

# UBS Diversified Credit Fund

March 2015

## Fund description

- The UBS Diversified Credit Fund is designed to provide an attractive yield to investors through a diversified portfolio of credit holdings.
- The Fund is an actively managed portfolio of investment grade and non investment grade credit assets. Securities held include investment grade and high yield corporate bonds, securitised assets and hybrids.
- The top-down process involves analysing macroeconomic factors and actively managing the portfolio interest rate risk and credit beta.
- The bottom-up process is driven by fundamental corporate analysis and relative value assessment.

## Portfolio Statistics

Modified Duration (yrs)	0.40
Spread Duration (yrs)	3.55
Yield to Maturity (%)	5.16
Official cash rate (%)	2.25
Average Credit Rating	BBB-

As at 31 March 2015

## Average Credit Quality (%)\*

AAA	0
AA	0
A	15
BBB	49
BB	20
B	9
CCC & Below	2
Cash	5

Note: \*Physical holdings only. Does not include the effect of credit hedges  
May not equal 100% due to rounding.  
As at 31 March 2015

## Investment performance

As at 31 March 2015

Fund	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since inception* % pa
Total return	0.03	1.42	3.84	6.33	7.12	5.58
- Distribution	-	1.04	4.21	5.11	5.66	-
- Capital growth	-	0.37	(0.37)	1.22	1.46	-
Benchmark**	0.21	0.67	2.72	3.02	3.76	4.89
<b>Added Value</b>	<b>(0.18)</b>	<b>0.75</b>	<b>1.12</b>	<b>3.31</b>	<b>3.36</b>	<b>0.69</b>

\*Inception date: 15 March 2002. \*\* Bloomberg AusBond Bank Bill Index

Performance figures are net of ongoing fees and expenses. The performance figures quoted are historical, calculated using end of month redemption prices, and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. Growth returns are the returns due to change in initial capital value. Distribution returns are the returns due to the distributions paid.

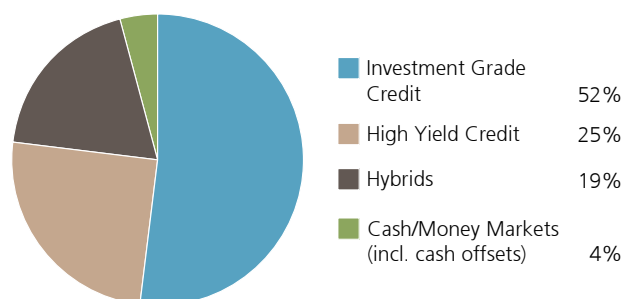
## Fund Features

Inception date	15 March 2002
Fund size	\$271.3 m
Management fee	0.70% pa
Minimum initial investment	\$20,000
Distributions	Quarterly
Entry/exit fees	None
Buy/sell spread	+ 0.15% / - 0.25%
Switching fee	None

As at 31 March 2015

## Asset Allocation

The composition of the Fund as at 31 March 2015



## About UBS Global Asset Management

UBS Global Asset Management (UBS) is a large scale asset manager with well diversified businesses across regions, capabilities and distribution channels, with invested assets of \$817 billion globally at 31 December 2014. In Australia, UBS was established in 1985 and has invested assets of \$41 billion at 31 December 2014. UBS provides investment management solutions to private clients, financial intermediaries and institutional investors across the world.

UBS Global Asset Management is truly a global asset manager with presence in 24 countries through local office or joint venture.

To meet the needs of our clients, UBS Global Asset Management offers a diverse range of investment capabilities and styles across all major traditional and alternative asset classes. We offer equity, fixed income, currency, hedge fund, real estate, infrastructure and private equity investment capabilities that can also be combined in multi-asset strategies.

UBS Global Asset Management has a history of investment expertise, delivery and execution in the investment management industry. We aim to combine the latest in portfolio construction, risk management, product development and investment knowledge.

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