

## Investment team

- Fourteen-strong team overseeing USD 14 billion worth of fixed-income assets as of 30 June 2023
- Led by Philippe Gräub, who has over twenty years' financial markets 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 - Dynamic Euro Bond
Legal form	Sub-fund of UBAM, Luxembourg-domiciled SICAV, UCITS
Base currency	EUR
Currency-hedged share classes	CHF, GBP, SEK, USD
Cut-off time	13:00 (LU time)
Inception date <sup>1</sup>	31.12.2007
Minimum investment	None
Liquidity	Daily
Applicable management fee <sup>2</sup>	AC EUR: 0.20% IC EUR: 0.12% UC EUR: 0.12%
Registered countries <sup>3</sup>	AT, CH, DE, ES, FI, FR, IE, IT, LU, NL, PT, SE, SG, UK
ISIN	AC EUR: LU0029761706 IC EUR: LU0132662635 UC EUR: LU0862297495

## Investment guidelines<sup>\*</sup>

- Core portfolio of short-dated investment-grade floating-rate notes, fixed-coupon bonds and single-name CDS
- Maximum average maturity of the core bond portfolio: 24 months (excluding AAA-rated bonds)
- Well diversified across financials and non-financials
- No callable bonds with perpetual features
- No structured products, such as CDO, ABS, MBS

Bloomberg ticker	AC EUR: UBMSSTE LX IC EUR: UBMSSTI LX
Investment manager	Union Bancaire Privée, UBP SA
Depository bank	BNP Paribas SA, Luxembourg Branch
Administrator	CACEIS Bank, Luxembourg Branch

<sup>1</sup>Date on which the current investment team took over the management.

<sup>2</sup>Only 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.

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