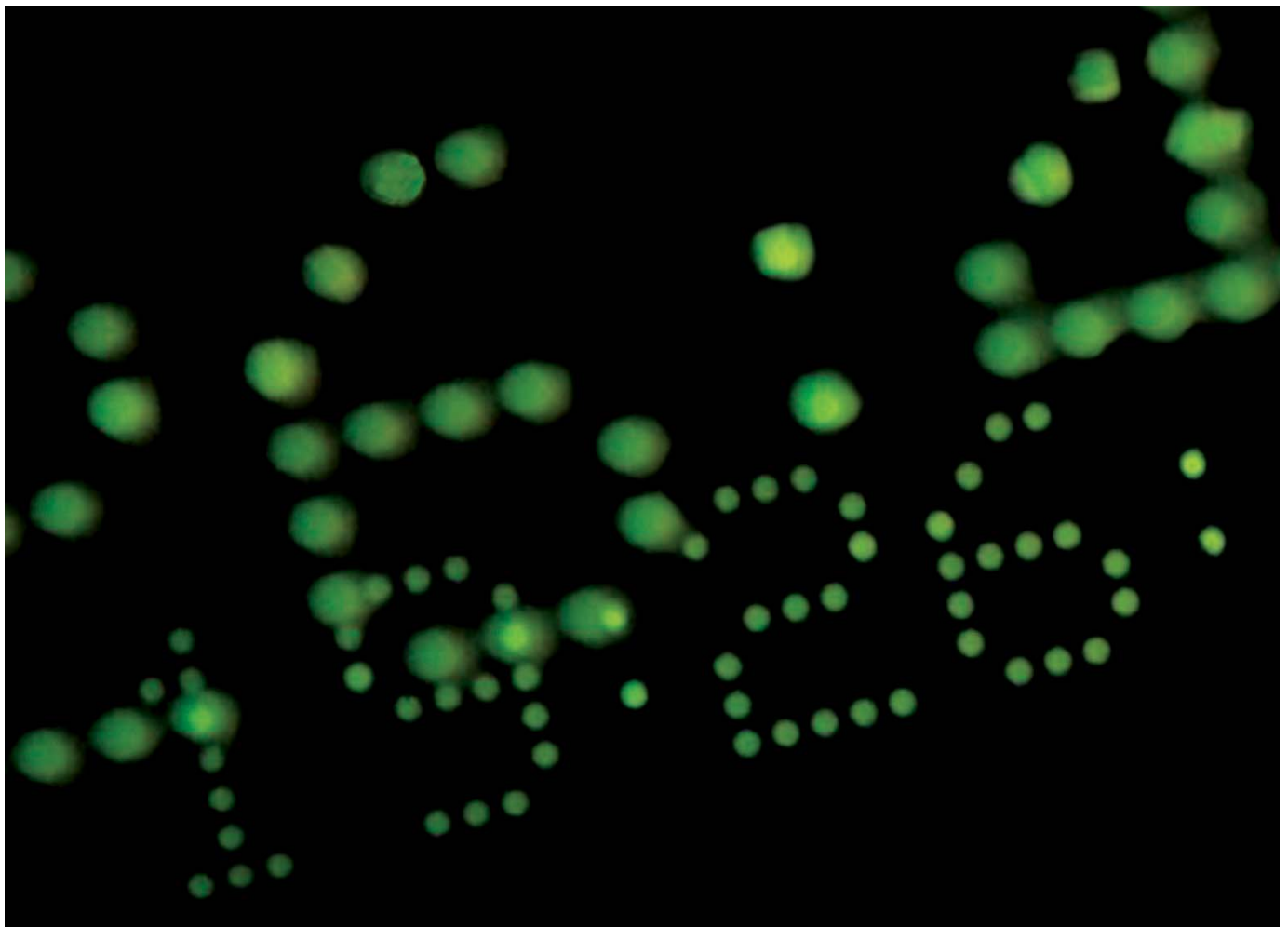


UBS Investment Funds ICVC

Annual report & accounts



Contents

Introduction and Authorised Corporate Director's Report	2
Statement of the Depositary's responsibilities in respect of the Scheme and Report of the Depositary to the members of the UBS Investment Funds ICVC ("the Company") for the year ended 31 December 2020	3
Statement of the Authorised Corporate Director's responsibilities	4
Independent auditor's report to the members of the UBS Investment Funds ICVC	5
Accounting policies and risk profile for UBS Investment Funds ICVC	8
UBS Corporate Bond UK Plus Fund	13
UBS Global Emerging Markets Equity Fund	41
UBS Global Optimal Fund	59
UBS Global Strategic Bond Fund	77
UBS S&P 500 Index Fund	105
UBS Sterling Corporate Bond Indexed Fund	133
UBS UK Equity Income Fund	165
UBS US Equity Fund	185
Details of the Company and other information	203

Introduction and Authorised Corporate Director's Report

We are pleased to present the report and accounts for the UBS Investment Funds ICVC ("the Company") for the year ended 31 December 2020.

We believe that our existing range of UK sub-funds across our four active ICVCs offers different investment objectives and a variety of risk profiles to suit investors' requirements. We have sub-funds aiming to achieve various objectives including: capital growth, income; outperformance of a benchmark and to achieve returns consistent with a benchmark.

In the following pages we will provide more information with regard to the global economy and the global markets together with individual sub-fund performance and outlook.

In accordance with the requirements of the Collective Investment Schemes sourcebook as issued and amended by the Financial Conduct Authority, we hereby certify the investment report and financials statements on behalf of the Directors of the Company.

During the year under review:

- R share classes launched on UBS Global Strategic Bond Fund.
- After an EGM on 6 November 2020 approval was given to merge the UBS UK Opportunities Fund into the UBS UK Equity Income Fund on 20 November 2020. UBS UK Opportunities Fund has since been fully terminated on 30 December 2020.
- Mailings were sent to investors in UBS Global Optimal Fund informing them of an upcoming change to the investment strategy of the sub-fund.

After the year end the following has taken place:

- On the 1 March 2021 the Annual Management Charge of the UBS Global Emerging Markets Equity Fund J accumulation shares was reduced to 0.75% pa.
- From effective date 9 March 2021, in line with UBS policy, a thermal coal mining exclusion was applied by the ACD to active fixed income and equities funds. This excludes the relevant funds from investment in companies that generate 30% or more of their revenues from thermal coal mining (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. Investments in other funds and derivatives on indices are excluded from this rule. Derivatives on single names are included in this exclusion rule.
- On 1 April 2021 we reduced the Annual Management Charge to zero, until 31 December 2021, on the R share classes of the UBS Global Strategic Bond Fund.
- On 1 May 2021 we will reduce the Annual Management Charge on C share classes of UBS Corporate Bond UK Plus Fund to 0.40%, UBS Sterling Corporate Bond Indexed Fund to 0.11% and UBS Global Strategic Bond Fund to 0.45%.

COVID-19

The World Health Organization declared the COVID-19 outbreak to be a pandemic on 11 March 2020. This did cause concern about the impact on the world economy and as a result of this uncertainty the values reflected in these financial statements may materially differ from the value received upon actual sales of those investments. In the light of significant corrections and heightened volatility in the financial markets the impact for the sub-funds might be important in terms of future valuations of its assets, nevertheless the ACD and the Investment Manager continue to observe the efforts of governments to contain the spread of the virus in order to monitor and manage the economic impact on the portfolios and the sub-funds.

In light of the material economic disruption caused by COVID-19, corporate balance sheets are coming under immense pressure with revenues and earnings forecasts considerably lower. Companies around the globe are under pressure to continue to provide support to employees and supply chains, particularly those that have benefited from direct financial assistance from governments. Furthermore there is an expectation that executives exercise a degree of prudence given the unprecedented nature and duration of the COVID-19-induced economic crisis. Against this backdrop, it is likely that many companies have, or could in future, reduce or defer paying dividends to shareholders, in turn, potentially reducing the income received from Fund equity holdings.

Brexit

The ACD continues to monitor the impact of Brexit, but as there is no active distribution to the EU 27 countries, there is no noticeable impact to the Company. Liquidity and market risk continue to be monitored in the normal course of business and no material changes have been observed.

In addition, there is no indication that the going concern assumption of the sub-funds is inappropriate.

No other events took place between the end of the reporting period and the date of the approval of these financial statements that would require disclosure in or adjustments to the amounts recognized in these financial statements.

We hope you will find the report and accounts useful. If you have any queries or comments please contact your financial adviser or alternatively contact us directly. Our Customer Service Desk will be happy to assist you on 0800 358 3012, or you can find additional information on our website at www.ubs.com/retailfunds.

UBS Asset Management Funds Ltd
29 April 2021

Statement of the Depositary's responsibilities in respect of the Scheme and Report of the Depositary to the members of the UBS Investment Funds ICVC ("the Company") for the year ended 31 December 2020

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ("the OEIC Regulations"), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ("ACD") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the ACD:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
250 Bishopsgate
London
EC2M 4AA

29 April 2021

Statement of the Authorised Corporate Director's ("ACD") responsibilities

The ACD is required by the Collective Investment Schemes Sourcebook ("COLL") and the Open Ended Investment Company ("OEIC") Regulations to prepare financial statements which give a true and fair view of the financial position of the Company at the end of each accounting period, the net revenue or expenses, the net gains or losses of the property of the Company and the movement in shareholders' funds for the year then ended. In preparing these financial statements, the ACD is required to:

- select suitable accounting policies and then apply them on a consistent basis;
- make judgements and estimates that are prudent and reasonable;
- comply with the Prospectus and applicable accounting standards subject to any material departures which are required to be disclosed and explained in the financial statements; and
- prepare the financial statements on the basis that the Company will continue in operation unless it is inappropriate to presume this.

The ACD is also required to manage the Company in accordance with the Prospectus and the Regulations, maintain proper accounting records and take reasonable steps for the prevention and detection of fraud and other irregularities or errors.

Independent auditor's report to the members of the UBS Investment Funds ICVC ("the Company")

Opinion

We have audited the financial statements of UBS Investment Funds ICVC ("the Company") comprising each of its sub-funds for the year ended 31 December 2020, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Company set out on pages 7 to 8, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 31 December 2020 and of the net revenue and the net capital gains/losses on the scheme property of the Company comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting standard applicable in the UK and Republic of Ireland'.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authorised Corporate Director's ("the ACD") use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period the ACD has assessed to 30 April 2022, being a period of more than 12 months from the date from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our audit report thereon. The ACD is responsible for the other information contained in the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our audit report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Companies, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation; and
- adequate accounting records have not been kept by the Company; and
- the financial statements are not in agreement with the accounting records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, we require for our audit.

Responsibilities of ACD

As explained more fully in the ACDs responsibilities statement set out on page 4, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to wind up or terminate the Company or to cease operations, or has no realistic alternative but to do so. the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Accounting Standards (UK GAAP), including FRS 102, the IMA SORP, the FCA Collective Investment Schemes Sourcebook, the OEIC Regulations, the Company's Instrument of Incorporation and the Prospectus.
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators and a review of the Company's documented policies and procedures.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by discussing with management to understand where it considered there was susceptibility to fraud. We also considered the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- The company operates in the wealth and asset management industry which is a highly regulated environment. As the Company is regulated, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's Members, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh
29 April 2021

Accounting policies and risk profile for UBS Investment Funds ICVC ("the Company")

Accounting policies

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (now known as The Investment Association) in May 2014 (the SORP) and amended in June 2017.

The ACD is confident that the Company as a whole will continue in operation for the foreseeable future, which is at least the next 12 months. As a result, the financial statements of the Company's sub-funds as a whole have been prepared on a going concern basis.

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 ("FRS 102") and in accordance with the Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017. There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for a period the ACD has assessed to 30 April 2022, being a period of more than 12 months from the date these financial statements are authorised for issue. The ACD believes that the Company has adequate resources to continue in operational existence for the foreseeable future and, following consideration of the impact of COVID-19 as set out in each post balance sheet event note, they continue to adopt the going concern basis in preparing the financial statements.

(b) Recognition of revenue

Dividends on equities and underlying funds are recognised when the security is quoted ex-dividend. Excess reportable income on offshore funds is recognised when reported. Revenue on debt securities is recognised on an effective interest rate basis. Deposit interest and interest on interest rate swaps is accounted for on an accruals basis. Fee rebates from investments in collective investment schemes are recognised on an accruals basis in capital or revenue, following the fee policy of the underlying Fund.

(c) Derivative accounting policy

In determining the accounting treatment for derivatives and forward foreign exchange contracts, consideration is given to the nature of the instrument itself and the sub-fund's objectives. Finance charges on interest rate swaps; dividends and finance charges on equity swaps; relevant revenue from property swaps and, depending on the underlying, total return swaps; and, interest on credit default swaps, are all taken to revenue. Revenue is also recognised on bond futures. All other gains/losses from derivatives are taken to capital.

(d) Treatment of expenses

All expenses (excluding transaction charges) are initially charged in full against revenue, for the UBS Corporate Bond UK Plus Fund, UBS Sterling Corporate Bond Indexed Fund, UBS Global Strategic Bond and UK Equity Income Fund the expenses are transferred to capital. Transaction charges are charged directly to capital.

The ACD may from time to time apply a ceiling to the fees charged within each sub-fund, in particular where the ratio of expenses to the value of the sub-fund are considered to be too high. A fee rebate, paid by the ACD back to the sub-fund, will be employed to reduce the net effect of fees in these cases. Where such rebates have been employed, these are shown in note 4 of the financial statements for the sub-fund.

(e) Stock dividends

Stock dividends are recognised as revenue and valued at the rate of the declared cash dividend and are included in the amount available for distribution. In the case of enhanced stock dividends, the value of the enhancement is taken to capital.

(f) Dividends from Real Estate Investment Trusts

Dividends from Real Estate Investment Trusts (REITs) are recognised when quoted ex-dividend. UK REIT dividends can be Property Income Distribution (PID) and non-PID for tax purposes. PID revenue is taxable in the sub-fund whereas non-PID revenue is treated in same way as dividends from UK companies.

(g) Special dividends

In accordance with the SORP, special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distribution. The tax treatment follows the accounting treatment of the principal amount.

(h) Underwriting commission

Underwriting commission is accounted for when the issue underwritten takes place. Where the sub-fund is required to take up all of the shares underwritten, the commission received is treated as a deduction from the cost of the shares taken up. Where the sub-fund is required to take up a proportion of the shares underwritten, the same proportion of the commission received is treated as a deduction from the cost of the shares taken up and the balance is taken to revenue.

(i) Allocation of revenue and expenses to multiple share classes

With the exception of the annual ACD charge and registration fees, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share classes on a daily basis.

(j) Distribution policy

Revenue produced by each sub-fund's investment decisions accumulates during each accounting period. If revenue exceeds expenses and taxation, taken together at the end of the accounting period, a distribution is available to be made to shareholders in accordance with the Regulations. Any revenue deficit will be borne by the capital account.

The sub-funds are not more than 60% invested in qualifying investments (as defined by the relevant regulation) and where applicable will pay a dividend distribution apart from the UBS Corporate Bond UK Plus Fund, UBS Global Strategic Bond Fund and UBS Sterling Corporate Bond Indexed Fund, which is more than 60% invested in qualifying investments and where applicable will pay an interest distribution. In the case of UBS Corporate Bond UK Plus Fund, UBS Global Strategic Bond Fund and UBS Sterling Corporate Bond Indexed Fund, all expenses are charged against capital for the purposes of calculating the amount available for distribution.

(k) Basis of valuation of investments

Listed investments, OEICs, Unit Trusts and offshore funds are valued at closing bid or single quoted price. Suspended securities have been valued at the lower of the suspended price or at a price which, in the opinion of the ACD, represents the likely realisable value of the security. Unlisted and transferable securities which are not approved have been valued at a price which, in the opinion of the ACD, represents the likely realisable value of the security. All the investments are valued close of business at 31 December 2020 being the last valuation point of the year.

The ACD uses available information to arrive at an estimated fair value for non-exchange traded derivatives held. The investment value of these contracts are determined through independent valuation techniques including price valuation models.

(l) Foreign exchange rates

Transactions in foreign currencies have been translated into Sterling at the exchange rate ruling on the day of the transaction. Assets and liabilities have been translated into Sterling at the closing exchange rates at 31 December 2020 being the last valuation point of the year.

(m) Taxation

The rate of corporation tax for the sub-funds is 20%. UBS Corporate Bond UK Plus, UBS Sterling Corporate Bond Indexed Fund and UBS Global Strategic Bond pay interest distributions, which are utilised against taxable revenue arising. The charge for taxation is based on taxable income less expenses for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing difference will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(n) Dilution adjustment

The need to apply a dilution adjustment will depend on the volume of net purchases or redemptions of the shares. The ACD may charge a dilution adjustment on the purchase and redemption of such shares if, in its opinion, the existing/continuing shareholders might otherwise materially be adversely affected and if applying a dilution adjustment, so far as practicable, is fair to all existing and potential shareholders. In determining the rate of any dilution adjustment, the ACD may, in order to reduce volatility, take account of the trend of a sub-fund to expand or contract and the transaction in shares at a particular valuation point. Unless it is disadvantageous to shareholders, the dilution adjustment will normally be applied on a sub-fund experiencing large levels of net purchases or redemptions relative to its size. For UBS Sterling Corporate Bond Indexed Fund and UBS S&P 500 Index Fund a dilution adjustment will be placed on all deals. For the UBS Corporate Bond UK Plus Fund and the UBS Global Strategic Bond Fund a dilution adjustment is applied to all trades between 23 March and 24 April 2020, before and after these dates an adjustment is only applied if the sub-fund experiences large levels of net purchases or redemptions relative to its size.

Risk profile

Market price risk

The main risk arising from each sub-funds' financial instruments is market price. Market price risk can be defined as the uncertainty about future price movements of the financial instruments the sub-funds are invested in. Market price risk arises mainly from economic factors and is not limited to interest rate and currency movements. This exposure to market price risk may result in substantial fluctuations in the share price from time to time, although there will be a close correlation in the movement of the share price to the markets the sub-funds are invested in. Investments in emerging markets may be more volatile than investments in more developed markets, as some of these markets have relatively unstable economies based on only a few industries and markets that trade only a limited number of securities. The sub-funds seek to minimise these risks by holding diversified portfolios of investments in line with the sub-funds' investment objectives. Adherence to the investment guidelines and to the investment and borrowing powers set out in the Prospectus, the COLL Sourcebook and the OEIC Regulations 2001 mitigates the risk of exposure to any particular type of security or issuer.

Currency risk

Foreign currency risk is the risk that the value of the sub-funds' investments will fluctuate as a result of changes in foreign exchange rates. For the sub-funds which invest in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The sub-funds may not seek to avoid this foreign exchange movement risk on investments and revenue accrued but not yet received.

However, those sub-funds that do seek to avoid this risk may use currency forwards for the purposes of efficient portfolio management.

In respect of the purchase and sale of investments, the ACD normally reduces the risk by executing a foreign exchange transaction on the same day as the purchase or sale is undertaken.

Counterparty risk

The sub-funds' transactions in securities expose it to the risk that the counterparty will not deliver the investment for a purchase or the cash for a sale. To minimise this risk the sub-funds only deal with brokers pre-approved by UBS Credit Risk Control function.

Counterparty risk is also a feature of transactions in derivatives, so all derivative counterparties are also pre-approved. Exchange traded futures are subject to daily variation margin payments which reduces the credit risk to one day's movement in index value. Forwards and swaps are transacted with a limited number of counterparties to reflect the increased credit risk involved in over-the-counter derivatives.

Credit risk

Bonds are subject to both actual and perceived measures of creditworthiness. Bonds, and especially high yield bonds, could be affected by adverse publicity and investor perception, which may not be based on fundamental analysis, and would have a negative effect on the value and liquidity of the bond.

With investment in high yield bonds there is an increased risk to capital through default where bond issuers either fail to pay the interest or capital repayment due at maturity. Economic conditions and changes to interest rate levels may significantly affect the values of high yield bonds.

In the same way as equities, the sub-funds seek to minimise this risk by holding diversified portfolios of investments in line with the sub-funds' investment objectives. Adherence to the investment guidelines and to the investment and borrowing powers set out in the Prospectus, the COLL Sourcebook and the OEIC Regulations 2001 mitigates the risk of exposure to any particular type of security or issuer.

Liquidity risk

The assets of the Company are generally liquid and considered to be readily realisable. Sub-funds investing in smaller companies invest in transferable securities that may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Prices on illiquid securities are regularly reviewed by the ACD. The sub-funds' main commitments are expenses and any cancellation of shares that investors may make. Assets from a sub-fund may need to be sold if insufficient cash is available to meet such liabilities.

Interest rate risk

Interest rate risk is the risk that the value of sub-funds' investments will fluctuate as a result of changes in interest rates. Some of the sub-funds may invest in fixed interest or floating rate investments. If interest rates rise, the income potential of the sub-funds also rise, but the value of fixed rate investments will decline. A decline in interest rates will in general have the opposite effect. Interest receivable on bank deposits and payable on bank overdrafts will also be affected by fluctuations in interest rates.

The numerical disclosures for market price, currency and interest rate risk of financial instruments and sensitivity analysis are shown in each of the relevant sub-fund's notes to the financial statements.

Derivatives

The ACD may use certain types of derivatives for the purposes of efficient portfolio management. Some sub-funds, however, can use derivatives for investment purposes. Further information on the types of derivatives and strategies can be found in the investment objective for each sub-fund and in the derivatives section of the Financial Instruments note to the financial statements.

The ACD may invest in financial futures and currency forwards for the purposes of efficient portfolio management, in which case they will normally be traded on a recognised derivative market and must be fully covered. Daily exposure to futures and options will be monitored to ensure global coverage and ensure the sub-funds' exposure is within the limits set out by UBS, the scheme documents and the COLL Sourcebook. Daily exposure to options is also measured pre-trade.

With regard to those sub-funds that use derivatives as part of their investment capabilities, such instruments are inherently volatile and the sub-funds could potentially be exposed to additional risk and costs should the market move against them. In aiming to reduce volatility of the sub-funds we utilise a risk management process to monitor the level of risk in managing the portfolio, however, there is no guarantee that this process will work in all instances.

Specific additional risk considerations not already covered, at instrument level:

Credit default swap (CDS). Where used, the sub-funds may undertake both long (selling protection) and short transactions (buying protection). Each position is assessed in terms of the credit spread risk it adds to the portfolio. The buyer of a credit default swap receives credit protection, whereas the seller of the swap guarantees to reimburse the buyer for any default by the underlying reference. By doing this, risk of default is transferred to the seller of the swap. For example, the buyer of a credit default swap will be entitled to the par value of the bond by the seller of the swap, should the bond default on its coupon payments. CDS are typically referenced against single name issuers or against an approved index.

Inflation swap/Interest rate swap. Where used, the sub-funds may undertake both long (pay fixed) and short (receive fixed) transactions. In theoretical terms (large negative/positive inflation or large negative/positive interest rates) one of these values has no upper or lower limit and the loss on the position could be very large. However, in the context of the sub-funds, in the event of an extreme situation arising the holdings in the portfolio should compensate for the large position in the derivative under the global cover requirements.

Total return Equity swap. Where used, the sub-funds may undertake both long and short transactions referencing the total return of individual securities, basket of securities, indices or other reference obligations. In theoretical terms (large negative or large positive movements) one of these values has no upper or lower limit and the loss on the position could be very large. However, in the context of the sub-funds, in the event of an extreme situation arising the holdings in the portfolio should compensate for the large position in the derivative under the global cover requirements.

Statement of crossholding

There are no cross holdings as at 31 December 2020, the sub-funds year end.

UBS Corporate Bond UK Plus Fund

UBS Corporate Bond UK Plus Fund

Manager's report

Investment objective

The sub-fund aims to generate income and grow the value of your investment; and outperform the Markit iBoxx GBP Non-Gilt Index after charges over the medium to long term (3 to 5 years).

Investment policy

The sub-fund invests at least 80% in corporate, supranational and government backed bonds which are rated triple BBB minus or above and denominated in Sterling or hedged back to Sterling.

The sub-fund may also invest in government bonds, bonds issued by local authorities, agencies, fixed rate, variable rate, inflation-linked, index-linked, non-sterling bonds and high yield bonds (including emerging market debt); secured and unsecured debt securities (including floating rate notes).

In addition the sub-fund may invest in other bonds, equities, warrants, money market instruments, deposits, currency, cash and near cash and other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options, repurchase agreements and structured credit for investment purposes or efficient portfolio management. Use of derivatives may occasionally be significant.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

Investment strategy

The sub-fund is actively managed in reference to the benchmark and may hold some or all of the benchmark constituents. The sub-fund strategy includes taking active views on exchange rates.

Benchmark information

The sub-fund's target benchmark has been chosen because it broadly represents the Sterling denominated investment grade corporate bond market, and therefore aligns with the sub-fund's principal asset class.

Market environment

The past year was dominated by the COVID-19 pandemic, which caused unprecedented disruption to the global economy. The virus started to make headlines in late January and early February. But markets fully awoke to the threat in late February after Italy announced a lockdown of northern cities. As a result, investors headed for cash and US treasuries, with significant dislocations seen across other markets. Following the fastest bear market in history, the development of vaccines and support from policymakers at record speed helped to turn the tide. Significant policy rate cuts across global economies cratered government bond yields. Within spread markets, such as corporates, after initial widening central bank purchase programmes and investor optimism helped close the year near the same levels where 2019 finished.

Sub-fund performance

The sub-fund achieved a positive return of 8.86%* for the year compared to the Markit iBoxx GBP Non-Gilt Index benchmark return of 7.80%.

The sub-fund outperformed the benchmark during the year, with both duration management and spread management contributing to performance, while the active currency management was a detractor. Within duration management our underweight UK duration against long US duration position was the main contributor. 10 year yields in the US fell by circa 1.00%, meanwhile in UK they fell by 0.63%. Within sector management the sub-fund's strong preference for corporates was a contributor and specifically overweight in US Financials and Industrials, as Corporate spreads tightened sharply after initially widening on the year. Within the active currency overlay, the main detractor was our overweight Norwegian krone versus the euro and long Brazilian real.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C income gross shares.

Outlook

As we begin 2021 spreads are now back to pre COVID-19 levels and the corporate bond market continues to be supported by many positive drivers. We are witnessing an improving macro backdrop, which should be supportive of corporate fundamentals, and combined with fiscal stimulus packages and continued accommodative monetary policy gives credit a solid base. On the technical side, strong demand from global investors looking for yield, and the likelihood of less supply in 2021 provides a nice tailwind for credit. These factors continue to draw global investors into investment grade credit as they search for yield. As we approach 2021, drivers that could slow the credit rally include a sudden rise in Treasury rates or increases in M&A activity that favour equity holders versus bondholders.

Percentage growth

	31.12.19	31.12.18	31.12.17	31.12.16	31.12.15
	to	to	to	to	to
	31.12.20	31.12.19	31.12.18	31.12.17	31.12.16
	%	%	%	%	%
Class C - Accumulation Gross shares	8.87	11.61	-3.25	5.44	11.82
Class C - Income Gross shares	8.86	11.65	-3.27	5.45	11.81
Class K - Accumulation Gross shares	9.50	12.36	-2.64	6.09	12.52

Source: Lipper-Hindsight: Performance is based on NAV prices with income reinvested net of basic rate tax and in sterling terms.

Launch dates: Class K Accumulation Gross shares: 6 March 2007; Class C Accumulation Gross & Income Gross shares: 15 August 2012.

UBS Asset Management Funds Ltd
29 April 2021

UBS Corporate Bond UK Plus Fund

1. Comparative Tables

Class C - Accumulation Gross shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	72.30	64.78	66.87
Return before operating charges	6.80	8.00	(1.63)
Operating charges	(0.51)	(0.48)	(0.46)
Return after operating charges*	6.29	7.52	(2.09)
Distributions	(2.19)	(2.13)	(2.12)
Retained distributions	2.19	2.13	2.12
Closing net asset value per share	78.59	72.30	64.78
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	8.70	11.61	(3.13)
Other information			
Closing net asset value (£)	809,159	1,812,075	2,479,279
Closing number of shares	1,029,576	2,506,261	3,827,261
Operating charges (%)	0.69	0.69	0.70
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	78.91	72.80	67.34
Lowest share price (p)	64.21	65.10	64.52

Class C - Income Gross shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	54.95	50.74	54.11
Return before operating charges	5.06	6.23	(1.31)
Operating charges	(0.38)	(0.36)	(0.37)
Return after operating charges*	4.68	5.87	(1.68)
Distributions	(1.64)	(1.66)	(1.69)
Retained distributions	-	-	-
Closing net asset value per share	57.99	54.95	50.74
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	8.52	11.57	(3.10)
Other information			
Closing net asset value (£)	364,779	629,909	783,181
Closing number of shares	628,989	1,146,314	1,543,582
Operating charges (%)	0.69	0.69	0.70
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	58.65	56.09	54.49
Lowest share price (p)	48.80	50.99	51.03

Class K - Accumulation Gross shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	101.55	90.38	92.72
Return before operating charges	9.51	11.21	(2.25)
Operating charges	(0.05)	(0.04)	(0.09)
Return after operating charges*	9.46	11.17	(2.34)
Distributions	(3.08)	(2.99)	(2.95)
Retained distributions	3.08	2.99	2.95
Closing net asset value per share	111.01	101.55	90.38
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	9.32	12.36	(2.52)
Other information			
Closing net asset value (£)	644,351,369	591,479,454	495,653,208
Closing number of shares	580,421,814	582,465,748	548,390,322
Operating charges (%)	0.05	0.04	0.06
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	111.47	102.24	93.39
Lowest share price (p)	90.31	90.84	89.98

Please refer to the Direct transaction costs note on page 34 for more detail regarding the nature transaction costs and how they arise for different types of investment.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

Share class	31.12.20	31.12.19
	%	%
Class C - Accumulation Gross shares	0.69	0.69
Class C - Income Gross shares	0.69	0.69
Class K - Accumulation Gross shares	0.05	0.04

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Corporate Bond UK Plus Fund

Portfolio Statement (unaudited)

As at 31 December 2020

	Holding	Market value £	% of net assets
Collective Investment Schemes 1.78% (1.94%)			
Investment Companies 1.78% (1.94%)			
UBS (Irl) Select Money Market Fund GBP class M Shares (Dist.) [†]	500,717	500,717	0.08
UBS (Lux) Bond - Asian High Yield (USD) Fund class I-X-dist [†]	49,272	3,657,493	0.57
UBS (Lux) Bond - USD High Yield (USD) Fund class U-X-acc [†]	472	7,334,640	1.13
		11,492,850	1.78
Collective Investment Schemes total		11,492,850	1.78
Government Bonds 5.31% (5.52%)			
Argentina Government Bond 1.00% 09/07/2029	67,797	21,513	—
Argentina Government Bond 0.12% 09/07/2030	1,115,500	331,725	0.05
Chile Government Bond 2.45% 31/01/2031	660,000	516,625	0.08
Mexico Government Bond 5.63% 19/03/2114	550,000	624,250	0.10
Oman Government Bond 6.75% 17/01/2048	1,140,000	825,033	0.13
Philippine Government Bond 2.46% 05/05/2030	1,745,000	1,376,009	0.21
UK Treasury 1.75% 07/09/2037	10,580,000	12,560,576	1.95
UK Treasury 1.50% 22/07/2047	5,750,000	6,810,300	1.05
UK Treasury 1.75% 22/01/2049	3,000,000	3,778,200	0.59
UK Treasury 4.25% 07/12/2049	3,870,000	7,435,818	1.15
Government Bonds total		34,280,049	5.31
Corporate Bonds 88.54% (85.05%)			
Communication Services 7.90% (6.69%)			
Diversified Telecommunication Services 4.77% (5.52%)			
Altice France Holding 8.00% 15/05/2027	510,000	494,799	0.08
Arqiva Financing 4.88% 31/12/2032	1,280,000	1,499,361	0.23
AT&T 2.90% 04/12/2026	4,680,000	5,187,864	0.80
AT&T 5.50% 15/03/2027	1,050,000	1,329,343	0.21
AT&T 5.20% 18/11/2033	460,000	643,032	0.10
AT&T 4.25% 01/06/2043	2,130,000	2,819,779	0.44
AT&T 4.88% 01/06/2044	1,056,000	1,525,654	0.24
British Telecommunications 6.38% 23/06/2037	250,000	393,918	0.06
Deutsche Telekom 3.13% 06/02/2034	430,000	523,362	0.08
Deutsche Telekom International Finance 2.25% 13/04/2029	1,100,000	1,210,738	0.19
Infrastrutture Wireless Italiane 1.88% 08/07/2026	425,000	398,073	0.06
Koninklijke KPN 5.75% 17/09/2029	1,050,000	1,282,726	0.20
Orange 3.25% 15/01/2032	800,000	966,134	0.15
Orange 5.38% 22/11/2050	300,000	536,065	0.08
Orange, FRN 5.75% Perpetual	1,660,000	1,817,700	0.28
Telefonica Emisiones 5.45% 08/10/2029	1,350,000	1,799,165	0.28
Telefonica Emisiones 5.52% 01/03/2049	4,470,000	4,412,578	0.68
Verizon Communications 3.13% 02/11/2035	2,230,000	2,728,684	0.42
Verizon Communications 3.38% 27/10/2036	940,000	1,199,209	0.19
		30,768,184	4.77
Media 2.14% (0.30%)			
Comcast 3.95% 15/10/2025	380,000	319,378	0.05
Comcast 1.50% 20/02/2029	995,000	1,043,365	0.16
Comcast 1.88% 20/02/2036	985,000	1,065,431	0.17
Comcast 4.70% 15/10/2048	155,000	158,423	0.02
Comcast 4.95% 15/10/2058	175,000	194,371	0.03
Discovery Communications 2.50% 20/09/2024	2,480,000	2,609,280	0.40
TDF Infrastructure 2.88% 19/10/2022	500,000	465,121	0.07
Time Warner Cable 5.75% 02/06/2031	2,020,000	2,687,372	0.42
Time Warner Cable 5.25% 15/07/2042	300,000	422,470	0.07

ViacomCBS 4.75% 15/05/2025	3,145,000	2,671,123	0.41
WPP Finance 2013 2.88% 14/09/2046	2,100,000	2,196,098	0.34
		13,832,432	2.14
Wireless Telecommunication Services 0.99% (0.87%)			
America Movil 4.38% 07/08/2041	1,090,000	1,531,050	0.24
Vodafone Group 3.38% 08/08/2049	2,370,000	2,911,801	0.45
Vodafone Group 3.00% 12/08/2056	700,000	808,830	0.13
Vodafone Group, FRN 4.87% 03/10/2078	1,000,000	1,090,500	0.17
		6,342,181	0.99
Communication Services total		50,942,797	7.90
Consumer Discretionary 2.87% (3.19%)			
Auto Components 0.00% (0.11%)			
Automobiles 0.94% (0.00%)			
Ford Motor 8.50% 21/04/2023	215,000	177,025	0.03
Ford Motor 9.00% 22/04/2025	270,000	242,162	0.04
General Motors 6.13% 01/10/2025	1,420,000	1,260,043	0.20
Nissan Motor 2.65% 17/03/2026	1,280,000	1,210,571	0.19
Nissan Motor 4.35% 17/09/2027	3,830,000	3,094,652	0.48
		5,984,453	0.94
Diversified Consumer Services 0.12% (0.14%)			
Dignity Finance, Series A 3.55% 31/12/2034	713,009	764,488	0.12
		764,488	0.12
Hotels, Restaurants & Leisure 0.84% (0.74%)			
CPUK Finance 3.59% 28/02/2042	1,575,000	1,696,905	0.26
CPUK Finance 4.25% 28/02/2047	179,688	180,127	0.03
Greene King Finance, Series A4 5.11% 15/03/2034	50,000	57,232	0.01
Greene King Finance, FRN, Series B1 1.84% 15/12/2034	494,000	363,317	0.06
McDonald's 2.95% 15/03/2034	500,000	596,146	0.09
McDonald's 4.13% 11/06/2054	1,000,000	1,563,430	0.24
Mitchells & Butlers Finance 5.57% 15/12/2030	59,035	66,673	0.01
Mitchells & Butlers Finance, Series B1 5.96% 15/12/2025	5,914	6,086	–
Sands China 4.38% 18/06/2030	1,090,000	886,680	0.14
		5,416,596	0.84
Internet & Direct Marketing Retail 0.33% (0.34%)			
Alibaba Group Holding 3.40% 06/12/2027	970,000	794,408	0.12
Alibaba Group Holding 4.20% 06/12/2047	1,485,000	1,367,745	0.21
		2,162,153	0.33
Media 0.00% (1.53%)			
Textiles, Apparel & Luxury Goods 0.64% (0.33%)			
LVMH Moet Hennessy Louis Vuitton 1.00% 11/02/2023	2,300,000	2,329,566	0.36
LVMH Moet Hennessy Louis Vuitton 1.13% 11/02/2027	1,800,000	1,839,224	0.28
		4,168,790	0.64
Consumer Discretionary total		18,496,480	2.87
Consumer Staples 4.22% (3.34%)			
Beverages 1.30% (0.44%)			
Diageo Finance 2.88% 27/03/2029	2,400,000	2,805,187	0.43
Diageo Finance 1.25% 28/03/2033	2,600,000	2,694,557	0.42
Fomento Economico Mexicano 3.50% 16/01/2050	3,550,000	2,889,954	0.45
		8,389,698	1.30
Food & Staples Retailing 0.65% (0.52%)			
Costco Wholesale 1.60% 20/04/2030	415,000	311,093	0.05
Iceland Bondco 4.63% 15/03/2025	830,000	821,667	0.13
Tesco Corporate Treasury Services 2.75% 27/04/2030	455,000	504,140	0.08
Walgreens Boots Alliance 3.60% 20/11/2025	2,005,000	2,190,731	0.34
Walmart 5.75% 19/12/2030	200,000	297,443	0.05
		4,125,074	0.65
Food Products 0.12% (0.59%)			
Kraft Heinz Foods 4.13% 01/07/2027	685,000	763,359	0.12
		763,359	0.12
Household Products 0.30% (0.00%)			
Reckitt Benckiser Treasury Services 1.75% 19/05/2032	1,770,000	1,919,841	0.30
		1,919,841	0.30

Tobacco 1.85% (1.79%)

Altria Group 4.80% 14/02/2029	420,000	368,119	0.06
BAT Capital 2.13% 15/08/2025	1,535,000	1,612,898	0.25
BAT International Finance 4.00% 04/09/2026	2,630,000	3,019,006	0.47
BAT International Finance 5.75% 05/07/2040	1,125,000	1,560,657	0.24
BAT International Finance 2.25% 09/09/2052	1,250,000	1,042,573	0.16
Imperial Brands Finance 5.50% 28/09/2026	791,000	966,248	0.15
Imperial Brands Finance 4.88% 07/06/2032	1,400,000	1,732,514	0.27
JT International Financial Services, FRN 2.38% 07/04/2081	1,015,000	966,489	0.15
Philip Morris International 1.50% 01/05/2025	810,000	613,768	0.10
	11,882,272	1.85	
Consumer Staples total	27,080,244	4.22	

Energy 5.56% (4.15%)**Oil, Gas & Consumable Fuels 5.56% (4.15%)**

Aker BP 3.00% 15/01/2025	1,245,000	955,861	0.15
Aker BP 4.00% 15/01/2031	2,545,000	2,012,634	0.31
APT Pipelines 3.50% 22/03/2030	1,675,000	1,969,793	0.31
APT Pipelines 3.13% 18/07/2031	1,685,000	1,949,899	0.30
BG Energy Capital 5.00% 04/11/2036	300,000	459,120	0.07
BP Capital Markets 2.27% 03/07/2026	1,605,000	1,749,533	0.27
BP Capital Markets, FRN 4.25% Perpetual	2,045,000	2,194,115	0.34
BP Capital Markets, FRN 4.88% Perpetual	1,530,000	1,248,781	0.19
Cameron LNG 3.30% 15/01/2035	1,325,000	1,093,827	0.17
Cenovus Energy 4.25% 15/04/2027	1,215,000	970,634	0.15
Colonial Enterprises 3.25% 15/05/2030	985,000	815,005	0.13
Diamondback Energy 3.25% 01/12/2026	590,000	460,834	0.07
Enable Midstream Partners 3.90% 15/05/2024	990,000	740,576	0.11
Energy Transfer Operating 4.50% 15/04/2024	1,140,000	912,102	0.14
Energy Transfer Operating 6.00% 15/06/2048	1,440,000	1,241,302	0.19
Eni, FRN 3.37% Perpetual	1,070,000	1,027,253	0.16
Gazprom 2.95% 15/04/2025	2,030,000	1,934,852	0.30
MPLX 4.25% 01/12/2027	570,000	489,614	0.08
MPLX 5.20% 01/03/2047	460,000	409,363	0.06
Pertamina Persero 4.70% 30/07/2049	650,000	540,948	0.09
Petrobras Global Finance 6.63% 16/01/2034	1,660,000	2,025,598	0.31
Petroleos Mexicanos 3.75% 16/11/2025	2,800,000	2,640,932	0.41
Phillips 66 Partners 4.68% 15/02/2045	640,000	507,777	0.08
Plains All American Pipeline 3.80% 15/09/2030	1,555,000	1,222,945	0.19
Saudi Arabian Oil 2.88% 16/04/2024	280,000	217,362	0.03
Saudi Arabian Oil 1.63% 24/11/2025	295,000	221,145	0.04
Saudi Arabian Oil 3.50% 16/04/2029	1,030,000	837,530	0.13
Southern Gas Networks 4.88% 21/03/2029	1,390,000	1,819,456	0.28
Southern Gas Networks 1.25% 02/12/2031	2,050,000	2,060,041	0.32
Total Capital International 1.25% 16/12/2024	655,000	677,972	0.10
Valero Energy 2.85% 15/04/2025	670,000	522,022	0.08
	35,928,826	5.56	
Energy total	35,928,826	5.56	

Financials 36.18% (36.63%)**Banks 17.59% (19.02%)**

ABN AMRO Bank 1.38% 16/01/2025	2,000,000	2,074,558	0.32
Banco Santander 4.00% 19/01/2023	2,000,000	1,188,267	0.18
Banco Santander 2.75% 12/09/2023	1,900,000	2,001,399	0.31
Bank of America 2.30% 25/07/2025	3,250,000	3,515,388	0.54
Bank of America 4.25% 10/12/2026	735,000	890,932	0.14
Bank of Ireland Group 1.38% 29/08/2023	700,000	647,986	0.10
Bank of Ireland Group, FRN 4.12% 19/09/2027	260,000	193,188	0.03
Bank of Scotland 9.38% 15/05/2021	1,280,000	1,319,872	0.20
Bank Tabungan Negara Persero 4.20% 23/01/2025	200,000	148,218	0.02
Banque Federative du Credit Mutuel 1.88% 13/12/2022	1,100,000	1,136,011	0.18
Barclays 3.25% 12/02/2027	2,680,000	2,980,420	0.46
Barclays, FRN 2.38% 06/10/2023	2,430,000	2,497,440	0.39
Barclays, FRN 7.25% Perpetual	760,000	804,650	0.12

Barclays Bank 9.50% 07/08/2021	2,195,000	2,301,769	0.36
Barclays Bank 5.75% 14/09/2026	2,080,000	2,550,966	0.40
Barclays Bank, FRN 0.17% Perpetual	650,000	541,085	0.08
BNP Paribas 3.38% 23/01/2026	1,415,000	1,592,882	0.25
Cadent Finance 1.13% 22/09/2021	100,000	100,547	0.02
Cadent Finance 2.63% 22/09/2038	500,000	567,678	0.09
Cadent Finance 2.75% 22/09/2046	1,125,000	1,296,294	0.20
China Development Bank 1.25% 21/01/2023	1,155,000	1,166,770	0.18
Citigroup 2.75% 24/01/2024	645,000	686,821	0.11
Citigroup 5.15% 21/05/2026	4,393,000	5,388,463	0.83
Citigroup 4.65% 23/07/2048	2,000,000	1,995,596	0.31
Clydesdale Bank 4.63% 08/06/2026	1,320,000	1,615,619	0.25
Cooperatieve Rabobank 1.25% 14/01/2025	1,800,000	1,857,125	0.29
Cooperatieve Rabobank 4.63% 23/05/2029	2,660,000	3,290,992	0.51
Cooperatieve Rabobank 4.55% 30/08/2029	680,000	896,379	0.14
Credit Suisse Group Funding Guernsey 3.00% 27/05/2022	1,150,000	1,191,730	0.18
Danske Bank, FRN 1.50% 02/09/2030	885,000	808,488	0.13
DBS Group Holdings, FRN 1.50% 11/04/2028	1,670,000	1,523,636	0.24
DBS Group Holdings, FRN 3.30% Perpetual	1,140,000	847,817	0.13
DNB Bank 1.38% 12/06/2023	1,365,000	1,400,221	0.22
HSBC Bank 6.50% 07/07/2023	1,735,000	1,981,537	0.31
HSBC Bank 5.38% 22/08/2033	1,206,000	1,690,755	0.26
HSBC Bank Capital Funding Sterling 1, FRN 5.84% Perpetual	350,000	510,344	0.08
HSBC Holdings 2.63% 16/08/2028	1,700,000	1,888,314	0.29
HSBC Holdings 6.00% 29/03/2040	2,580,000	3,789,261	0.59
ING Groep 3.00% 18/02/2026	1,300,000	1,442,737	0.22
JPMorgan Chase, FRN 2.74% 15/10/2030	3,070,000	2,442,015	0.38
JPMorgan Chase, FRN 2.96% 13/05/2031	2,075,000	1,664,601	0.26
Landesbank Baden-Wuerttemberg 1.50% 03/02/2025	1,900,000	1,954,298	0.30
Lloyds Bank 7.50% 15/04/2024	994,000	1,214,773	0.19
Lloyds Bank 5.13% 07/03/2025	1,070,000	1,284,334	0.20
Lloyds Bank 7.63% 22/04/2025	1,913,000	2,424,701	0.38
Lloyds Bank 6.00% 08/02/2029	1,250,000	1,785,989	0.28
Lloyds Banking Group 2.25% 16/10/2024	1,355,000	1,419,967	0.22
Lloyds Banking Group, FRN 1.88% 15/01/2026	3,000,000	3,099,696	0.48
Lloyds Banking Group, FRN 2.71% 03/12/2035	287,000	300,613	0.05
Mediobanca Banca di Credito Finanziario 0.88% 15/01/2026	700,000	641,127	0.10
Natwest Group, FRN 2.88% 19/09/2026	3,210,000	3,485,187	0.54
Natwest Group, FRN 3.13% 28/03/2027	2,000,000	2,193,432	0.34
Natwest Group, FRN 3.62% 14/08/2030	865,000	930,150	0.14
Nordea Bank 2.38% 02/06/2022	1,810,000	1,866,966	0.29
Nordea Bank, FRN 1.00% 27/06/2029	410,000	371,943	0.06
Santander UK 5.25% 16/02/2029	2,797,000	3,832,799	0.59
Santander UK, FRN 0.60% 12/02/2027	1,700,000	1,716,388	0.27
Santander UK Group Holdings 3.63% 14/01/2026	1,300,000	1,458,616	0.23
Santander UK Group Holdings, FRN 6.75% Perpetual	330,000	358,050	0.06
Tesco Personal Finance Group 3.50% 25/07/2025	360,000	385,797	0.06
Virgin Money UK, FRN 2.88% 24/06/2025	1,230,000	1,171,445	0.18
Virgin Money UK, FRN 3.37% 24/04/2026	1,780,000	1,879,616	0.29
Wells Fargo 2.13% 20/12/2023	2,075,000	2,165,153	0.34
Wells Fargo 2.00% 28/07/2025	2,250,000	2,374,000	0.37
Wells Fargo 3.50% 12/09/2029	1,400,000	1,663,883	0.26
Wells Fargo 2.13% 24/09/2031	1,320,000	1,429,993	0.22
Wells Fargo 4.88% 29/11/2035	350,000	475,162	0.07
Westpac Banking 1.00% 30/06/2022	1,595,000	1,616,261	0.25
Westpac Banking 4.42% 24/07/2039	1,700,000	1,587,690	0.25
Westpac Banking, FRN 5.00% Perpetual	2,380,000	1,839,694	0.28
		113,356,494	17.59
Capital Markets 3.74% (3.00%)			
Credit Suisse Group 2.75% 08/08/2025	1,150,000	1,254,716	0.19
Credit Suisse Group, FRN 2.25% 09/06/2028	1,600,000	1,696,366	0.26
Deutsche Bank 1.63% 12/02/2021	700,000	627,744	0.10
Deutsche Bank 2.63% 16/12/2024	1,000,000	1,053,983	0.16
Deutsche Bank, FRN 2.22% 18/09/2024	1,110,000	835,364	0.13

Deutsche Bank, FRN 1.00% 19/11/2025	1,100,000	999,796	0.16
Deutsche Bank, FRN 1.75% 19/11/2030	800,000	751,456	0.12
Goldman Sachs Group 3.50% 01/04/2025	1,705,000	1,385,741	0.21
Goldman Sachs Group 4.25% 29/01/2026	3,470,000	4,054,018	0.63
Goldman Sachs Group 3.13% 25/07/2029	2,030,000	2,374,122	0.37
Morgan Stanley 2.63% 09/03/2027	2,030,000	2,256,649	0.35
Morgan Stanley, FRN 3.62% 01/04/2031	3,040,000	2,586,659	0.40
Scottish Widows 7.00% 16/06/2043	1,700,000	2,586,383	0.40
UBS, FRN 4.75% 12/02/2026 [†]	1,840,000	1,653,533	0.26
		24,116,530	3.74
Consumer Finance 2.44% (2.53%)			
AerCap Ireland Capital DAC 4.50% 15/09/2023	755,000	598,843	0.09
AerCap Ireland Capital DAC 6.50% 15/07/2025	970,000	848,301	0.13
Credit Logement, FRN 0.61% Perpetual	1,100,000	879,559	0.14
FCE Bank 2.73% 03/06/2022	1,640,000	1,656,400	0.26
Ford Motor Credit 1.51% 17/02/2023	1,810,000	1,614,973	0.25
Ford Motor Credit 3.02% 06/03/2024	1,135,000	1,050,220	0.16
General Motors Financial 2.25% 06/09/2024	1,600,000	1,650,029	0.26
Volkswagen Financial Services 1.75% 12/09/2022	1,000,000	1,019,091	0.16
Volkswagen International Finance 3.38% 16/11/2026	1,900,000	2,137,200	0.33
Volkswagen International Finance 4.13% 16/11/2038	1,900,000	2,429,560	0.38
Volkswagen International Finance, FRN 3.37% Perpetual	1,900,000	1,779,566	0.28
		15,663,742	2.44
Diversified Financial Services 3.51% (3.44%)			
EDP Finance 8.63% 04/01/2024	1,350,000	1,663,254	0.26
GE Capital UK Funding 5.88% 18/01/2033	3,524,000	4,809,869	0.75
M&G, FRN 5.62% 20/10/2051	3,445,000	4,121,629	0.64
M&G, FRN 5.56% 20/07/2055	2,510,000	2,991,315	0.46
M&G, FRN 6.34% 19/12/2063	1,200,000	1,576,612	0.24
Shell International Finance 1.75% 10/09/2052	2,040,000	2,041,061	0.32
Siemens Financieringsmaatschappij 3.75% 10/09/2042	700,000	1,054,337	0.16
Telereal Securitisation, Series A8 4.97% 10/12/2033	238,710	268,949	0.04
Telereal Securitisation, Series B5 5.43% 10/12/2033	35,680	42,987	0.01
Thames Water Utilities Finance 2.38% 22/04/2040	905,000	990,351	0.15
Thames Water Utilities Finance 5.50% 11/02/2041	413,000	665,527	0.10
Thames Water Utilities Finance 4.63% 04/06/2046	1,200,000	1,851,964	0.29
White City Property Finance 5.12% 17/04/2035	449,339	580,094	0.09
		22,657,949	3.51
Insurance 7.79% (8.09%)			
Aegon 6.63% 16/12/2039	300,000	546,197	0.08
AG Insurance, FRN 3.50% 30/06/2047	1,500,000	1,529,203	0.24
Allianz, FRN 3.50% 31/12/2164	800,000	596,218	0.09
Allianz Finance II 4.50% 13/03/2043	500,000	821,320	0.13
American International Group, FRN 1.75% 15/03/2067	900,000	774,000	0.12
ASR Nederland, FRN 4.62% Perpetual	235,000	227,175	0.04
Aviva, FRN 6.12% 14/11/2036	850,000	1,047,872	0.16
Aviva, FRN 5.12% 04/06/2050	3,535,000	4,297,712	0.67
AXA, FRN 5.62% 16/01/2054	850,000	1,132,574	0.18
AXA, FRN 5.45% Perpetual	2,600,000	3,019,250	0.47
Berkshire Hathaway Finance 2.38% 19/06/2039	1,005,000	1,182,590	0.18
Berkshire Hathaway Finance 2.63% 19/06/2059	855,000	1,128,053	0.17
E.ON International Finance 4.75% 31/01/2034	1,000,000	1,384,254	0.21
E.ON International Finance 6.65% 30/04/2038	2,970,000	3,240,273	0.50
E.ON International Finance 6.13% 06/07/2039	850,000	1,436,674	0.22
Hastings Group Finance 3.00% 24/05/2025	1,430,000	1,544,707	0.24
Hiscox 2.00% 14/12/2022	995,000	1,017,454	0.16
La Mondiale SAM 2.13% 23/06/2031	1,300,000	1,229,836	0.19
Legal & General Group, FRN 5.37% 27/10/2045	1,460,000	1,710,986	0.26
Legal & General Group, FRN 5.50% 27/06/2064	220,000	291,841	0.05
Metropolitan Life Global Funding I 1.13% 15/12/2021	1,005,000	1,014,333	0.16
Muenchener Rueckversicherungs-Gesellschaft, FRN 6.62% 26/05/2042	200,000	216,000	0.03
New York Life Global Funding 1.00% 15/12/2021	1,100,000	1,109,537	0.17
Pension Insurance 5.63% 20/09/2030	3,275,000	4,118,735	0.64
Phoenix Group Holdings 4.13% 20/07/2022	4,260,000	4,438,268	0.69

Phoenix Group Holdings 5.38% 06/07/2027	895,000	739,695	0.11
Phoenix Group Holdings, FRN 4.75% 04/09/2031	490,000	384,361	0.06
QBE Insurance Group, FRN 6.12% 24/05/2042	1,962,000	2,077,318	0.32
Rothsay Life 3.38% 12/07/2026	4,325,000	4,598,898	0.71
SCOR, FRN 5.25% Perpetual	2,200,000	1,699,952	0.26
Zurich Finance UK, FRN 6.62% Perpetual	1,653,000	1,803,286	0.28
	50,358,572	7.79	
Real Estate Management & Development 0.26% (0.28%)			
Aspire Defence Finance 4.67% 31/03/2040	1,234,889	1,697,399	0.26
	1,697,399	0.26	
Thriffs & Mortgage Finance 0.85% (0.27%)			
BPCE 1.38% 23/12/2026	2,600,000	2,703,228	0.42
BPCE 5.25% 16/04/2029	600,000	773,102	0.12
Equity Release Funding No. 3, Series A2 5.05% 26/04/2033	177,453	223,821	0.03
Nationwide Building Society 1.00% 24/01/2023	1,770,000	1,793,575	0.28
	5,493,726	0.85	
Financials total	233,344,412	36.18	
Health Care 3.66% (4.18%)			
Biotechnology 0.57% (0.70%)			
AbbVie 2.63% 15/11/2028	875,000	925,884	0.14
AbbVie 2.13% 01/06/2029	485,000	496,881	0.08
Amgen 4.00% 13/09/2029	1,740,000	2,181,857	0.34
Biogen 2.25% 01/05/2030	100,000	76,418	0.01
	3,681,040	0.57	
Health Care Equipment & Supplies 0.00% (0.24%)			
Health Care Providers & Services 1.48% (1.49%)			
BUPA Finance 2.00% 05/04/2024	3,150,000	3,302,079	0.51
BUPA Finance 1.75% 14/06/2027	3,290,000	3,424,439	0.53
BUPA Finance 4.13% 14/06/2035	1,545,000	1,788,194	0.28
Groupe VYV 1.63% 02/07/2029	1,100,000	1,039,547	0.16
	9,554,259	1.48	
Pharmaceuticals 1.61% (1.75%)			
GlaxoSmithKline Capital 1.25% 12/10/2028	2,720,000	2,829,638	0.44
GlaxoSmithKline Capital 1.63% 12/05/2035	1,105,000	1,160,357	0.18
GlaxoSmithKline Capital 5.25% 10/04/2042	850,000	1,441,560	0.22
Pfizer 2.74% 15/06/2043	1,760,000	2,203,289	0.34
Teva Pharmaceutical Finance Netherlands II 1.13% 15/10/2024	1,940,000	1,609,339	0.25
Teva Pharmaceutical Finance Netherlands II 4.50% 01/03/2025	450,000	415,883	0.06
Utah Acquisition Sub 3.13% 22/11/2028	720,000	766,185	0.12
	10,426,251	1.61	
Health Care total	23,661,550	3.66	
Industrials 6.67% (5.84%)			
Aerospace & Defense 0.00% (0.07%)			
Airlines 0.25% (0.00%)			
Southwest Airlines 4.75% 04/05/2023	770,000	612,239	0.09
Southwest Airlines 5.13% 15/06/2027	1,220,000	1,061,729	0.16
	1,673,968	0.25	
Building Products 0.49% (0.18%)			
Carrier Global 2.72% 15/02/2030	945,000	739,307	0.11
LafargeHolcim Sterling Finance Netherlands 3.00% 12/05/2032	400,000	465,879	0.07
Masco 2.00% 01/10/2030	1,590,000	1,184,255	0.18
Masco 4.50% 15/05/2047	950,000	871,592	0.13
	3,261,033	0.49	
Commercial Services & Supplies 0.25% (0.84%)			
AA Bond 2.75% 31/07/2043	700,000	685,334	0.11
Intrum 3.13% 15/07/2024	1,035,000	925,154	0.14
	1,610,488	0.25	
Construction & Engineering 1.51% (1.06%)			
Gatwick Funding 6.50% 02/03/2043	1,115,000	1,755,461	0.27
Heathrow Funding 1.50% 12/10/2027	990,000	926,190	0.14
Heathrow Funding 2.75% 13/10/2031	2,485,000	2,662,528	0.41
Heathrow Funding 6.45% 10/12/2033	1,223,000	1,770,608	0.27

Heathrow Funding 4.63% 31/10/2046	780,000	1,093,994	0.17
Manchester Airport Group Funding 2.88% 31/03/2039	565,000	597,576	0.09
Mexico City Airport Trust 5.50% 31/07/2047	767,000	591,122	0.09
Vinci 2.75% 15/09/2034	400,000	478,202	0.07
		9,875,681	1.51
Industrial Conglomerates 0.52% (0.52%)			
General Electric 5.50% 07/06/2021	155,000	158,283	0.02
General Electric 3.45% 01/05/2027	385,000	318,558	0.05
General Electric 3.63% 01/05/2030	385,000	321,893	0.05
General Electric 4.88% 18/09/2037	1,040,000	1,242,126	0.19
General Electric 5.38% 18/12/2040	1,000,000	1,377,204	0.21
		3,418,064	0.52
Machinery 0.29% (0.25%)			
CNH Industrial Finance Europe 1.88% 19/01/2026	1,660,000	1,589,738	0.25
KION Group 1.63% 24/09/2025	300,000	276,970	0.04
		1,866,708	0.29
Marine 0.42% (0.37%)			
AP Moller - Maersk 4.00% 04/04/2025	2,443,000	2,728,335	0.42
		2,728,335	0.42
Road & Rail 1.53% (1.29%)			
Eversholt Funding 6.70% 22/02/2035	1,120,000	1,499,214	0.23
Eversholt Funding 2.74% 30/06/2040	1,725,000	1,865,524	0.29
Eversholt Funding 3.53% 07/08/2042	1,105,000	1,311,247	0.20
High Speed Rail Finance 1 4.38% 01/11/2038	1,750,000	2,339,229	0.36
Loxam 2.88% 15/04/2026	560,000	493,484	0.08
Network Rail Infrastructure Finance 4.75% 29/11/2035	1,073,000	1,682,613	0.26
Transport for London 3.63% 15/05/2045	500,000	712,569	0.11
		9,903,880	1.53
Trading Companies & Distributors 0.20% (0.00%)			
Air Lease 3.38% 01/07/2025	1,390,000	1,093,532	0.17
Travis Perkins 3.75% 17/02/2026	210,000	217,909	0.03
		1,311,441	0.20
Transportation Infrastructure 1.21% (1.26%)			
Abertis Infraestructuras 3.38% 27/11/2026	1,600,000	1,755,776	0.27
Autostrade per l'Italia 6.25% 09/06/2022	3,190,000	3,366,853	0.52
Nats En Route 5.25% 31/03/2026	106,925	121,334	0.02
SNCF Reseau 4.83% 25/03/2060	1,313,000	2,578,559	0.40
		7,822,522	1.21
Industrials total		43,472,120	6.67
Information Technology 1.86% (1.92%)			
Electronic Equipment, Instruments & Components 0.21% (0.00%)			
Flex 4.88% 12/05/2030	1,560,000	1,372,154	0.21
		1,372,154	0.21
IT Services 0.66% (1.08%)			
DXC Technology 4.13% 15/04/2025	450,000	363,913	0.06
DXC Technology 1.75% 15/01/2026	1,470,000	1,347,803	0.21
Fiserv 3.00% 01/07/2031	2,190,000	2,538,849	0.39
		4,250,565	0.66
Semiconductors & Semiconductor Equipment 0.37% (0.24%)			
Broadcom 4.70% 15/04/2025	670,000	561,687	0.09
Broadcom 3.15% 15/11/2025	1,375,000	1,098,383	0.17
NXP 2.70% 01/05/2025	265,000	208,654	0.03
NXP 3.15% 01/05/2027	660,000	532,342	0.08
		2,401,066	0.37
Software 0.11% (0.18%)			
Infor 1.75% 15/07/2025	935,000	710,503	0.11
		710,503	0.11

Technology Hardware, Storage & Peripherals 0.51% (0.42%)

Apple 3.60% 31/07/2042	950,000	1,419,313	0.22
Dell International 5.88% 15/06/2021	662,000	485,162	0.08
Dell International 5.85% 15/07/2025	670,000	588,571	0.09
Dell International 5.30% 01/10/2029	855,000	766,807	0.12

3,259,853 0.51

Information Technology total

11,994,141 1.86

Materials 1.64% (1.38%)**Chemicals 0.72% (0.43%)**

Air Products and Chemicals 2.05% 15/05/2030	700,000	546,270	0.08
CNAC HK Finbridge 4.13% 14/03/2021	765,000	561,543	0.09
CNAC HK Finbridge 3.50% 19/07/2022	835,000	616,626	0.09
CNAC HK Finbridge 4.63% 14/03/2023	1,030,000	780,407	0.12
Syngenta Finance 3.93% 23/04/2021	720,000	530,255	0.08
UPL 4.63% 16/06/2030	2,115,000	1,668,683	0.26

4,703,784 0.72

Construction Materials 0.00% (0.18%)**Containers & Packaging 0.00% (0.03%)****Metals & Mining 0.92% (0.74%)**

BHP Billiton Finance 4.30% 25/09/2042	650,000	976,810	0.15
Corp. Nacional del Cobre de Chile 3.63% 01/08/2027	610,000	498,087	0.08
Glencore Finance Europe 6.00% 03/04/2022	1,565,000	1,669,235	0.26
Glencore Finance Europe 3.13% 26/03/2026	1,290,000	1,390,579	0.22
Teck Resources 3.90% 15/07/2030	735,000	597,897	0.09
Vale Overseas 3.75% 08/07/2030	930,000	756,893	0.12

5,889,501 0.92

Materials total

10,593,285 1.64

Real Estate 6.39% (6.39%)**Equity Real Estate Investment Trusts (REITs) 1.79% (1.76%)**

alstria office REIT 1.50% 23/06/2026	1,000,000	936,377	0.15
Globalworth Real Estate Investments 3.00% 29/03/2025	800,000	755,882	0.12
Land Securities Capital Markets 2.38% 29/03/2029	535,000	570,698	0.09
Land Securities Capital Markets 2.40% 08/02/2031	1,150,000	1,241,623	0.19
Land Securities Capital Markets 2.63% 22/09/2039	1,805,000	2,036,199	0.32
MPT Operating Partnership 3.33% 24/03/2025	750,000	713,574	0.11
Scentre Group Trust 1 3.88% 16/07/2026	900,000	1,014,574	0.16
Scentre Group Trust 2, FRN 4.75% 24/09/2080	1,855,000	1,408,394	0.22
Unibail-Rodamco-Westfield, FRN 2.88% Perpetual	900,000	764,165	0.12
Vicinity Centres Trust 3.38% 07/04/2026	1,840,000	2,010,533	0.31

11,452,019 1.79

Real Estate Management & Development 4.60% (4.63%)

ADLER Group 1.50% 26/07/2024	1,700,000	1,492,750	0.23
ADLER Real Estate 3.00% 27/04/2026	700,000	658,772	0.10
Akelius Residential Property 2.38% 15/08/2025	1,815,000	1,923,828	0.30
Annington Funding 3.18% 12/07/2029	1,640,000	1,856,665	0.29
Annington Funding 3.94% 12/07/2047	1,590,000	2,133,759	0.33
Aroundtown 0.38% 23/09/2022	600,000	540,177	0.08
Aroundtown 3.25% 18/07/2027	2,025,000	2,261,840	0.35
Aroundtown 3.63% 10/04/2031	1,540,000	1,807,924	0.28
Broadgate Financing, Series A4 4.82% 05/07/2036	325,000	439,290	0.07
Broadgate Financing, Series C2 5.10% 05/04/2035	986,401	1,178,861	0.18
Canary Wharf Finance II 6.80% 22/10/2033	223,133	286,420	0.04
Canary Wharf Finance II, Series A3 5.95% 22/10/2037	125,000	181,327	0.03
CPI Property Group 2.75% 12/05/2026	1,455,000	1,411,582	0.22
CPI Property Group 2.75% 22/01/2028	640,000	658,715	0.10
Kojamo 1.63% 17/10/2023	415,000	386,382	0.06
Lendlease Finance 3.40% 27/10/2027	2,660,000	1,581,862	0.25
London & Quadrant Housing Trust 2.75% 20/07/2057	850,000	1,067,209	0.17
Mirvac Group Finance 3.63% 18/03/2027	2,230,000	1,763,119	0.27
Notting Hill Genesis 4.38% 20/02/2054	650,000	1,013,416	0.16
Shimao Group Holdings 4.60% 13/07/2030	200,000	157,996	0.03
Sunac China Holdings 6.50% 10/01/2025	620,000	468,546	0.07

Sunac China Holdings 7.00% 09/07/2025	685,000	521,787	0.08
Telereal Secured Finance 4.01% 10/12/2033	782,405	846,254	0.13
Tesco Property Finance 3 5.74% 13/04/2040	1,941,229	2,654,068	0.41
Tesco Property Finance 4 5.80% 13/10/2040	667,013	916,283	0.14
THFC Funding No. 2 6.35% 08/07/2041	871,000	1,503,967	0.23
		29,712,799	4.60
Real Estate total		41,164,818	6.39

Utilities 11.59% (11.34%)

Electric Utilities 6.70% (6.46%)

Ausgrid Finance 1.81% 05/02/2027	1,520,000	866,321	0.13
Electricite de France 6.13% 02/06/2034	1,000,000	1,546,679	0.24
Electricite de France 5.50% 17/10/2041	3,800,000	5,971,426	0.93
Electricite de France 2.00% 09/12/2049	1,200,000	1,249,031	0.19
Electricite de France, FRN 5.87% Perpetual	1,800,000	2,086,650	0.32
Electricite de France, FRN 6.00% Perpetual	1,100,000	1,252,350	0.19
Enel 5.75% 22/06/2037	1,307,000	2,046,307	0.32
Enel, FRN 6.62% 15/09/2076	230,000	238,464	0.04
Enel Finance International 5.63% 14/08/2024	650,000	768,580	0.12
Enel Finance International 1.00% 20/10/2027	865,000	875,884	0.14
Enel Finance International 5.75% 14/09/2040	1,128,000	1,837,927	0.28
ENW Finance 1.42% 30/07/2030	1,010,000	1,048,911	0.16
ESB Finance DAC 1.88% 21/07/2035	750,000	824,196	0.13
Huaneng Hong Kong Capital, FRN 3.60% Perpetual	1,170,000	867,047	0.13
Iberdrola Finanzas 6.00% 01/07/2022	1,500,000	1,625,400	0.25
Iberdrola Finanzas 7.38% 29/01/2024	1,000,000	1,208,276	0.19
NIE Finance 2.50% 27/10/2025	1,420,000	1,544,808	0.24
Northern Powergrid Yorkshire 4.38% 05/07/2032	140,000	186,376	0.03
Northern Powergrid Yorkshire 2.25% 09/10/2059	890,000	1,088,597	0.17
NSW Electricity Networks Finance 2.54% 23/09/2030	2,110,000	1,224,174	0.19
Orsted 5.75% 09/04/2040	710,000	1,224,892	0.19
Pacific Gas and Electric 2.10% 01/08/2027	1,355,000	1,008,725	0.16
Pacific Gas and Electric 2.50% 01/02/2031	675,000	495,603	0.08
South Eastern Power Networks 6.37% 12/11/2031	1,825,000	2,817,753	0.44
SP Manweb 4.88% 20/09/2027	500,000	627,547	0.10
SSE 8.38% 20/11/2028	657,000	1,017,964	0.16
SSE 6.25% 27/08/2038	200,000	342,742	0.05
Star Energy Geothermal Darajat II/Star Energy Geothermal Salak 4.85% 14/10/2038	1,040,000	848,791	0.13
Tauron Polska Energia 2.38% 05/07/2027	790,000	737,551	0.11
Western Power Distribution 3.50% 16/10/2026	1,635,000	1,820,662	0.28
Western Power Distribution West Midlands 5.75% 16/04/2032	2,669,000	3,935,729	0.61
		43,235,363	6.70

Gas Utilities 1.16% (1.47%)

Northern Gas Networks Finance 4.88% 15/11/2035	585,000	849,232	0.13
Northern Gas Networks Finance 5.63% 23/03/2040	527,000	866,953	0.13
Quadgas Finance 3.38% 17/09/2029	1,605,000	1,788,694	0.28
Redexis Gas Finance 1.88% 27/04/2027	1,000,000	971,615	0.15
SGSP Australia Assets 3.25% 29/07/2026	650,000	522,956	0.08
Wales & West Utilities Finance 5.75% 29/03/2030	562,000	794,731	0.12
Wales & West Utilities Finance 3.00% 03/08/2038	1,405,000	1,754,615	0.27
		7,548,796	1.16

Independent Power and Renewable Electricity Producers 0.51% (0.00%)

Eastern Power Networks 1.88% 01/06/2035	3,085,000	3,315,459	0.51
		3,315,459	0.51

Multi-Utilities 1.54% (1.84%)

Centrica 4.38% 13/03/2029	838,000	1,042,219	0.16
Centrica 4.25% 12/09/2044	740,000	1,069,707	0.17
Engie 5.00% 01/10/2060	800,000	1,563,778	0.24
National Grid Electricity Transmission 4.00% 08/06/2027	740,000	890,615	0.14
National Grid Electricity Transmission 7.38% 13/01/2031	467,000	724,443	0.11
National Grid Electricity Transmission 2.00% 17/04/2040	1,135,000	1,243,475	0.19
Suez 5.38% 02/12/2030	500,000	695,108	0.11
Veolia Environnement 6.13% 29/10/2037	1,600,000	2,698,402	0.42
		9,927,747	1.54

Water Utilities 1.68% (1.57%)

Anglian Water Services Financing 1.63% 10/08/2025	925,000	972,083	0.15
Anglian Water Services Financing 4.50% 22/02/2026	740,000	849,004	0.13
Anglian Water Services Financing 2.63% 15/06/2027	350,000	370,646	0.06
Anglian Water Services Financing 4.50% 05/10/2027	290,000	354,572	0.05
Anglian Water Services Financing, STEP 6.63% 15/01/2029	978,000	1,390,985	0.22
DWR Cymru Financing UK 6.02% 31/03/2028	165,000	225,245	0.03
FCC Aqualia 2.63% 08/06/2027	705,000	687,788	0.11
Northumbrian Water Finance 1.63% 11/10/2026	1,055,000	1,105,077	0.17
Northumbrian Water Finance 5.13% 23/01/2042	261,000	426,524	0.07
Severn Trent Utilities Finance 2.00% 02/06/2040	1,075,000	1,166,806	0.18
Southern Water Services Finance 6.64% 31/03/2026	1,171,000	1,484,618	0.23
Wessex Water Services Finance 1.50% 17/09/2029	760,000	788,052	0.12
Yorkshire Water Finance 6.38% 19/08/2039	569,000	1,005,946	0.16

Utilities total

10,827,346	1.68
74,854,711	11.59

Corporate Bonds total

571,533,384	88.54
--------------------	--------------

Supranationals 0.59% (0.86%)**Financials 0.59% (0.86%)****Banks 0.59% (0.59%)**

European Investment Bank 3.88% 08/06/2037	2,550,000	3,791,386	0.59
---	-----------	-----------	------

3,791,386	0.59
------------------	-------------

Diversified Financial Services 0.00% (0.27%)**Financials total**

3,791,386	0.59
------------------	-------------

Supranationals total

3,791,386	0.59
------------------	-------------

Swaps (0.03)% ((0.04)%)

Credit Default Swap J.P. Morgan Buy United Mexican States 4.15% 28/03/2027 20/06/2024	3,400,000	(42,734)	(0.01)
---	-----------	----------	--------

Credit Default Swap J.P. Morgan Sell Republic of Turkey 11.88% 15/01/2030 20/06/2024	3,400,000	(137,329)	(0.02)
--	-----------	-----------	--------

Swaps total

(180,063)	(0.03)
------------------	---------------

Forward Currency Contracts 0.43% (0.49%)

Buy AUD 12,715,000 sell GBP 7,028,706 dated 07/01/2021	182,045	0.03
Buy BRL 17,000,000 sell USD 3,182,925 dated 07/01/2021	65,906	0.01
Buy BRL 6,150,000 sell USD 1,179,064 dated 04/02/2021	3,270	–
Buy CAD 6,820,000 sell GBP 3,950,594 dated 07/01/2021	(26,254)	–
Buy CNY 40,500,000 sell USD 6,138,224 dated 07/01/2021	42,978	0.01
Buy CNY 40,500,000 sell USD 6,195,503 dated 04/02/2021	4,308	–
Buy COP 14,377,548,000 sell USD 3,974,663 dated 07/01/2021	166,195	0.03
Buy COP 14,377,548,000 sell USD 4,124,250 dated 04/02/2021	56,228	0.01
Buy GBP 42,472,838 sell EUR 47,045,000 dated 07/01/2021	161,628	0.02
Buy GBP 7,135,268 sell JPY 998,000,000 dated 07/01/2021	40,428	0.01
Buy GBP 24,024,784 sell NZD 45,475,000 dated 07/01/2021	(96,941)	(0.02)
Buy GBP 7,156,986 sell SEK 81,310,000 dated 07/01/2021	(137,738)	(0.02)
Buy GBP 4,482,861 sell THB 181,130,000 dated 07/01/2021	47,156	0.01
Buy GBP 109,920,353 sell USD 147,090,000 dated 07/01/2021	2,156,403	0.33
Buy HUF 616,200,000 sell GBP 1,557,603 dated 07/01/2021	(36,574)	(0.01)
Buy IDR 30,188,700,000 sell USD 2,130,315 dated 07/01/2021	29,026	–
Buy IDR 30,188,700,000 sell USD 2,133,779 dated 04/02/2021	23,549	–
Buy INR 287,800,000 sell USD 3,880,013 dated 07/01/2021	42,678	0.01
Buy INR 287,800,000 sell USD 3,918,045 dated 04/02/2021	7,236	–
Buy JPY 444,397,616 sell AUD 5,675,000 dated 07/01/2021	(59,077)	(0.01)
Buy JPY 222,346,577 sell USD 2,140,000 dated 07/01/2021	12,826	–
Buy MXN 123,610,000 sell GBP 4,586,333 dated 07/01/2021	(33,176)	(0.01)
Buy MXN 43,591,376 sell ZAR 32,190,000 dated 07/01/2021	(977)	–
Buy MYR 6,978,000 sell USD 1,712,813 dated 07/01/2021	15,198	–
Buy MYR 6,978,000 sell USD 1,728,940 dated 04/02/2021	1,980	–
Buy NOK 146,120,000 sell GBP 12,387,269 dated 07/01/2021	180,122	0.03
Buy NZD 6,058,758 sell AUD 5,670,000 dated 07/01/2021	(1,687)	–
Buy PEN 7,698,650 sell USD 2,140,000 dated 07/01/2021	(1,934)	–
Buy PEN 7,698,650 sell USD 2,127,698 dated 04/02/2021	7,857	–

Buy PHP 192,850,000 sell USD 4,015,199 dated 07/01/2021	(1,294)	–
Buy PLN 15,110,000 sell GBP 3,057,196 dated 07/01/2021	(74,550)	(0.01)
Buy RUB 433,240,500 sell USD 5,694,838 dated 11/01/2021	70,417	0.01
Buy RUB 589,156,500 sell USD 7,952,982 dated 11/01/2021	(57,114)	(0.01)
Buy RUB 511,198,500 sell USD 6,775,553 dated 04/02/2021	29,681	–
Buy TRY 16,300,000 sell GBP 1,538,405 dated 07/01/2021	70,679	0.01
Buy TWD 102,000,000 sell USD 3,635,068 dated 07/01/2021	(3,651)	–
Buy USD 2,140,000 sell BRL 10,850,870 dated 07/01/2021	37,338	0.01
Buy USD 1,179,350 sell BRL 6,149,130 dated 07/01/2021	(3,294)	–
Buy USD 2,140,000 sell CAD 2,739,667 dated 07/01/2021	(8,601)	–
Buy USD 6,207,848 sell CNY 40,500,000 dated 07/01/2021	8,032	–
Buy USD 4,122,003 sell COP 14,377,548,000 dated 07/01/2021	(58,248)	(0.01)
Buy USD 4,281,078 sell EUR 3,525,000 dated 07/01/2021	(33,819)	(0.01)
Buy USD 2,136,497 sell IDR 30,188,700,000 dated 07/01/2021	(24,497)	–
Buy USD 3,928,474 sell INR 287,800,000 dated 07/01/2021	(7,174)	–
Buy USD 2,140,000 sell MXN 42,536,033 dated 07/01/2021	1,040	–
Buy USD 1,728,511 sell MYR 6,978,000 dated 07/01/2021	(3,697)	–
Buy USD 2,127,287 sell PEN 7,698,650 dated 07/01/2021	(7,381)	–
Buy USD 4,005,525 sell PHP 192,850,000 dated 07/01/2021	(5,793)	–
Buy USD 4,007,523 sell PHP 192,850,000 dated 04/02/2021	(1,098)	–
Buy USD 6,887,982 sell RUB 511,198,500 dated 11/01/2021	40,288	0.01
Buy USD 6,792,433 sell RUB 511,198,500 dated 11/01/2021	(29,712)	–
Buy USD 3,592,814 sell TWD 102,000,000 dated 07/01/2021	(27,305)	–
Buy USD 3,657,225 sell TWD 102,000,000 dated 04/02/2021	10,265	–
Buy USD 1,065,000 sell ZAR 16,040,009 dated 07/01/2021	(20,324)	–
Forward Currency Contracts total	2,752,847	0.43

Futures 0.10% (0.02%)

Euro-Bobl 08/03/2021	(222)	5,990	–
Euro-Bund 08/03/2021	(104)	(34,607)	(0.01)
Euro-buxl 30 Year Bond 08/03/2021	(29)	(46,946)	(0.01)
Long Gilt 29/03/2021	351	486,135	0.08
US 5 Year Note 31/03/2021	192	32,969	0.01
US 10 Year Note 22/03/2021	476	32,695	–
US Ultra Bond 22/03/2021	(101)	193,667	0.03
Futures total		669,903	0.10

Investment assets (including investment liabilities)	624,340,356	96.72
Net other assets	21,184,951	3.28
Net assets attributable to shareholders	645,525,307	100.00

All holdings are debt securities and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

† A related party to the sub-fund.

UBS Corporate Bond UK Plus Fund

Portfolio Movements (unaudited)

Largest purchases

	Cost £
For the year ended 31 December 2020	
Inter-American Development Bank 1.38% 15/12/2024	5,111,900
Kreditanstalt fuer Wiederaufbau 0.88% 18/07/2024	4,995,450
Council Of Europe Development Bank 0.75% 22/07/2027	4,966,950
Telefonica Emisiones 5.60% 12/03/2020	4,020,580
HSBC Holdings 6.00% 29/03/2040	3,645,024
International Finance 0.75% 22/07/2027	3,385,958
BUPA Finance 1.75% 14/06/2027	3,279,933
Eastern Power Networks 1.88% 01/06/2035	3,074,233
International Development Association 0.75% 12/12/2024	2,994,780
Lloyds Banking Group, FRN 1.88% 15/01/2026	2,994,180
Nissan Motor 4.35% 17/09/2027	2,941,041
GlaxoSmithKline Capital 1.25% 12/10/2028	2,694,133
Fomento Economico Mexicano 3.50% 16/01/2050	2,683,979
BPCE 1.38% 23/12/2026	2,588,612
Diageo Finance 1.25% 28/03/2033	2,571,660
ViacomCBS 4.75% 15/05/2025	2,560,311
Morgan Stanley, FRN 3.62% 01/04/2031	2,539,534
Heathrow Funding 2.75% 13/10/2031	2,493,388
Diageo Finance 2.88% 27/03/2029	2,387,952
LVMH Moet Hennessy Louis Vuitton 1.00% 11/02/2023	2,299,287
Total for the year (Note 15)	196,332,922

Largest sales

	Proceeds £
For the year ended 31 December 2020	
Inter-American Development Bank 1.38% 15/12/2024	5,162,500
Kreditanstalt fuer Wiederaufbau 0.88% 18/07/2024	5,042,550
Council Of Europe Development Bank 0.75% 22/07/2027	4,996,100
Telefonica Emisiones 5.60% 12/03/2020	4,000,000
International Finance 0.75% 22/07/2027	3,387,012
HSBC Bank 4.75% 24/03/2046	3,284,264
AA Bond 2.88% 31/07/2043	3,175,652
British Telecommunications 3.63% 21/11/2047	3,131,331
International Development Association 0.75% 12/12/2024	3,006,270
Italy Buoni Poliennali Del Tesoro 1.35% 15/04/2022	2,591,229
Aviva, FRN 5.90% Perpetual	2,515,000
AXA, FRN 3.25% 28/05/2049	2,373,960
Cooperatieve Rabobank, FRN 5.50% Perpetual	2,290,165
Bristol-Myers Squibb 4.25% 26/10/2049	2,287,859
International Business Machines 3.30% 15/05/2026	2,211,424
Kommunalbanken 1.00% 12/12/2024	2,019,880
Goldman Sachs Group 1.63% 27/07/2026	2,019,100
LVMH Moet Hennessy Louis Vuitton 1.00% 14/06/2022	1,951,405
Redexis Gas Finance 1.88% 27/04/2027	1,946,614
Westpac Banking, FRN 4.11% 24/07/2034	1,932,457
Total for the year (Note 15)	163,402,126

UBS Corporate Bond UK Plus Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

	Notes	£	31.12.20 £	31.12.19 £
Income				
Net capital gains	2		37,245,438	45,382,346
Revenue	3	18,009,308		17,003,124
Expenses	4	(282,887)		(168,806)
Net revenue before taxation		17,726,421		16,834,318
Taxation	5	135		-
Net revenue after taxation			17,726,556	16,834,318
Total return before distributions			54,971,994	62,216,664
Distributions	6		(17,931,270)	(16,993,210)
Change in net assets attributable to shareholders from investment activities			37,040,724	45,223,454

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

	£	31.12.20 £	31.12.19 £
Opening net assets attributable to shareholders		593,921,438	499,119,872
Amounts receivable on issue of shares	229,666		35,854,575
Amounts payable on cancellation of shares	(3,579,539)		(3,326,664)
		(3,349,873)	32,527,911
Dilution adjustment		9,679	67,726
Change in net assets attributable to shareholders from investment activities (see above)		37,040,724	45,223,454
Retained distribution on accumulation shares		17,903,339	16,982,475
Closing net assets attributable to shareholders		645,525,307	593,921,438

UBS Corporate Bond UK Plus Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	625,363,882	558,862,551
Current assets			
Debtors	8	8,021,717	7,956,017
Cash and bank balances	9	13,232,110	28,720,287
Total assets		646,617,709	595,538,855
Liabilities			
Investment liabilities	7	1,023,526	1,533,789
Creditors			
Distributions payable		2,642	4,471
Other creditors	10	66,234	79,157
Total liabilities		1,092,402	1,617,417
Net assets attributable to shareholders		645,525,307	593,921,438

UBS Corporate Bond UK Plus Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital gains

	31.12.20 £	31.12.19 £
Derivative contracts	400,160	(663,355)
Foreign currency losses	(1,395,412)	(9,436,266)
Forward currency contracts	2,404,326	15,195,398
Non-derivative securities	35,841,334	40,294,451
Transaction costs	(4,970)	(7,882)
Net capital gains	37,245,438	45,382,346

3. Revenue

	31.12.20 £	31.12.19 £
Bank interest	10,038	25,879
Interest distributions	1,066,857	247,441
Interest on debt securities	16,933,962	16,771,145
Net revenue return from derivative contracts	(1,549)	(41,341)
Total revenue	18,009,308	17,003,124

4. Expenses

	31.12.20 £	31.12.19 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	7,370	16,931
Expense fee rebate	(2)	(6,426)
Registrar's fee	29,787	(57,360)
	37,155	(46,855)
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	70,067	64,851
Interest payable	32,527	17,797
	102,594	82,648
Other expenses:		
Administration fee	97,024	98,102
Audit fee	11,670	8,704
Derivative fee	-	504
Price publication costs	-	1
Professional fee	7,817	512
Safe custody fee	25,624	24,193
Taxation fee	1,003	997
	143,138	133,013
Total expenses	282,887	168,806

The audit fee for the year, excluding VAT, was £8,500 (2019: £8,500).

5. Taxation

(a) Analysis of the tax charge for the year

	31.12.20 £	31.12.19 £
Overseas withholding tax	(135)	-
Total tax charge for the year (Note 5(b))	(135)	-

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	17,725,708	16,834,318
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	3,545,142	3,366,864
Effects of:		
Irrecoverable overseas withholding tax	(135)	-
Tax deductible on interest distributions	(3,545,142)	(3,366,864)
Total tax charge for the year (Note 5(a))	(135)	-

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim - First quarterly interest distribution	4,075,338	3,922,600
Interim - Second quarterly interest distribution	4,709,819	4,197,410
Interim - Third quarterly interest distribution	4,477,480	4,743,756
Final interest distribution	4,651,885	4,152,509
	17,914,522	17,016,275
Add: Revenue deducted on cancellation of shares	17,419	12,010
Deduct: Revenue received on issue of shares	(671)	(35,075)
Distributions	17,931,270	16,993,210
Movement between net revenue after taxation and distributions		
Net revenue after taxation	17,725,843	16,834,318
Add: ACD fee taken to capital	7,370	16,931
Add: Equalisation on conversions	-	9
Add: Other expenses taken to capital	242,990	134,573
Add: Undistributed revenue brought forward	10,987	18,366
Deduct: Undistributed revenue carried forward	(55,920)	(10,987)
Distributions	17,931,270	16,993,210

Details of the distributions per share are set out in the Distribution Tables on pages 36 and 37.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

Basis of valuation	31.12.20		31.12.19	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: Quoted prices	751,456	(81,553)	997,836	(896,281)
Level 2: Observable market data	624,612,426	(941,973)	557,864,715	(637,508)
Level 3: Unobservable data	-	-	-	-
Total	625,363,882	(1,023,526)	558,862,551	(1,533,789)

8. Debtors

	31.12.20 £	31.12.19 £
Accrued revenue	8,018,402	7,873,873
Amounts receivable for issue of shares	769	-
Overseas withholding tax recoverable	2,455	2,320
Prepaid expenses	-	7,483
Sales awaiting settlement	-	72,192
TER fees rebate	91	149
Total debtors	8,021,717	7,956,017

9. Cash and bank balances

	31.12.20 £	31.12.19 £
Amounts held at futures clearing houses and brokers	1,297,724	1,665,850
Cash and bank balances	11,934,386	27,054,437
Total cash and bank balances	13,232,110	28,720,287

10. Other creditors

	31.12.20 £	31.12.19 £
Accrued expenses	66,148	78,543
Amounts payable for cancellation of shares	86	614
Total other creditors	66,234	79,157

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £500 and £13,356 respectively (2019: £3,346 and £18,387) and the amount included in debtors in respect of the TER fees rebate due from the ACD is £91 (2019: £149).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

UBS Global Allocation (UK) Fund is a significant investor in this sub-fund. Transactions with the Fund were entered into in the normal course of business and on normal terms. No initial charge was paid by UBS Global Allocation (UK) Fund on these transactions. The entity holds Class K Accumulation Gross shares on which no ACD fee is payable. The aggregate value of these transactions during the year was £2,000,000 (2019: £nil). As at 31 December 2020, the entity held 6,941,429 shares in the sub-fund with a market value of £7,737,525 (2019: 8,985,363 shares with a market value of £9,147,269).

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Value at risk

The sub-fund is permitted to invest in exchange traded bond, deposit, consumer price index and currency futures, currency forwards, credit default swaps, total return swaps, interest rate swaps and inflation swaps. The sub-fund will use derivatives as part of its investment capabilities and are used to manage market exposure inherent in an invested portfolio. The derivatives overlay is designed to remove unwanted market risk and allow tactical asset allocation and currency views to be expressed efficiently. However, such instruments are inherently volatile and the sub-fund could be potentially exposed to additional risk and costs should the market move against it. The ACD also assesses the market risk of the sub-fund's investments, including any derivative exposures, using a Value at Risk (VaR) methodology with a 99% confidence level and one month time horizon. This process provides the ACD with an estimate of the maximum potential loss that could be expected to occur as a result of changes in the market prices over a given year of time in all but a given percentage of circumstances.

The ACD calculates global exposure using the relative Value at Risk (VaR) approach. The Fund's leverage level is expected to be 500% of the Fund's total Net Asset Value based on the sum of notional exposures of financial derivative instruments in the investment portfolio including those held for risk reduction purposes. This level of leverage will vary over time and may increase under certain market conditions.

The sub-fund's reference portfolio used in relative VaR calculations is the Markit iBoxx GBP Non-Gilts Overall TR Index.

Specific details of the measures are as follows:

	31.12.20 %	31.12.19 %
Calculation Model:	Risk Metrics Historical Simulation Model	
Confident Level:	99%	99%
Holding Period:	20 Days	20 Days
Data History	2Y of daily data	2Y of daily data
Lowest:	1.77%	1.89%
Highest:	13.45%	2.17%
Average:	10.51%	2.04%
Lowest utilisation of VaR limit:	50.18%	43.29%
Highest utilisation of VaR limit:	86.66%	57.48%
Average utilisation of VaR limit:	71.06%	48.63%
Limit	200.00%	200.00%

(b) Leverage

Average leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach (CESR/10-788)) divided by the net asset value.

For the year under review:

	31.12.20 %	31.12.19 %
Leverage	93.01%	90.36%
The lowest leverage was:	60.76%	26.48%
The highest leverage was:	202.04%	223.58%
The average leverage was:	87.02%	100.78%

14. Debt securities

	31.12.20	31.12.19
	£	£
Investment grade securities	582,075,095	506,878,302
Below investment grade securities	26,276,295	34,490,565
Unrated securities	1,253,429	1,660,931
Total debt securities	609,604,819	543,029,798

15. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.20						
Purchases						
Bonds	196,332,922	-	-	196,332,922	-	-
	196,332,922	-	-	196,332,922		
Sales						
Bonds	163,402,126	-	-	163,402,126	-	-
	163,402,126	-	-	163,402,126		
Total cost as percentage of average net asset value		0.00%	0.00%			

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.19						
Purchases						
Bonds	122,882,436	-	-	122,882,436	-	-
	122,882,436	-	-	122,882,436		
Sales						
Bonds	92,792,082	-	-	92,792,082	-	-
	92,792,082	-	-	92,792,082		
Total cost as percentage of average net asset value		0.00%	0.00%			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.75% (2019: 0.64%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price. The ACD believes this spread to be representative of the typical spread throughout the year.

16. Counterparty exposure

The types of derivatives held at the balance sheet date were forward exchange contracts, futures contracts and credit default swaps. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

As at 31.12.20

Counterparty	Collateral type £	Collateral amount* £	Forward exchange contracts £	Futures contracts £	Credit default swaps £	Total £
Barclays	-	-	(33,176)	-	-	(33,176)
Canadian Imperial	-	-	(20,324)	-	-	(20,324)
Goldman Sachs	-	-	142,939	-	-	142,939
HSBC	-	-	69,220	-	-	69,220
J.P. Morgan	-	-	208,008	-	(180,063)	27,945
Morgan Stanley	-	-	197,512	-	-	197,512
State Street	-	-	24,126	-	-	24,126
UBS	Cash	1,297,724	(77,625)	669,903	-	1,890,002
Westpac Banking	-	-	2,242,167	-	-	2,242,167

As at 31.12.19

Counterparty	Collateral type £	Collateral amount* £	Forward exchange contracts £	Futures contracts £	Credit default swaps £	Total £
Bank of America	-	-	50,293	-	-	50,293
Barclays	-	-	156,474	-	-	156,474
Goldman Sachs	-	-	25,932	-	(100)	25,832
HSBC	-	-	(57,183)	-	-	(57,183)
J.P. Morgan	-	-	255,376	-	(214,528)	40,848
Morgan Stanley	-	-	(34,424)	-	-	(34,424)
State Street	-	-	609,736	-	-	609,736
UBS	Cash	1,665,850	2,016,138	101,555	-	3,783,543
Westpac Banking	-	-	(126,023)	-	-	(126,023)

*The collateral value is positive where the sub-fund has provided collateral to the counterparty or negative where the counterparty has provided collateral to the sub-fund.

17. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation Gross shares	2,506,261	287,229	(1,763,914)	-	1,029,576
Class C - Income Gross shares	1,146,314	27,651	(544,976)	-	628,989
Class K - Accumulation Gross shares	582,465,748	-	(2,043,934)	-	580,421,814

UBS Corporate Bond UK Plus Fund

Distribution Tables

Quarterly distribution for the three months ended 31 March 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 31 March 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.05.20 p per share	Distribution paid 31.05.19 p per share
Class C - Accumulation Gross shares				
Group 1	0.500000	–	0.500000	0.510000
Group 2	0.200998	0.299002	0.500000	0.510000
Class C - Income Gross shares				
Group 1	0.380000	–	0.380000	0.400000
Group 2	0.221954	0.158046	0.380000	0.400000
Class K - Accumulation Gross shares				
Group 1	0.700000	–	0.700000	0.710000
Group 2	0.700000	0.000000	0.700000	0.710000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Interim distribution for the three months ended 30 June 2020

Group 1 Shares purchased prior to 1 April 2020

Group 2 Shares purchased on or after 1 April 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation Gross shares				
Group 1	0.580000	–	0.580000	0.540000
Group 2	0.416515	0.163485	0.580000	0.540000
Class C - Income Gross shares				
Group 1	0.430000	–	0.430000	0.420000
Group 2	0.218236	0.211764	0.430000	0.420000
Class K - Accumulation Gross shares				
Group 1	0.810000	–	0.810000	0.760000
Group 2	0.810000	0.000000	0.810000	0.760000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Quarterly distribution for the three months ended 30 September 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 30 September 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 30.11.20 p per share	Distribution paid 30.11.19 p per share
Class C - Accumulation Gross shares				
Group 1	0.540000	–	0.540000	0.580000
Group 2	0.329312	0.210688	0.540000	0.580000
Class C - Income Gross shares				
Group 1	0.410000	–	0.410000	0.450000
Group 2	0.140767	0.269233	0.410000	0.450000
Class K - Accumulation Gross shares				
Group 1	0.770000	–	0.770000	0.810000
Group 2	0.770000	0.000000	0.770000	0.810000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Final distribution for the three months ended 31 December 2020

Group 1 Shares purchased prior to 1 October 2020

Group 2 Shares purchased on or after 1 October 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 28.02.21 p per share	Distribution paid 29.02.20 p per share
Class C - Accumulation Gross shares				
Group 1	0.570000	–	0.570000	0.500000
Group 2	0.279685	0.290315	0.570000	0.500000
Class C - Income Gross shares				
Group 1	0.420000	–	0.420000	0.390000
Group 2	0.268490	0.151510	0.420000	0.390000
Class K - Accumulation Gross shares				
Group 1	0.800000	–	0.800000	0.710000
Group 2	0.800000	0.000000	0.800000	0.710000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS Global Emerging Markets Equity Fund

UBS Global Emerging Markets Equity Fund

Manager's report

Investment objective

The sub-fund aims to grow the value of your investment and outperform the FTSE All-World Emerging Index after charges over the medium to long term (3 to 5 years).

Investment policy

The sub-fund invests at least 80% in emerging market equities.

The sub-fund may also invest in other equities, bonds, warrants, money market instruments, deposits, currencies, cash and near cash and other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options and repurchase agreements for efficient portfolio management only.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

Investment strategy

The sub-fund is actively managed in reference to the benchmark and may hold some or all of the benchmark constituents. The sub-fund generally selects equities based on an assessment of quality and long term valuations.

Benchmark information

The sub-fund's target benchmark represents the performance of large and medium size emerging market listed equities and therefore aligns with the sub-fund's principal asset class.

Market environment

Emerging Markets rose by some 18% in 2020. In Q1, markets declined due to the COVID-19 outbreak and an oil price war. Subsequently, markets recovered initially thanks to supportive policies globally, resulting in USD22tn of policy stimulus and 190 rate cuts over the course of the year. Later in the year, sentiment also improved on the back of progress in vaccine development and roll-out.

Sub-fund performance

The sub-fund outperformed its benchmark, the FTSE All-World Emerging Index, during the year under review. It posted 16.52%* in GBP compared with the benchmark return of 11.70% in GBP.

Our overweight in MercadoLibre, TSMC and Kweichow Moutai add value. MercadoLibre outperformed on the back of strong execution which drove MELI's share gain acceleration within ecommerce and fintech, sectors that have been benefiting from secular trends of increasing digital adoption by consumers and merchants in LatAm and which were further boosted by COVID-19-related disruptions. TSMC has arguably extended its industry leadership during the year and is now an even more important partner in delivering leading edge semiconductor chips for its customers. Moutai's earnings demonstrated resilience amidst COVID-19 impact. Retail price has continued to increase this year, indicating that demand has remained robust.

On the other hand, our overweight in Lukoil and Petrobras detracted value. Lukoil and Petrobras underperformed on the back of negative impacts of the Covid-19 pandemic on the global oil market and prices. Last, not holding Meituan cost performance. Meituan outperformed as investors priced in the upside from the community group buy model, which is the latest trend in e-commerce. We do not own the stock as we think the stock is already fairly priced for its medium term growth prospects.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C shares.

Outlook

Going into 2021, we believe that the evolution of the COVID-19 pandemic will remain a key topic to monitor. While COVID-19 is relatively speaking under control for now in some regions, other regions experience a surge in numbers of new infections.

Looking further ahead, new challenges but also opportunities have arisen such as digital transformation, changing consumption patterns, climate change and prospect of de-globalization, giving active strategies an even more important role in identifying the winners.

Hence, we remain confident in sub-fundamental, long-term changes playing out in emerging markets and our strategies are focused on quality companies associated with them.

Percentage growth

	31.12.19 to 31.12.20 %	31.12.18 to 31.12.19 %	31.12.17 to 31.12.18 %	31.12.16 to 31.12.17 %	31.12.15 to 31.12.16 %
Class C - Accumulation shares	16.52	18.93	-9.99	30.46	37.45
Class J - Accumulation shares	16.37	18.70	-10.06	30.24	36.94
Class K - Accumulation shares	17.31	19.61	-9.30	31.47	38.54

Source: Lipper-Hindsight: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

Launch dates: Class J Accumulation shares: 7 December 2001; Class K Accumulation shares: 23 November 2007; Class C Accumulation shares: 15 August 2012.

UBS Asset Management Funds Ltd
29 April 2021

UBS Global Emerging Markets Equity Fund

1. Comparative Tables

Class C - Accumulation shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	88.23	74.34	82.43
Return before operating charges	15.05	14.57	(7.30)
Operating charges	(0.77)	(0.68)	(0.79)
Return after operating charges*	14.28	13.89	(8.09)
Distributions	(0.77)	(1.57)	(1.12)
Retained distributions	0.77	1.57	1.12
Closing net asset value per share	102.51	88.23	74.34
*after direct transaction costs of	(0.09)	(0.10)	(0.10)
Performance			
Return after charges (%)	16.18	18.68	(9.81)
Other information			
Closing net asset value (£)	162,459,307	165,417,870	151,687,662
Closing number of shares	158,485,115	187,493,668	204,046,244
Operating charges (%)	0.88	0.88	0.97
Direct transaction costs (%)	0.10	0.12	0.12
Prices			
Highest share price (p)	104.56	89.69	87.54
Lowest share price (p)	67.61	73.68	70.98

Class J - Accumulation shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	564.92	476.94	529.28
Return before operating charges	98.05	94.90	(45.17)
Operating charges	(7.41)	(6.92)	(7.17)
Return after operating charges*	90.64	87.98	(52.34)
Distributions	(4.32)	(9.05)	(6.68)
Retained distributions	4.32	9.05	6.68
Closing net asset value per share	655.56	564.92	476.94
*after direct transaction costs of	(0.56)	(0.63)	(0.61)
Performance			
Return after charges (%)	16.04	18.45	(9.89)
Other information			
Closing net asset value (£)	187,597,836	172,369,892	156,818,573
Closing number of shares	28,616,326	30,512,380	32,880,448
Operating charges (%)	1.32	1.32	1.33
Direct transaction costs (%)	0.10	0.12	0.12
Prices			
Highest share price (p)	668.65	574.36	561.97
Lowest share price (p)	432.53	472.72	455.43

Accounting year to 31 December	Class K - Accumulation shares		
	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	22,412.52	18,778.02	20,664.17
Return before operating charges	3,823.31	3,644.94	(1,856.04)
Operating charges	(15.59)	(10.44)	(30.11)
Return after operating charges*	3,807.72	3,634.50	(1,886.15)
Distributions	(350.75)	(515.99)	(432.54)
Retained distributions	350.75	515.99	432.54
Closing net asset value per share	26,220.24	22,412.52	18,778.02
*after direct transaction costs of	(22.27)	(25.05)	(24.09)
Performance			
Return after charges (%)	16.99	19.36	(9.13)
Other information			
Closing net asset value (£)	546,427,563	435,985,455	412,437,712
Closing number of shares	2,083,992	1,945,276	2,196,385
Operating charges (%)	0.07	0.07	0.08
Direct transaction costs (%)	0.10	0.12	0.12
Prices			
Highest share price (p)	26,735.44	22,781.01	21,963.69
Lowest share price (p)	17,206.37	18,613.28	17,899.53

Please refer to the Direct transaction costs note on page 54 for more detail regarding the nature transaction costs and how they arise for different types of investment.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

Share class	31.12.20	31.12.19
	%	%
Class C - Accumulation shares	0.88	0.88
Class J - Accumulation shares	1.32	1.32
Class K - Accumulation shares	0.07	0.07

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Global Emerging Markets Equity Fund

Portfolio Statement (unaudited)

As at 31 December 2020

	Holding	Market value £	% of net assets
Equities 99.25% (97.79%)			
Brazil 4.35% (9.41%)			
Banco Bradesco, ADR Preference	2,865,972	11,007,245	1.23
Petroleo Brasileiro Preference	4,500,000	17,961,436	2.00
Suzano	1,217,600	10,037,184	1.12
		39,005,865	4.35
Cayman Islands 23.43% (20.34%)			
Alibaba Group Holding	1,506,900	33,040,799	3.69
Alibaba Group Holding, ADR	146,000	24,846,542	2.77
Chailease Holding	2,614,000	11,399,672	1.27
China Mengniu Dairy	2,583,000	11,392,945	1.27
NetEase	747,700	10,391,066	1.16
NetEase, ADR	34,959	2,445,685	0.27
New Oriental Education & Technology Group, ADR	98,000	13,319,742	1.49
TAL Education Group, ADR	449,400	23,509,708	2.62
Tencent Holdings	1,327,300	70,628,208	7.88
Zhongsheng Group Holdings	1,740,000	9,070,088	1.01
		210,044,455	23.43
China 13.16% (11.27%)			
China Merchants Bank 'H'	3,126,000	14,436,824	1.61
Gree Electric Appliances, Inc. of Zhuhai 'A'	2,260,436	15,661,968	1.75
Hangzhou Tigermed Consulting 'A'	678,233	12,261,118	1.37
Jiangsu Hengrui Medicine 'A'	1,861,433	23,208,622	2.59
Kweichow Moutai 'A'	109,974	24,578,623	2.74
Ping An Insurance Group Co. of China 'H'	3,102,500	27,793,084	3.10
		117,940,239	13.16
Cyprus 2.52% (0.51%)			
TCS Group Holding, GDR	945,148	22,609,708	2.52
		22,609,708	2.52
Hong Kong 0.71% (5.33%)			
China Jinmao Holdings Group	19,008,000	6,402,279	0.71
		6,402,279	0.71
Hungary 2.18% (2.60%)			
OTP Bank	593,305	19,591,768	2.18
		19,591,768	2.18
India 13.73% (9.25%)			
Axis Bank	2,112,558	13,092,495	1.46
Bandhan Bank	2,200,000	8,839,241	0.99
Eicher Motors	543,264	13,739,389	1.53
HDFC Bank	1,600,000	23,042,940	2.57
Hindustan Unilever	508,080	12,167,922	1.36
Reliance Industries	836,926	16,607,028	1.85
Tata Consultancy Services	897,636	25,739,281	2.87
Tech Mahindra	1,010,000	9,838,639	1.10
		123,066,935	13.73
Indonesia 4.20% (4.95%)			
Astra International	35,770,900	11,221,683	1.25
Bank Central Asia	6,668,400	11,753,071	1.31
Bank Mandiri Persero	44,640,000	14,643,193	1.64
		37,617,947	4.20
Malaysia 0.00% (2.00%)			
Mexico 4.82% (3.41%)			
Cemex, ADR	4,651,089	17,557,057	1.96
Grupo Financiero Banorte 'O'	4,894,000	19,702,020	2.20
Grupo Mexico 'B'	1,940,000	5,975,880	0.66
		43,234,957	4.82
Netherlands 2.40% (1.47%)			
Yandex 'A'	422,623	21,512,205	2.40
		21,512,205	2.40

Russia 3.69% (9.63%)

LUKOIL, ADR	287,000	14,319,032	1.60
Mobile TeleSystems, ADR	509,700	3,337,221	0.37
Sberbank of Russia	5,727,416	15,386,238	1.72
		33,042,491	3.69

South Africa 3.94% (2.65%)

Anglo American Platinum	146,630	10,538,938	1.17
Naspers 'N'	164,989	24,810,242	2.77
		35,349,180	3.94

Taiwan 15.08% (11.52%)

ASE Technology Holding	7,287,000	15,405,535	1.72
MediaTek	729,000	14,178,167	1.58
Nanya Technology	7,600,000	17,155,551	1.92
Taiwan Semiconductor Manufacturing	6,420,000	88,422,476	9.86
		135,161,729	15.08

Thailand 1.00% (1.84%)

PTT Global Chemical, NVDR	6,252,700	8,931,595	1.00
		8,931,595	1.00

Turkey 0.00% (0.69%)**United States of America 4.04% (0.92%)**

MercadoLibre	29,600	36,205,352	4.04
		36,205,352	4.04

Equities total

		889,716,705	99.25
Investment assets		889,716,705	99.25
Net other assets		6,768,001	0.75
Net assets attributable to shareholders		896,484,706	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

UBS Global Emerging Markets Equity Fund

Portfolio Movements (unaudited)

Largest purchases

For the year ended 31 December 2020	Cost £
Reliance Industries	15,739,617
Tata Consultancy Services	15,631,330
TCS Group Holding, GDR	14,523,756
Infosys, ADR	12,104,930
Petroleo Brasileiro Preference	11,582,849
Hindustan Unilever	11,541,902
MediaTek	11,352,960
Bank Central Asia	10,658,849
Alibaba Group Holding	9,681,569
Eicher Motors	9,670,675
Hangzhou Tigermed Consulting 'A'	9,650,055
Taiwan Semiconductor Manufacturing, ADR	9,180,734
MercadoLibre	9,139,019
Bandhan Bank	9,134,269
PTT Global Chemical, NVDR	8,937,103
Cemex, ADR	8,486,198
OTP Bank	8,485,337
Suzano	8,277,591
Grupo Financiero Banorte 'O'	7,990,318
Chailease Holding	7,762,885
Total for the year (Note 15)	341,559,748

Largest sales

For the year ended 31 December 2020	Proceeds £
Alibaba Group Holding	20,365,909
HCL Technologies	17,912,373
Taiwan Semiconductor Manufacturing	17,637,101
Infosys, ADR	14,064,103
China Mobile	13,592,155
CNOOC	12,922,073
TAL Education Group, ADR	12,730,094
CIMB Group Holdings	12,315,426
Sberbank of Russia	11,177,791
Bangkok Bank, NVDR	10,866,016
Taiwan Semiconductor Manufacturing, ADR	9,786,873
NetEase	9,332,355
Rosneft Oil, GDR	9,233,200
China Merchants Bank 'H'	9,192,081
Petroleo Brasileiro Preference	9,114,214
LUKOIL, ADR	9,052,550
Vale	9,037,798
Tencent Holdings, ADR	8,458,188
Itau Unibanco Holding, ADR Preference	8,195,919
Akbank	6,500,098
Total for the year (Note 15)	326,728,472

UBS Global Emerging Markets Equity Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

	Notes	£	31.12.20 £	31.12.19 £
Income				
Net capital gains	2		116,181,715	112,222,419
Revenue	3	15,972,816	21,591,675	
Expenses	4	(3,928,455)	(3,534,240)	
Net revenue before taxation		12,044,361	18,057,435	
Taxation	5	(1,341,044)	(2,075,069)	
Net revenue after taxation			10,703,317	15,982,366
Total return before distributions			126,885,032	128,204,785
Distributions	6		(10,697,047)	(15,960,115)
Change in net assets attributable to shareholders from investment activities			116,187,985	112,244,670

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

	£	31.12.20 £	31.12.19 £
Opening net assets attributable to shareholders		773,773,217	727,680,472
Amounts receivable on issue of shares	162,858,679	114,540,300	
Amounts payable on cancellation of shares	(167,091,782)	(196,687,126)	
		(4,233,103)	(82,146,826)
Dilution adjustment		311,144	124,078
Change in net assets attributable to shareholders from investment activities (see above)		116,187,985	112,244,670
Retained distribution on accumulation shares		10,445,463	15,870,823
Closing net assets attributable to shareholders		896,484,706	773,773,217

UBS Global Emerging Markets Equity Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	889,716,705	756,672,853
Current assets			
Debtors	8	953,105	2,626,310
Cash and bank balances	9	8,933,700	16,877,223
Total assets		899,603,510	776,176,386
Liabilities			
Creditors			
Bank overdrafts	10	-	46,022
Other creditors	11	3,118,804	2,357,147
Total liabilities		3,118,804	2,403,169
Net assets attributable to shareholders		896,484,706	773,773,217

UBS Global Emerging Markets Equity Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital gains

	31.12.20 £	31.12.19 £
Foreign currency gain/(losses)	90,398	(386,341)
Forward currency contracts	375	17,987
Non-derivative securities	116,186,395	112,630,308
Transaction costs	(95,453)	(39,535)
Net capital gains	116,181,715	112,222,419

3. Revenue

	31.12.20 £	31.12.19 £
Bank interest	6,301	33,014
Overseas dividends	15,966,515	21,095,686
Scrip dividends	-	298,056
UK dividends	-	164,919
Total revenue	15,972,816	21,591,675

4. Expenses

	31.12.20 £	31.12.19 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	3,184,139	3,293,588
Expense fee rebate	17,968	(132,803)
Registrar's fee	204,495	(192,253)
	3,406,602	2,968,532
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	91,879	86,315
Interest payable	7,081	3,325
	98,960	89,640
Other expenses:		
Administration fee	102,304	104,315
Audit fee	8,070	8,704
Derivative Fee	-	64
Price publication costs	-	1
Professional fee	14,303	1,000
Revenue collection costs	103,787	132,341
Safe custody fee	172,634	199,738
Taxation fee	21,795	29,905
	422,893	476,068
Total expenses	3,928,455	3,534,240

The audit fee for the year, excluding VAT, was £7,000 (2019: £7,000).

5. Taxation

(a) Analysis of the tax charge for the year

	31.12.20 £	31.12.19 £
Overseas withholding tax	1,341,044	2,075,069
Total tax charge for the year (Note 5(b))	1,341,044	2,075,069

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	12,044,361	18,057,435
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	2,408,872	3,611,487
Effects of:		
Revenue not subject to corporation tax	(2,111,431)	(3,142,342)
Expenses not deductible for tax purposes	-	13
Irrecoverable overseas withholding tax	1,341,044	2,075,069
Movement in excess management expenses	(313,860)	(266,975)
Movement in revenue taxable in different periods	152,434	(77,204)
Non-trade deficit set against current year income	156	-
Overseas tax expensed	(136,171)	(124,979)
Total tax charge for the year (Note 5(a))	1,341,044	2,075,069

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £3,772,360 (2019: £4,086,220) in respect of unutilised management expenses of £18,861,801 (2019: £20,431,101). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim dividend distribution	5,593,132	8,491,734
Final dividend distribution	4,852,330	7,379,089
	10,445,462	15,870,823
Add: Revenue deducted on cancellation of shares	390,825	389,055
Deduct: Revenue received on issue of shares	(139,240)	(299,763)
Distributions	10,697,047	15,960,115
Movement between net revenue after taxation and distributions		
Net revenue after taxation	10,703,317	15,982,366
Add: Other expenses taken to capital	5,092	(40,992)
Add: Undistributed revenue brought forward	1,254	7,994
Deduct: Deficit taken to capital	(30)	30
Deduct: Equalisation on conversions	-	7,106
Deduct: Tax relief on capital expenses	(689)	4,865
Deduct: Undistributed revenue carried forward	(11,897)	(1,254)
Distributions	10,697,047	15,960,115

Details of the distributions per share are set out in the Distribution Tables on page 55.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

	31.12.20	31.12.19
	Assets	Assets
Basis of valuation	£	£
Level 1: Quoted prices	889,716,705	756,672,853
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	889,716,705	756,672,853

8. Debtors

	31.12.20	31.12.19
	£	£
Accrued revenue	660,406	2,215,798
Amounts receivable for issue of shares	224,557	302,168
Prepaid expenses	665	17,351
TER fee rebate	67,477	90,993
Total debtors	953,105	2,626,310

9. Cash and bank balances

	31.12.20	31.12.19
	£	£
Cash and bank balances	8,933,700	16,877,223
Total cash and bank balances	8,933,700	16,877,223

10. Bank overdrafts

	31.12.20	31.12.19
	£	£
Bank overdrafts	-	46,022
Total bank overdrafts	-	46,022

11. Other creditors

	31.12.20	31.12.19
	£	£
Accrued expenses	497,320	1,025,948
Amounts payable for cancellation of shares	183,374	174,251
Capital gains tax	2,392,079	838,987
Overseas withholding tax provision	46,031	-
Purchases awaiting settlement	-	317,961
Total other creditors	3,118,804	2,357,147

12. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

13. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £302,027 and £41,926 respectively (2019: £834,828 and £53,036) and the amount included in debtors in respect of the TER fees rebate due from the ACD is £67,477 (2019: £90,993).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 11.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

UBS Global Allocation Fund (UK) is a significant investor in this sub-fund. Transactions with the sub-fund were entered into in the normal course of business and on normal terms. No initial charge was paid by UBS Global Allocation Fund (UK) on these transactions. The entity holds Class K Accumulation shares on which no ACD fee is payable. The aggregate value of these transactions during the year was £2,050,000 (2019: £nil). As at 31 December 2020, the entity held 32,035 shares in the sub-fund with a market value of £8,404,183 (2019: 41,812 shares with a market value of £9,503,144).

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

14. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Interest rate risk profile of financial assets and financial liabilities

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the net asset value of the sub-fund. At the year end 1.00% (2019: 2.18%) of the sub-fund's net asset value were interest bearing. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(b) Currency exposure

The majority of the net assets of the sub-fund's investments are denominated in currencies other than sterling, with the effect that currency movements can significantly affect the balance sheet and total return.

Numerical disclosures are as follows:

Currency	Monetary exposure 31.12.20 £	Non- Monetary exposure 31.12.20 £	Total 31.12.20 £
Brazilian real	39,534	27,998,620	28,038,154
Chinese yuan	2,492,833	75,710,331	78,203,164
Czech Koruna	289	-	289
Euro	3,061	-	3,061
Hong Kong dollar	1,005	183,155,293	183,156,298
Hungarian forint	87	19,591,768	19,591,855
Indian rupee	6,169	123,066,935	123,073,104
Indonesian rupiah	-	37,617,947	37,617,947
Israeli new shekels	9	-	9
Mexican peso	71,942	25,677,900	25,749,842
Polish zloty	1,034	-	1,034
Singapore dollar	2,108	-	2,108
South African rand	43,386	35,349,180	35,392,566
Taiwan dollar	4,007,639	146,561,401	150,569,040
Thailand baht	-	8,931,595	8,931,595
Turkish lira	251	-	251
US dollar	2,652,391	206,055,735	208,708,126
	9,321,738	889,716,705	899,038,443
Sterling	(2,553,737)	-	(2,553,737)
	6,768,001	889,716,705	896,484,706

Currency	Monetary exposure 31.12.19 £	Non- Monetary exposure 31.12.19 £	Total 31.12.19 £
Brazilian real	710,165	41,143,892	41,854,057
Chinese yuan	1,050,755	43,878,084	44,928,839
Czech Koruna	283	-	283
Euro	2,911	-	2,911
Hong Kong dollar	1,112	140,445,269	140,446,381
Hungarian forint	32	20,090,854	20,090,886
Indian rupee	(837,986)	71,562,152	70,724,166
Indonesian rupiah	-	38,289,597	38,289,597
Israeli new shekels	9	-	9
Malaysian ringgit	(196,250)	15,519,770	15,323,520
Mexican peso	145,988	20,972,068	21,118,056
Polish zloty	1,048	-	1,048
Singapore dollar	2,139	-	2,139
South African rand	3,618	20,531,298	20,534,916
Taiwan dollar	1,616,084	89,112,762	90,728,846
Thailand baht	-	14,232,981	14,232,981
Turkish lira	294	5,327,277	5,327,571
US dollar	15,338,605	235,566,849	250,905,454
	17,838,807	756,672,853	774,511,660
Sterling	(738,443)	-	(738,443)
	17,100,364	756,672,853	773,773,217

At the year end, if the value of sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £89,903,844 (2019: £77,451,166).

(c) Other price risk

A 10% increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £88,971,671 (2019: £75,667,285). A 10% decrease would have an equal and opposite effect.

(d) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and financial liabilities, as shown in the balance sheet, and their fair value.

15. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.20						
Purchases						
Equities	341,142,515	252,510	164,723	341,559,748	0.07	0.05
	341,142,515	252,510	164,723	341,559,748		
Sales						
Equities	327,152,663	(200,812)	(223,379)	326,728,472	0.06	0.07
	327,152,663	(200,812)	(223,379)	326,728,472		
Total cost as percentage of average net asset value		0.05%	0.05%			

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.19						
Purchases						
Equities	283,198,804	206,621	145,293	283,550,718	0.07	0.05
	283,198,804	206,621	145,293	283,550,718		
Sales						
Equities	357,092,266	(241,143)	(270,261)	356,580,862	0.07	0.08
	357,092,266	(241,143)	(270,261)	356,580,862		
Total cost as percentage of average net asset value		0.06%	0.06%			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.13% (2019: 0.14%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

The ACD believes this spread to be representative of the typical spread throughout the year.

16. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation shares	187,493,668	57,657,773	(86,666,326)	-	158,485,115
Class J - Accumulation shares	30,512,380	790,611	(2,686,665)	-	28,616,326
Class K - Accumulation shares	1,945,276	478,156	(339,440)	-	2,083,992

UBS Global Emerging Markets Equity Fund

Distribution Tables

Interim distribution for the six months ended 30 June 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation shares				
Group 1	0.40	–	0.40	0.81
Group 2	0.31	0.09	0.40	0.81
Class J - Accumulation shares				
Group 1	1.90	–	1.90	5.21
Group 2	1.48	0.42	1.90	5.21
Class K - Accumulation shares				
Group 1	179.28	–	179.28	270.14
Group 2	169.99	9.29	179.28	270.14

Final distribution for the six months ended 31 December 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 28.02.21 p per share	Distribution paid 29.02.20 p per share
Class C - Accumulation shares				
Group 1	0.37	–	0.37	0.76
Group 2	0.06	0.31	0.37	0.76
Class J - Accumulation shares				
Group 1	2.42	–	2.42	3.84
Group 2	0.37	2.05	2.42	3.84
Class K - Accumulation shares				
Group 1	171.47	–	171.47	245.85
Group 2	171.47	0.00	171.47	245.85

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS Global Optimal Fund

UBS Global Optimal Fund

Manager's report

Investment objective

The sub-fund aims to grow the value of your investment and outperform the MSCI ACWI Index after charges over the medium to long term (3 to 5 years).

Investment policy

The sub-fund invests at least 70% in global equities.

The sub-fund may also invest in other equities, bonds, warrants, money market instruments, deposits, currencies, cash and near cash and other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options and repurchase agreements for efficient portfolio management only.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

Investment strategy

The sub-fund is actively managed in reference to the benchmark and may hold some or all of the benchmark constituents. The sub-fund's strategy selects equities believed to be undervalued by the market.

Benchmark information

The sub-fund's target benchmark represents the performance of global equities and therefore aligns with the sub-fund's principal asset class.

Market environment

Despite the unprecedented disruption to the global economy caused by the COVID-19 pandemic, 2020 was a positive year for most global markets. Equities ended the year at record highs, with only a handful of markets, such as the UK and Spain were down on the year. The turnaround, after the fastest bear market in history, was due to a combination of policy support and the development of effective vaccines at record speed. The pandemic also accelerated long-term structural trends in technology and sustainability. 2020 was also the hottest year for initial public offerings since 2020. But the revival in confidence was a negative for the US dollar, leading to the reversal of safe-haven inflows as investors turned their attention to the declining US interest rate advantage relative to peers. Stimulus from central banks also made the search for yield harder, with the stock of negative yielding debt reaching record levels.

Sub-fund performance

The sub-fund ended up 12.11%* for the year compared to MSCI ACWI Index benchmark positive return of 13.22%.

The portfolio traded broadly in line with its benchmark in 2020 with Q4 being the strongest quarter where the portfolio outstripped the benchmark by more than 5.00%. While the first half of the year proved to be difficult for the portfolio due to the general widening of valuation spreads as investors have moved to a strong risk-off model, the second half of the year witnessed an excellent recovery of performance against the benchmark, ending a year on a high note.

The portfolio gained substantially in 2020 from increasing favoured holdings at depressed price levels after the sell-off in the first half and positioning the portfolio more pro-cyclical in the second half. Ameriprise Financials, Ashtead, Ingersoll, Mirati, Thor, Trimble were all examples where we added on positions after the March sell-off and where they saw a strong bounce back over the year, lifting the performance substantially. Following this, in the second half, the portfolio benefited from the sharp style-rotation from Growth and Momentum to Value, which explains the significant outperformance against the benchmark of around 6.00% in Q4.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C shares.

Outlook

We think the rollout of effective vaccines, fiscal stimulus, and easy monetary policy will support a broadening economic recovery in 2021 and further upside for equities. That said, we expect the next leg of the rally to be led by some of the pandemic's laggards, such as select cyclical and value stocks, and markets like Europe. Despite the impressive rally off March 2020 bottom, the outlook for US stocks remains sanguine. Consumer finances are strong and there appears to be significant pent-up demand. The Federal Reserve will remain accommodative for a long time, mitigating the risk of tighter monetary policy. In Europe, valuations for Financials continue to look attractive and we expect falling loan-loss provisions for the banks to support accelerating earnings growth. The sector is well capitalized, has the potential to pay an above-market dividend yield, and recent bank M&A activity is encouraging.

From a sector perspective, we are currently overweighting more economically sensitive sectors such as Consumer Discretionary and Financials as we believe the recent optimism supported by the passage of fresh COVID-19 relief in the US, as well as the agreement of a post-Brexit trade deal between UK and the EU will hopefully help for a return to relative normality soon. This global portfolio allows us to take access a wider range of companies and industries where valuations are typically much lower than the US. Also, while the US has been quite resilient during the pandemic, areas such as Europe have been more badly hit and therefore offer more recovery potential. We can also find some exciting businesses in areas such as Asia where there is much stronger long-term growth potential.

Our process has been in place for 40 years, and our Portfolio Managers have invested through many short-term dislocations, and it is crucial during such periods to stick to our disciplined process and take advantage of panic selling to invest in companies at cheap levels. Valuation spreads remain wide versus history, providing excellent opportunities going forward and it is likely that activity levels in the portfolio will continue to be high as we take advantage of the increased level of volatility in the market.

Percentage growth

	31.12.19 to 31.12.20 %	31.12.18 to 31.12.19 %	31.12.17 to 31.12.18 %	31.12.16 to 31.12.17 %	31.12.15 to 31.12.16 %
Class C - Accumulation shares	12.11	26.30	-8.75	14.21	24.91

Source: Lipper-Hindsight: Performance is based on NAV prices with income reinvested net of basic rate tax and in sterling terms.

Launch date: Class C Accumulation shares: 15 August 2012.

UBS Asset Management Funds Ltd
29 April 2021

UBS Global Optimal Fund

1. Comparative Tables

Accounting year to 31 December	Class C - Accumulation shares		
	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	116.02	91.95	100.14
Return before operating charges	15.08	25.11	(7.17)
Operating charges	(1.09)	(1.04)	(1.02)
Return after operating charges*	13.99	24.07	(8.19)
Distributions	(0.35)	(1.10)	(0.97)
Retained distributions	0.35	1.10	0.97
Closing net asset value per share	130.01	116.02	91.95
*after direct transaction costs of	(0.09)	(0.04)	(0.04)
Performance			
Return after charges (%)	12.06	26.18	(8.18)
Other information			
Closing net asset value (£)	24,988,004	21,994,015	857,980
Closing number of shares	19,219,325	18,957,020	933,125
Operating charges (%)	0.96	0.96	1.00
Direct transaction costs (%)	0.08	0.04	0.04
Prices			
Highest share price (p)	130.73	118.02	109.73
Lowest share price (p)	86.25	91.18	90.12

Please refer to the Direct transaction costs note on page 71 and 72 for more detail regarding the nature transaction costs and how they arise for different types of investment.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

Share class	31.12.20	31.12.19
	%	%
Class C - Accumulation shares	0.96	0.96

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Global Optimal Fund
Portfolio Statement (unaudited)
As at 31 December 2020

	Holding	Market value £	% of net assets
Collective Investment Scheme 0.00% (0.50%)			
Equities 99.29% (98.30%)			
Austria 1.06% (0.93%)			
Erste Group Bank	11,807	266,006	1.06
		266,006	1.06
Belgium 1.31% (1.12%)			
KBC Group	6,406	328,442	1.31
		328,442	1.31
Bermuda 0.74% (0.00%)			
Bunge	3,859	185,024	0.74
		185,024	0.74
Canada 0.91% (0.80%)			
Canadian Natural Resources	12,917	226,670	0.91
		226,670	0.91
Cayman Islands 2.84% (1.90%)			
Alibaba Group Holding, ADR	2,647	450,471	1.80
New Oriental Education & Technology Group, ADR	1,900	258,240	1.04
		708,711	2.84
China 2.58% (2.86%)			
Gree Electric Appliances, Inc. of Zhuhai 'A'	47,300	327,730	1.31
Ping An Insurance Group Co. of China 'H'	35,500	318,019	1.27
		645,749	2.58
Denmark 1.01% (1.72%)			
Genmab	853	252,438	1.01
		252,438	1.01
Germany 1.00% (4.15%)			
Continental	2,266	249,276	1.00
		249,276	1.00
Hong Kong 2.82% (2.21%)			
AIA Group	40,200	360,313	1.44
Hong Kong Exchanges & Clearing	8,600	344,840	1.38
		705,153	2.82
India 3.38% (1.56%)			
HDFC Bank, ADR	9,900	522,612	2.09
Infosys, ADR	26,000	322,396	1.29
		845,008	3.38
Indonesia 1.01% (0.00%)			
Bank Mandiri Persero	771,200	252,976	1.01
		252,976	1.01
Ireland 0.00% (1.03%)			
Italy 0.96% (1.08%)			
Banca Mediolanum	37,645	238,904	0.96
		238,904	0.96
Japan 6.71% (10.13%)			
FANUC	1,700	305,114	1.22
Nippon Telegraph & Telephone	17,100	320,480	1.28
SoftBank Group	4,100	234,065	0.94
Sony	4,800	349,803	1.40
Takeda Pharmaceutical	9,800	260,744	1.05
TechnoPro Holdings	3,400	205,738	0.82
		1,675,944	6.71

Jersey 1.03% (0.00%)

Aptiv

2,713	258,568	1.03
	258,568	1.03

Mexico 1.09% (0.00%)

Cemex, ADR

72,300	272,920	1.09
	272,920	1.09

Netherlands 2.89% (4.19%)

Koninklijke Ahold Delhaize

NXP Semiconductors

Prosus

12,359	255,654	1.02
2,049	238,349	0.96
2,875	227,386	0.91
	721,389	2.89

Norway 0.00% (0.95%)**Portugal 0.81% (0.00%)**

Galp Energia

25,701	201,338	0.81
	201,338	0.81

Russia 0.00% (0.65%)**South Africa 0.00% (0.97%)****South Korea 2.63% (1.15%)**

Samsung Electronics

12,070	658,400	2.63
	658,400	2.63

Spain 0.00% (1.77%)**Sweden 1.03% (0.00%)**

Swedish Match

4,497	256,453	1.03
	256,453	1.03

Switzerland 2.38% (1.45%)

Alcon

Novartis

5,094	248,057	0.99
5,003	346,309	1.39
	594,366	2.38

Turkey 0.00% (0.49%)**United Kingdom 9.13% (8.51%)**

Anglo American

Ashtead Group

Barclays

BT Group

LivaNova

Sage Group

Spectris

Unilever

14,733	357,202	1.43
7,446	255,993	1.03
124,199	182,175	0.73
282,132	373,120	1.49
5,550	268,821	1.08
32,251	187,701	0.75
12,692	357,660	1.43
6,721	298,180	1.19
	2,280,852	9.13

United States of America 51.97% (48.68%)

AbbVie

AGCO

Amazon.com

Ameriprise Financial

Avantor

BioMarin Pharmaceutical

Bio-Rad Laboratories 'A'

Cadence Design Systems

CF Industries Holdings

Ciena

Coherus Biosciences

Comcast 'A'

Dollar Tree

Facebook 'A'

Fidelity National Information Services

Fortinet

GoDaddy 'A'

Hess

Hill-Rom Holdings

Ingersoll Rand

Keysight Technologies

LiveRamp Holdings

Lyft 'A'

Madison Square Garden Entertainment

4,210	329,605	1.32
4,668	352,042	1.41
334	795,670	3.18
2,219	315,444	1.26
11,765	242,194	0.97
2,354	150,803	0.60
546	232,819	0.93
2,165	215,843	0.86
5,859	165,875	0.66
6,142	237,376	0.95
4,243	53,916	0.22
6,563	251,583	1.01
3,204	252,978	1.01
1,395	278,612	1.12
2,402	248,415	0.99
2,525	274,103	1.10
2,710	164,450	0.66
6,153	237,577	0.95
3,727	267,089	1.07
6,816	227,075	0.91
2,028	195,968	0.78
4,254	227,770	0.91
6,260	224,993	0.90
2,655	204,134	0.82

Marsh & McLennan	1,666	142,584	0.57
Mastercard 'A'	1,983	516,861	2.07
Micron Technology	4,244	233,382	0.93
Microsoft	4,295	698,096	2.79
Mirati Therapeutics	962	154,573	0.62
Mondelez International 'A'	6,855	293,016	1.17
MSA Safety	3,515	384,273	1.54
Palo Alto Networks	1,436	373,184	1.49
PPD	6,201	155,099	0.62
SLM	33,505	303,688	1.22
Southwest Airlines	12,283	418,733	1.68
Starbucks	4,167	326,117	1.31
Take-Two Interactive Software	1,960	297,796	1.19
Terminix Global Holdings	5,584	208,376	0.83
TJX	5,025	251,149	1.01
Trimble	281	13,734	0.06
Ulta Beauty	1,043	219,107	0.88
UnitedHealth Group	1,455	373,045	1.49
Universal Display	255	42,850	0.17
Vail Resorts	904	184,477	0.74
VMware 'A'	3,056	313,503	1.25
Voya Financial	5,716	245,918	0.98
Wells Fargo	19,014	419,659	1.68
World Wrestling Entertainment 'A'	7,746	271,602	1.09
Equities total		12,987,156	51.97
		24,811,743	99.29
Investment assets		24,811,743	99.29
Net other assets		176,261	0.71
Net assets attributable to shareholders		24,988,004	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

UBS Global Optimal Fund

Portfolio Movements (unaudited)

Largest purchases

	Cost £
For the year ended 31 December 2020	
Southwest Airlines	390,168
Ulta Beauty	378,008
VMware 'A'	373,097
iShares MSCI World UCITS Fund USD (Dist) Share Class	371,039
AbbVie	343,961
Hong Kong Exchanges & Clearing	342,864
Novartis	340,251
BT Group	331,501
Unilever	330,017
Hill-Rom Holdings	300,025
Swedish Match	291,638
HDFC Bank, ADR	285,336
Fortinet	278,296
SoftBank Group	273,749
Starbucks	273,002
Bank Mandiri Persero	258,520
FANUC	254,517
Cemex, ADR	250,995
SLM	250,848
Voya Financial	249,760
Total for the year (Note 14)	17,326,448

Largest sales

	Proceeds £
For the year ended 31 December 2020	
iShares MSCI World UCITS Fund USD (Dist) Share Class	472,302
Johnson & Johnson	471,798
Wayfair Inc - Class A	370,250
Trimble	299,672
British American Tobacco	299,585
Sony	289,299
Nintendo	279,250
Twitter	274,253
GlaxoSmithKline	274,051
H Lundbeck	273,735
Thor Industries	264,007
Naspers 'N'	261,293
LKQ	260,245
China Mobile	251,139
Henkel Preference	247,455
Bank of America	243,378
Netflix	239,923
Allegion	231,306
Zendesk Inc	225,754
Align Technology	217,031
Total for the year (Note 14)	16,713,947

UBS Global Optimal Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

	Notes	£	31.12.20 £	£	31.12.19 £
Income					
Net capital gains	2		2,450,533		4,518,464
Revenue	3	292,117		458,659	
Expenses	4	(201,334)		(232,563)	
Net revenue before taxation		90,783		226,096	
Taxation	5	(28,393)		(41,691)	
Net revenue after taxation			62,390		184,405
Total return before distributions			2,512,923		4,702,869
Distributions	6		(62,414)		(190,048)
Change in net assets attributable to shareholders from investment activities			2,450,509		4,512,821

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

	£	31.12.20 £	£	31.12.19 £
Opening net assets attributable to shareholders		21,994,015		18,614,632
Amounts receivable on issue of shares	3,994,079		1,775,530	
Amounts payable on cancellation of shares	(3,516,303)		(3,097,881)	
		477,776		(1,322,351)
Dilution adjustment		2,176		-
Change in net assets attributable to shareholders from investment activities (see above)		2,450,509		4,512,821
Retained distribution on accumulation shares		63,528		188,913
Closing net assets attributable to shareholders		24,988,004		21,994,015

UBS Global Optimal Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	24,811,743	21,731,030
Current assets			
Debtors	8	230,796	225,517
Cash and bank balances	9	75,541	153,976
Total assets		25,118,080	22,110,523
Liabilities			
Creditors			
Other creditors	10	130,076	116,508
Total liabilities		130,076	116,508
Net assets attributable to shareholders		24,988,004	21,994,015

UBS Global Optimal Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital gains

	31.12.20 £	31.12.19 £
Derivative contracts	-	748
Foreign currency losses	(10,822)	(36,961)
Forward currency contracts	(828)	104
Non-derivative securities	2,468,910	4,559,736
Transaction costs	(6,727)	(5,163)
Net capital gains	2,450,533	4,518,464

3. Revenue

	31.12.20 £	31.12.19 £
Bank interest	110	1,060
Franked distributions	473	439
Overseas dividends	255,001	365,552
UK dividends	36,533	91,608
Total revenue	292,117	458,659

4. Expenses

	31.12.20 £	31.12.19 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	155,572	193,806
Expense fee rebate	(15,918)	(6,783)
Registrar's fee	22,285	8,403
	161,939	195,426
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	9,006	9,001
Interest payable	231	164
	9,237	9,165
Other expenses:		
Administration fee	16,964	16,833
Audit fee	9,234	7,544
Derivative fee	-	64
Price publication costs	-	1
Professional fee	1,623	1,047
Revenue collection costs	396	645
Safe custody fee	825	841
Taxation fee	1,116	997
	30,158	27,972
Total expenses	201,334	232,563

The audit fee for the year, excluding VAT, was £7,000 (2019: £7,000).

5. Taxation

(a) Analysis of the tax charge for the year

	31.12.20 £	31.12.19 £
Overseas withholding tax	28,393	41,691
Total tax charge for the year (Note 5(b))	28,393	41,691

(b) Factors affecting the tax charge for the year

The tax charged for the year is higher than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	90,783	226,096
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	18,157	45,219
Effects of:		
Revenue not subject to corporation tax	(56,775)	(85,770)
Expenses not deductible for tax purposes	-	13
Irrecoverable overseas withholding tax	28,393	41,691
Movement in excess management expenses	38,838	40,606
Movement in revenue taxable in different periods	-	723
Non-trade deficit set against current year income	24	-
Overseas tax expensed	(244)	(791)
Total tax charge for the year (Note 5(a))	28,393	41,691

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £481,992 (2019: £443,154) in respect of unutilised management expenses of £2,409,961 (2019: £2,215,773). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim dividend distribution	61,606	118,772
Final dividend distribution	1,922	70,141
	63,528	188,913
Add: Revenue deducted on cancellation of shares	2,264	3,926
Deduct: Revenue received on issue of shares	(3,378)	(2,791)
Distributions	62,414	190,048
Movement between net revenue after taxation and distributions		
Net revenue after taxation	62,390	184,405
Add: Equalisation on conversions	-	9,404
Add: Undistributed revenue brought forward	1,661	1,157
Deduct: Deficit taken to capital	-	(371)
Deduct: Other expenses taken to capital	-	(2,886)
Deduct: Undistributed revenue carried forward	(1,637)	(1,661)
Distributions	62,414	190,048

Details of the distributions per share are set out in the Distribution Tables on page 73.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

	31.12.20 Assets £	31.12.19 Assets £
Basis of valuation		
Level 1: Quoted prices	24,811,743	21,731,030
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	24,811,743	21,731,030

8. Debtors

	31.12.20 £	31.12.19 £
Accrued revenue	7,981	21,844
Amounts receivable for issue of shares	43,804	36,620
Overseas withholding tax recoverable	7,574	18,401
Prepaid expenses	-	385
Sales awaiting settlement	155,519	148,267
TER fee rebate	15,918	-
Total debtors	230,796	225,517

9. Cash and bank balances

	31.12.20 £	31.12.19 £
Cash and bank balances	75,541	153,976
Total cash and bank balances	75,541	153,976

10. Other creditors

	31.12.20 £	31.12.19 £
Accrued expenses	33,977	58,168
Amounts payable for cancellation of shares	504	16,785
Purchases awaiting settlement	95,595	41,555
Total other creditors	130,076	116,508

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £15,893 and £830 respectively (2019: £40,980 and £2,045) and the amount included in debtors in respect of ACD fee rebate due from the ACD is £15,918 (2019: £nil).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Interest rate risk profile of financial assets and financial liabilities

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the net asset value of the sub-fund. At the year end 0.30% (2019: 0.70%) of the sub-fund's net asset value were interest bearing. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(b) Currency exposure

The majority of the net assets of the sub-fund's investments are denominated in currencies other than sterling, with the effect that currency movements can significantly affect the balance sheet and total return.

Numerical disclosure are as follows:

Currency	Monetary exposure 31.12.20	Non- Monetary exposure 31.12.20	Total 31.12.20
	£	£	£
Australian dollar	97	-	97
Canadian dollar	12,874	226,670	239,544
Chinese yuan	-	327,730	327,730
Danish krone	2,783	252,438	255,221
Euro	5,542	2,065,186	2,070,728
Hong Kong dollar	250	1,023,172	1,023,422
Indonesian rupiah	-	252,976	252,976
Japanese yen	1,752	1,675,944	1,677,696
Norwegian krone	4,256	-	4,256
Singapore dollar	89	-	89
South African rand	141	-	141
South Korean won	2,245	658,400	660,645
Swedish krona	13	256,453	256,466
Swiss franc	6,231	594,366	600,597
Turkish lira	427	-	427
US dollar	112,773	15,764,557	15,877,330
	149,473	23,097,892	23,247,365
Sterling	26,788	1,713,851	1,740,639
	176,261	24,811,743	24,988,004

Currency	Monetary exposure 31.12.19 £	Non- Monetary exposure 31.12.19 £	Total 31.12.19 £
Australian dollar	91	-	91
Canadian dollar	6,110	175,887	181,997
Chinese yuan	-	361,651	361,651
Danish krone	11,787	378,450	390,237
Euro	6,001	2,414,149	2,420,150
Hong Kong dollar	12,983	753,775	766,758
Japanese yen	2,302	2,227,878	2,230,180
Norwegian krone	3,730	208,282	212,012
Singapore dollar	90	-	90
South African rand	3,754	213,182	216,936
South Korean won	5,392	252,987	258,379
Swedish krona	67	-	67
Swiss franc	14,690	318,078	332,768
Turkish lira	492	108,638	109,130
US dollar	178,749	12,550,023	12,728,772
	246,238	19,962,980	20,209,218
Sterling	16,747	1,768,050	1,784,797
	262,985	21,731,030	21,994,015

At the year end, if the value of sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £2,324,737 (2019: £2,020,922).

(c) Other price risk

A 10% increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £2,481,174 (2019: £2,173,103). A 10% decrease would have an equal and opposite effect.

(d) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and financial liabilities, as shown in the balance sheet, and their fair value.

14. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.20						
Purchases						
Equities	16,889,931	5,138	6,209	16,901,278	0.03	0.04
Funds	425,170	-	-	425,170	-	-
	17,315,101	5,138	6,209	17,326,448		
Sales						
Equities	16,179,756	(4,418)	(991)	16,174,347	0.03	0.01
Funds	539,600	-	-	539,600	-	-
	16,719,356	(4,418)	(991)	16,713,947		
Total cost as percentage of average net asset value		0.05%	0.03%			

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.19						
Purchases						
Equities	10,668,284	3,461	4,019	10,675,764	0.03	0.04
	10,668,284	3,461	4,019	10,675,764		
Sales						
Equities	11,866,584	(3,248)	(716)	11,862,620	0.03	0.01
	11,866,584	(3,248)	(716)	11,862,620		
Total cost as percentage of average net asset value		0.02%	0.02%			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.12% (2019: 0.07%) based on close of business prices.

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

The ACD believes this spread to be representative of the typical spread throughout the year.

15. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation shares	18,957,020	3,368,597	(3,106,292)	-	19,219,325

UBS Global Optimal Fund

Distribution Tables

Interim distribution for the six months ended 30 June 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation shares				
Group 1	0.34	–	0.34	0.73
Group 2	0.25	0.09	0.34	0.73

Final distribution for the six months ended 31 December 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 28.02.21 p per share	Distribution paid 29.02.20 p per share
Class C - Accumulation shares				
Group 1	0.01	–	0.01	0.37
Group 2	0.00	0.01	0.01	0.37

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS Global Strategic Bond Fund

UBS Global Strategic Bond Fund

Manager's report

Investment objective

The sub-fund aims to generate income and grow the value of your investment over the longer term (5 years).

Investment policy

The sub-fund invests at least 80% in Sterling denominated (or hedged back to Sterling) bonds including government bonds, non-government bonds (including bonds issued by local authorities, supra-nationals, agencies and corporate entities); fixed rate, variable rate, inflation-linked, convertible, and non-sterling bonds (including emerging market debt); secured and unsecured debt securities (including floating rate notes); and investment grade and high yield bonds.

The sub-fund may also invest in equities, warrants, money market instruments, deposits, cash and near cash and other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options, repurchase agreements and structured credit for investment purposes or efficient portfolio management. Use of derivatives may occasionally be significant.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

With effect from 13th January 2020, the FCA granted approval to the ACD for the following extension (previously limited to the UK and United States of America) of government bonds that can be held with more than 35% of the value of the sub-fund to include the following:

More than 35% of the value of the sub-fund may be invested in transferable securities or approved money-market instruments issued by or on behalf of the following governments: Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Mexico, Netherlands, New Zealand, Norway, Peru, Poland, Portugal, Romania, Russia, Singapore, Slovak Republic, Slovenia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Turkey, United Kingdom (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly, the National Assembly of Wales) and the United States of America, and by the following public international bodies: US Federal Government (Treasury and TIPS) and Government National Mortgage Association (GNMA).

Investment strategy

The sub-fund is actively managed with no reference to a benchmark. The sub-fund strategy includes taking active views on exchange rates.

Benchmark information

The ACD assesses the performance of the sub-fund against the Investment Association's Sterling Strategic Bond Sector (available at www.theinvestmentassociation.org) which presents data for a range of funds (including the sub-fund) which are grouped according to investment style, including performance information, and which enables the ACD as well as investors to compare information across products.

Market environment

The past year was dominated by the COVID-19 pandemic, which caused unprecedented disruption to the global economy. The virus started to make headlines in late January and early February. But markets fully awoke to the threat in late February after Italy announced a lockdown of northern cities. As a result, investors headed for cash and US treasuries, with significant dislocations seen across other markets. Following the fastest bear market in history, the development of vaccines and support from policymakers at record speed helped to turn the tide. Significant policy rate cuts across global economies cratered government bond yields. Within spread markets, such as corporates, after initial widening central bank purchase programmes and investor optimism helped close the year near the same levels where 2019 finished.

Sub-fund performance

The sub-fund achieved a return of 4.20%* for the year compared to benchmark comparator of 6.38%.

The sub-fund produced a positive return during 2020 review period. Within duration management, markets where we were long duration contributed to performance and markets where we were short duration detracted. Among the contributors were our long positions in the US, New Zealand, Canada, Mexico, China and India, where yields fell during the year as central banks cut policy rates. Among detractors were our short positions in UK and Poland. Our allocation to Corporates (both investment Grade and High Yield), as well as Hard Currency Emerging Markets Debt contributed to total return. Within the active currency management, the main detractor was our long position in Norwegian krone versus the euro while short the US dollar and diversified exposure to emerging market currencies.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C income shares.

Outlook

With US election uncertainty behind us and a number of COVID-19 vaccines awaiting rollout, we are constructive on our opportunity set going forward and believe we are well positioned. With record amounts of negatively yielding debt and credit spreads near historical we believe a flexible and dynamic approach such as ours can play a pivotal role in bond portfolio allocations for investors. Presently, our strategy is focused on a select number of high conviction ideas. We are positioned long duration in countries where central banks have room to cut interest rates significantly if required and we see selective opportunities in inflation linked bonds, where real yields have further room to fall. We own a diversified basket of EM issuers with reasonably good fundamentals where we see attractive risk adjusted carry, with limited default risk and we have selective allocations to high yield and investment grade corporates, where central bank purchases will be a tailwind to performance.

Percentage growth

	31.12.19 to 31.12.20 %	31.12.18 to 31.12.19 %	Launch to 31.12.18 %
Class C - Accumulation shares	4.35	8.34	-0.72
Class C - Income shares	4.20	8.29	-0.72
Class K - Accumulation shares	4.96	9.00	-0.61
Class R - Accumulation shares*	4.80	-	-
Class R - Income shares*	4.94	-	-

Source: Lipper-Hindsight: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

*Covers the period from 2 March 2020 to 31 December 2020.

Launch dates: Class C and K Accumulation shares: 31 October 2018; Class C Income shares: 31 October 2018; Class R Income and Accumulation shares: 2 March 2020.

UBS Asset Management Funds Ltd
29 April 2021

UBS Global Strategic Bond Fund

1. Comparative Tables

Accounting year to 31 December	Class C- Accumulation Shares		
	2020	2019	2018 [†]
	p	p	p
Change in net asset value per share			
Opening net asset value per share	53.61	49.60	50.00
Return before operating charges	2.67	4.39	(0.33)
Operating charges	(0.39)	(0.38)	(0.07)
Return after operating charges*	2.28	4.01	(0.40)
Distributions	(1.73)	(1.59)	(0.19)
Retained distributions	1.73	1.59	0.19
Closing net asset value per share	55.89	53.61	49.60
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	4.25	8.08	(0.80)
Other information			
Closing net asset value (£)	39,966	23,391	992
Closing number of shares	71,507	43,630	2,000
Operating charges (%)	0.73	0.73	0.73
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	56.21	53.78	50.10
Lowest share price (p)	46.32	49.67	49.34

† Covers the period from 31 October 2018 to 31 December 2018.

Accounting year to 31 December	Class C - Income shares		
	2020	2019	2018 [†]
	p	p	p
Change in net asset value per share			
Opening net asset value per share	51.77	49.41	50.00
Return before operating charges	2.42	4.29	(0.33)
Operating charges	(0.38)	(0.37)	(0.07)
Return after operating charges*	2.04	3.92	(0.40)
Distributions	(1.65)	(1.56)	(0.19)
Retained distributions	-	-	-
Closing net asset value per share	52.16	51.77	49.41
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	3.94	7.93	(0.80)
Other information			
Closing net asset value (£)	40,870	85,491	988
Closing number of shares	78,354	165,141	2,000
Operating charges (%)	0.73	0.73	0.73
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	52.63	52.10	50.10
Lowest share price (p)	44.46	49.47	49.26

† Covers the period from 31 October 2018 to 31 December 2018.

Class K - Accumulation shares			
Accounting year to 31 December	2020	2019	2018 [†]
	p	p	p
Change in net asset value per share			
Opening net asset value per share	10,799.59	9,931.92	10,000.00
Return before operating charges	537.82	879.09	(65.91)
Operating charges	(11.87)	(11.42)	(2.17)
Return after operating charges*	525.95	867.67	(68.08)
Distributions	(348.76)	(320.03)	(38.70)
Retained distributions	348.76	320.03	38.70
Closing net asset value per share	11,325.54	10,799.59	9,931.92
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	4.87	8.74	(0.68)
Other information			
Closing net asset value (£)	11,323,062	10,797,433	9,929,933
Closing number of shares	99,978	99,980	99,980
Operating charges (%)	0.11	0.11	0.11
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	11,389.90	10,833.25	10,020.65
Lowest share price (p)	9,342.79	9,944.57	9,875.13

† Covers the period from 31 October 2018 to 31 December 2018.

Class R - Accumulation shares	
Accounting year to 31 December	2020 ^{††}
	p
Change in net asset value per share	
Opening net asset value per share	50.00
Return before operating charges	2.41
Operating charges	(0.22)
Return after operating charges*	2.19
Distributions	(1.31)
Retained distributions	1.31
Closing net asset value per share	52.19
*after direct transaction costs of	-
Performance	
Return after charges (%)	4.38
Other information	
Closing net asset value (£)	3,110,831
Closing number of shares	5,960,493
Operating charges (%)	0.42
Direct transaction costs (%)	-
Prices	
Highest share price (p)	52.49
Lowest share price (p)	42.98

†† Covers period from 2 March 2020 to 31 December 2020.

Class R - Income shares	
Accounting year to 31 December	2020^{††}
	p
Change in net asset value per share	
Opening net asset value per share	50.00
Return before operating charges	2.39
Operating charges	(0.21)
Return after operating charges*	2.18
Distributions	(1.26)
Retained distributions	-
Closing net asset value per share	50.92
*after direct transaction costs of	-
Performance	
Return after charges (%)	4.36
Other information	
Closing net asset value (£)	102
Closing number of shares	200
Operating charges (%)	0.42
Direct transaction costs (%)	-
Prices	
Highest share price (p)	51.35
Lowest share price (p)	42.98

†† Covers period from 2 March 2020 to 31 December 2020.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

	31.12.20	31.12.19
Share class	%	%
Class C - Accumulation shares	0.73	0.73
Class C - Income shares	0.73	0.73
Class K - Accumulation shares	0.11	0.11
Class R - Accumulation shares	0.42	-
Class R - Income shares	0.42	-

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Global Strategic Bond Fund

Portfolio Statement (unaudited)

As at 31 December 2020

	Holding	Market value £	% of net assets
Government Bonds 71.54% (70.28%)			
Argentina 0.11% (0.20%)			
Argentina Government Bond 1.00% 09/07/2029	\$2,641	838	–
Argentina Government Bond 0.12% 09/07/2035	\$58,200	15,540	0.11
		16,378	0.11
Brazil 1.30% (0.53%)			
Brazil Government Bond 7.13% 20/01/2037	\$60,000	59,531	0.41
Brazil Notas do Tesouro Nacional 10.00% 01/01/2031	BRL 750	128,590	0.89
		188,121	1.30
Chile 1.11% (1.45%)			
Chile Government Bond 3.13% 27/03/2025	\$200,000	160,944	1.11
		160,944	1.11
Ghana 1.04% (0.00%)			
Ghana Government Bond 6.38% 11/02/2027	\$200,000	151,752	1.04
		151,752	1.04
Italy 2.29% (2.60%)			
Italy Buoni Poliennali Del Tesoro 2.35% 15/09/2024	€25,000	26,279	0.18
Italy Buoni Poliennali Del Tesoro 3.25% 01/09/2046	€242,000	306,826	2.11
		333,105	2.29
Japan 3.43% (4.16%)			
Japan Government CPI Linked Bond 0.10% 10/03/2029	JPY 55,000,000	390,950	2.69
Japan Government Forty Year Bond 0.50% 20/03/2059	JPY 16,000,000	106,532	0.74
		497,482	3.43
Mexico 3.77% (3.83%)			
Mexican Bonos 7.75% 13/11/2042	MXN 116,700	495,216	3.41
Mexico Government Bond 4.75% 08/03/2044	\$60,000	52,124	0.36
		547,340	3.77
New Zealand 17.17% (18.24%)			
New Zealand Government Bond, FRN 3.00% 20/09/2030	NZD 280,000	215,866	1.49
New Zealand Government Bond, FRN 2.50% 20/09/2035	NZD 800,000	630,353	4.34
New Zealand Government Bond, FRN 2.50% 20/09/2040	NZD 2,000,000	1,646,572	11.34
		2,492,791	17.17
Oman 1.00% (1.39%)			
Oman Government Bond 6.75% 17/01/2048	\$200,000	144,743	1.00
		144,743	1.00
Peru 0.48% (0.61%)			
Peru Government Bond 5.63% 18/11/2050	\$60,000	69,022	0.48
		69,022	0.48
Romania 0.98% (0.54%)			
Romania Government Bond 2.63% 02/12/2040	€85,000	80,937	0.56
Romania Government Bond 6.13% 22/01/2044	\$60,000	61,907	0.42
		142,844	0.98
Saudi Arabia 1.13% (1.50%)			
Saudi Government Bond 4.00% 17/04/2025	\$200,000	163,410	1.13
		163,410	1.13
Slovenia 2.75% (2.25%)			
Slovenia Government Bond 3.13% 07/08/2045	€200,000	299,231	2.06
Slovenia Government Bond 0.49% 20/10/2050	€107,000	100,198	0.69
		399,429	2.75
South Africa 5.80% (0.67%)			
South Africa Government Bond 8.50% 31/01/2037	ZAR 1,540,000	63,471	0.44
South Africa Government Bond 8.75% 28/02/2048	ZAR 19,000,000	778,218	5.36
		841,689	5.80
Spain 1.14% (0.00%)			
Spain Government Bond 1.40% 30/07/2028	€165,000	165,408	1.14
		165,408	1.14

Turkey 0.33% (0.43%)

Turkey Government Bond 6.88% 17/03/2036

\$60,000	47,773	0.33
	47,773	0.33

Ukraine 0.59% (0.00%)

Ukraine Government Bond 4.38% 27/01/2030

€100,000	85,482	0.59
	85,482	0.59

United Kingdom 1.47% (5.08%)

UK Treasury 0.88% 22/10/2029

£200,000	212,856	1.47
	212,856	1.47

United States of America 25.27% (26.35%)

US Treasury 0.13% 31/05/2022

US Treasury 1.63% 30/11/2026

US Treasury 0.50% 30/06/2027

US Treasury 2.25% 15/08/2027

US Treasury 3.13% 15/11/2028

US Treasury 0.63% 15/05/2030

US Treasury 0.63% 15/08/2030

US Treasury 3.13% 15/08/2044

US Treasury 2.88% 15/05/2049

US Treasury Bill 0.00% 28/01/2021

US Treasury Bill 0.00% 07/10/2021

\$820,000	599,993	4.13
\$600,000	468,253	3.23
\$840,000	611,938	4.22
\$35,000	28,391	0.19
\$200,000	173,230	1.19
\$200,000	143,042	0.98
\$150,000	106,990	0.74
\$140,000	135,075	0.93
\$400,000	377,803	2.60
\$900,000	658,375	4.54
\$500,000	365,525	2.52
	3,668,615	25.27

Uruguay 0.38% (0.45%)

Uruguay Government Bond 4.13% 20/11/2045

\$60,000	54,648	0.38
	54,648	0.38
	10,383,832	71.54

Government Bonds total**Corporate Bonds 18.65% (17.37%)****Argentina 0.18% (0.27%)**

YPF 7.00% 15/12/2047

\$50,000	26,291	0.18
	26,291	0.18

Australia 0.16% (0.29%)

APT Pipelines 4.20% 23/03/2025

Westpac Banking, FRN 5.00% Perpetual

\$20,000	16,139	0.11
\$10,000	7,730	0.05
	23,869	0.16

Canada 0.40% (0.55%)

Canadian Natural Resources 3.85% 01/06/2027

CNOOC Petroleum North America 6.40% 15/05/2037

\$10,000	8,209	0.06
\$50,000	49,821	0.34
	58,030	0.40

Cayman Islands 0.22% (0.00%)

Vale Overseas 3.75% 08/07/2030

\$40,000	32,555	0.22
	32,555	0.22

France 1.96% (2.53%)

Altice France 5.88% 01/02/2027

Credit Agricole 1.38% 13/03/2025

TOTAL, FRN 2.63% Perpetual

€100,000	95,225	0.65
€100,000	94,465	0.65
€100,000	95,317	0.66
	285,007	1.96

Germany 0.13% (0.32%)

Deutsche Bank 1.13% 30/08/2023

€20,000	18,487	0.13
	18,487	0.13

Jersey 0.65% (0.00%)

Heathrow Funding 1.50% 12/10/2027

€100,000	93,555	0.65
	93,555	0.65

Luxembourg 0.00% (0.81%)**Mexico 0.23% (0.33%)**

Petroleos Mexicanos 6.38% 23/01/2045

\$50,000	33,524	0.23
	33,524	0.23

Netherlands 2.42% (3.67%)

Aegon, FRN 0.87% Perpetual

Petrobras Global Finance 6.00% 27/01/2028

Ren Finance 2.50% 12/02/2025

Teva Pharmaceutical Finance Netherlands II 4.50% 01/03/2025

Volkswagen International Finance 1.13% 02/10/2023

\$40,000	24,020	0.17
\$50,000	42,815	0.29
€100,000	99,028	0.68
€100,000	92,418	0.64
€100,000	92,308	0.64
	350,589	2.42

Spain 0.65% (0.82%)

Canal de Isabel II Gestion 1.68% 26/02/2025

€100,000	94,908	0.65
	94,908	0.65

Supranational 0.00% (0.79%)**Sweden 0.00% (0.81%)****United Kingdom 0.17% (1.17%)**

Natwest Group 6.10% 10/06/2023

\$30,000	24,600	0.17
	24,600	0.17

United States of America 11.48% (5.01%)

Abbott Laboratories 4.90% 30/11/2046	\$10,000	10,845	0.08
AbbVie 4.25% 14/11/2028	\$10,000	8,771	0.06
AECOM 5.88% 15/10/2024	\$20,000	16,318	0.11
Altria Group 4.25% 09/08/2042	\$10,000	8,176	0.06
American Express 3.40% 27/02/2023	\$10,000	7,780	0.05
Anthem 3.65% 01/12/2027	\$10,000	8,436	0.06
AT&T 4.35% 01/03/2029	\$40,000	34,900	0.24
AT&T 4.75% 15/05/2046	\$10,000	9,024	0.06
Aventura Mall Trust, FRN, Series 2018-AVM 'A' 4.25% 05/07/2040	\$100,000	79,608	0.55
Baltimore Gas and Electric 3.50% 15/08/2046	\$10,000	8,503	0.06
BAMLL Commercial Mortgage Securities Trust, FRN, Series 2018-DSNY 'C' 1.49% 15/09/2034	\$100,000	70,789	0.49
BANK, FRN, Series 2017-BNK9 'AS' 3.83% 15/11/2054	\$100,000	82,649	0.57
Bank of America 3.88% 01/08/2025	\$10,000	8,338	0.06
BBCMS Trust, FRN, Series 2018-CBM 'B' 1.33% 15/07/2037	\$100,000	70,161	0.48
Benchmark Mortgage Trust, FRN, Series 2018-B2 'AS' 4.08% 15/02/2051	\$100,000	83,530	0.58
CAMB Commercial Mortgage Trust, FRN, Series 2019-LIFE 'D' 1.89% 15/12/2037	\$100,000	73,161	0.50
CCO Holdings 5.50% 01/05/2026	\$20,000	15,161	0.10
Cigna 4.90% 15/12/2048	\$20,000	20,120	0.14
Citigroup 3.88% 25/10/2023	\$10,000	8,045	0.06
Comcast 4.70% 15/10/2048	\$20,000	20,442	0.14
Conagra Brands 5.40% 01/11/2048	\$10,000	10,440	0.07
CORE Mortgage Trust, FRN, Series 2019-CORE 'B' 1.24% 15/12/2031	\$100,000	72,616	0.50
CVS Health 4.30% 25/03/2028	\$10,000	8,705	0.06
Dell International 7.13% 15/06/2024	\$20,000	15,174	0.10
Dell International 5.30% 01/10/2029	\$20,000	17,937	0.12
Discovery Communications 5.30% 15/05/2049	\$20,000	19,304	0.13
Enable Midstream Partners 3.90% 15/05/2024	\$10,000	7,481	0.05
Energy Transfer Operating 4.50% 15/04/2024	\$20,000	16,002	0.11
Energy Transfer Operating 6.00% 15/06/2048	\$10,000	8,620	0.06
EnLink Midstream Partners 4.40% 01/04/2024	\$20,000	14,438	0.10
Enterprise Products Operating 4.85% 15/03/2044	\$10,000	9,075	0.06
Five Corners Funding Trust 4.42% 15/11/2023	\$100,000	81,146	0.56
Ford Motor 9.00% 22/04/2025	\$50,000	44,845	0.31
General Motors 6.13% 01/10/2025	\$30,000	26,621	0.18
Gilead Sciences 4.75% 01/03/2046	\$10,000	9,696	0.07
Glencore Funding 4.88% 12/03/2029	\$10,000	8,725	0.06
Goldman Sachs Group 3.50% 01/04/2025	\$10,000	8,127	0.06
Goldman Sachs Group 2.00% 01/11/2028	€10,000	10,142	0.07
Goldman Sachs Group, FRN 3.69% 05/06/2028	\$40,000	33,711	0.23
Hartford Financial Services Group 4.40% 15/03/2048	\$10,000	9,649	0.07
HCA 5.38% 01/02/2025	\$20,000	16,453	0.11
JPMCC Commercial Mortgage Securities Trust, FRN, Series 2017-JP7 'C' 3.80% 15/09/2050	\$100,000	75,504	0.52
JPMDB Commercial Mortgage Securities Trust, FRN, Series 2017-C5 'AS' 3.86% 15/03/2050	\$100,000	81,510	0.56
JPMorgan Chase 3.63% 01/12/2027	\$20,000	16,629	0.11
JPMorgan Chase, FRN 2.96% 13/05/2031	\$40,000	32,089	0.22
Kinder Morgan 3.15% 15/01/2023	\$10,000	7,694	0.05
Marathon Oil 3.85% 01/06/2025	\$5,000	3,921	0.03
Morgan Stanley 4.35% 08/09/2026	\$20,000	17,250	0.12
Morgan Stanley Bank of America Merrill Lynch Trust, FRN, Series 2016-C32 'AS' 3.99% 15/12/2049	\$100,000	82,447	0.57
MPLX 4.25% 01/12/2027	\$2,000	1,718	0.01
Netflix 4.38% 15/11/2026	\$40,000	32,444	0.23

Oncor Electric Delivery 3.70% 15/11/2028	\$40,000	34,392	0.24
Pacific Gas and Electric, FRN 0.00% 15/11/2021	\$45,000	32,938	0.23
Phillips 66 4.65% 15/11/2034	\$10,000	8,863	0.06
Phillips 66 Partners 4.68% 15/02/2045	\$10,000	7,934	0.05
Reynolds American 4.45% 12/06/2025	\$10,000	8,332	0.06
Roper Technologies 2.00% 30/06/2030	\$40,000	29,909	0.21
Southwest Airlines 5.13% 15/06/2027	\$20,000	17,405	0.12
Southwestern Electric Power 6.20% 15/03/2040	\$10,000	10,703	0.07
Sprint 7.88% 15/09/2023	\$20,000	16,940	0.12
United Rentals North America 3.88% 15/11/2027	\$50,000	38,315	0.26
Valero Energy 4.90% 15/03/2045	\$10,000	8,526	0.06
Wells Fargo 3.07% 24/01/2023	\$10,000	7,524	0.05
		1,666,651	11.48
Corporate Bonds total		2,708,066	18.65

Swaps (2.15)% ((0.32)%)

Credit Default Swap Citigroup Buy Federative Republic of Brazil 4.25% 07/01/2025 20/06/2024	150,000	184	–
Credit Default Swap Citigroup Sell Republic of South Africa 5.50% 09/03/2020 20/06/2024	150,000	(2,049)	(0.01)
Credit Default Swap J.P. Morgan Buy Federative Republic of Brazil 4.25% 07/01/2025 20/06/2024	150,000	184	–
Credit Default Swap J.P. Morgan Buy United Mexican States 4.15% 28/03/2027 20/06/2024	350,000	(4,399)	(0.03)
Credit Default Swap J.P. Morgan Sell Republic of South Africa 5.50% 09/03/2020 20/06/2024	150,000	(2,049)	(0.01)
Credit Default Swap J.P. Morgan Sell Republic of Turkey 11.88% 15/01/2030 20/06/2024	350,000	(14,137)	(0.10)
Interest Rate Swap Citigroup Pay fixed 1.58% Receive floating BBR 3 month 23/09/2029	1,500,000	(12,923)	(0.09)
Interest Rate Swap Citigroup Pay fixed 1.21% Receive floating BBR 3 month 27/09/2029	880,000	(12,769)	(0.09)
Interest Rate Swap Citigroup Pay fixed 1.68% Receive floating BBR 3 month 30/10/2029	2,000,000	(20,977)	(0.14)
Interest Rate Swap Citigroup Pay fixed 0.95% Receive floating LIBOR 6 month 06/11/2048	95,000,000	(105,318)	(0.73)
Interest Rate Swap Citigroup Pay fixed 1.72% Receive floating LIBOR 6 month 03/12/2048	420,000	(125,005)	(0.86)
Interest Rate Swap Citigroup Pay fixed 1.72% Receive floating LIBOR 6 month 03/12/2048	550,000	(163,844)	(1.13)
Interest Rate Swap Citigroup Pay fixed 1.74% Receive floating LIBOR 6 month 03/12/2048	550,000	(166,649)	(1.15)
Interest Rate Swap Citigroup Pay fixed 0.54% Receive floating LIBOR 6 month 10/04/2049	15,000,000	(4,807)	(0.03)
Interest Rate Swap Citigroup Pay fixed 1.14% Receive floating LIBOR 6 month 13/12/2049	200,000	(29,803)	(0.21)
Interest Rate Swap Citigroup Pay fixed 1.30% Receive floating LIBOR 3 month 03/03/2050	100,000	2,113	0.01
Interest Rate Swap Citigroup Pay fixed 2.12% Receive floating WIBOR 6 month 23/01/2030	2,500,000	(46,024)	(0.32)
Interest Rate Swap Citigroup Pay fixed 1.92% Receive floating WIBOR 6 month 10/02/2030	2,500,000	(37,554)	(0.26)
Interest Rate Swap Citigroup Pay fixed 1.67% Receive floating WIBOR 6 month 27/02/2030	1,500,000	(15,906)	(0.11)
Interest Rate Swap Citigroup Pay fixed 1.34% Receive floating WIBOR 6 month 06/03/2030	1,000,000	(4,924)	(0.03)
Interest Rate Swap Citigroup Pay fixed 1.11% Receive floating WIBOR 6 month 23/11/2030	2,000,000	144	–
Interest Rate Swap Citigroup Pay floating BA 3 month Receive fixed 1.90% 25/10/2022	1,800,000	26,389	0.18
Interest Rate Swap Citigroup Pay floating CNREPOFIX=CFXS 1 week Receive fixed 3.04% 23/10/2024	8,000,000	13,338	0.09
Interest Rate Swap Citigroup Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.45% 04/03/2025	5,000,000	(4,430)	(0.03)

Interest Rate Swap Citigroup Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.27% 11/06/2025	5,000,000	(9,091)	(0.06)
Interest Rate Swap Citigroup Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.55% 07/07/2025	4,000,000	(2,134)	(0.01)
Interest Rate Swap Citigroup Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.82% 20/11/2025	8,000,000	6,209	0.04
Interest Rate Swap Citigroup Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.94% 23/11/2025	8,000,000	11,076	0.08
Interest Rate Swap Citigroup Pay floating TIE 4 week Receive fixed 8.98% 23/10/2028	19,000,000	178,220	1.23
Interest Rate Swap Citigroup Pay floating BA 3 month Receive fixed 1.83% 19/09/2029	1,000,000	9,050	0.06
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.78% 16/11/2048	100,000	31,350	0.22
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.60% 11/01/2049	100,000	26,620	0.18
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.59% 15/01/2049	100,000	26,521	0.18
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.65% 17/01/2049	200,000	55,991	0.39
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.49% 12/02/2049	200,000	47,672	0.33
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.48% 13/02/2049	100,000	23,694	0.16
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.43% 10/04/2049	100,000	22,467	0.16
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.22% 07/06/2049	100,000	16,848	0.12
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 1.19% 20/06/2049	100,000	15,893	0.11
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 0.88% 08/08/2049	100,000	7,480	0.05
Interest Rate Swap Citigroup Pay floating LIBOR 6 month Receive fixed 0.88% 08/08/2049	55,000	4,168	0.03
Interest Rate Swap HSBC Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.31% 08/06/2025	5,000,000	(8,231)	(0.06)
Interest Rate Swap J.P. Morgan Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.15% 04/06/2025	5,000,000	(11,860)	(0.08)
Interest Rate Swap J.P. Morgan Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.30% 05/06/2025	5,000,000	(8,342)	(0.06)
Interest Rate Swap J.P. Morgan Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.24% 10/06/2025	5,000,000	(9,821)	(0.07)
Interest Rate Swap J.P. Morgan Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.20% 12/06/2025	7,000,000	(15,224)	(0.10)
Interest Rate Swap J.P. Morgan Pay floating CNREPOFIX=CFXS 1 week Receive fixed 2.68% 12/11/2025	3,000,000	235	–
Swaps total		(312,424)	(2.15)

Forward Currency Contract 1.26% (1.31%)

Buy AUD 1,037,700 sell GBP 573,655 dated 07/01/2021	14,830	0.10
Buy BRL 975,057 sell USD 182,936 dated 07/01/2021	3,505	0.02
Buy CHF 54,900 sell GBP 45,686 dated 07/01/2021	(15)	–
Buy CNY 3,815,900 sell USD 578,342 dated 07/01/2021	4,049	0.03
Buy CNY 3,815,900 sell USD 583,739 dated 04/02/2021	406	–
Buy COP 1,302,348,000 sell USD 360,033 dated 07/01/2021	15,054	0.10
Buy COP 1,302,348,000 sell USD 373,583 dated 04/02/2021	5,093	0.04
Buy GBP 205,929 sell CAD 355,500 dated 07/01/2021	1,368	0.01
Buy GBP 24,900 sell CHF 29,800 dated 07/01/2021	109	–
Buy GBP 1,938,814 sell EUR 2,146,400 dated 07/01/2021	8,390	0.06
Buy GBP 772,715 sell JPY 107,973,000 dated 07/01/2021	5,128	0.04
Buy GBP 373,949 sell MXN 10,065,000 dated 07/01/2021	3,206	0.02
Buy GBP 16,228 sell NOK 188,400 dated 07/01/2021	25	–
Buy GBP 3,247,377 sell NZD 6,141,800 dated 07/01/2021	(10,475)	(0.07)
Buy GBP 204,702 sell SEK 2,324,800 dated 07/01/2021	(3,868)	(0.03)

Buy GBP 424,237 sell THB 17,123,500 dated 07/01/2021	4,899	0.03
Buy GBP 7,664,567 sell USD 10,256,400 dated 07/01/2021	150,323	1.04
Buy GBP 20,075 sell ZAR 400,600 dated 07/01/2021	81	–
Buy GBP 867,733 sell ZAR 17,850,800 dated 07/01/2021	(23,231)	(0.16)
Buy HUF 44,529,300 sell GBP 112,559 dated 07/01/2021	(2,643)	(0.02)
Buy IDR 2,646,107,700 sell USD 186,727 dated 07/01/2021	2,544	0.02
Buy IDR 2,646,107,700 sell USD 187,031 dated 04/02/2021	2,064	0.01
Buy INR 26,721,500 sell USD 360,249 dated 07/01/2021	3,963	0.03
Buy INR 26,721,500 sell USD 363,781 dated 04/02/2021	672	–
Buy JPY 19,835,404 sell AUD 253,300 dated 07/01/2021	(2,637)	(0.02)
Buy JPY 19,980,021 sell USD 192,300 dated 07/01/2021	1,153	0.01
Buy MXN 3,876,911 sell ZAR 2,862,900 dated 07/01/2021	(87)	–
Buy MYR 770,700 sell USD 189,175 dated 07/01/2021	1,679	0.01
Buy MYR 770,700 sell USD 190,956 dated 04/02/2021	219	–
Buy NOK 6,878,300 sell GBP 583,477 dated 07/01/2021	8,107	0.06
Buy NZD 270,774 sell AUD 253,400 dated 07/01/2021	(75)	–
Buy NZD 46,096 sell JPY 3,392,200 dated 07/01/2021	336	–
Buy PEN 691,799 sell USD 192,300 dated 07/01/2021	(174)	–
Buy PEN 691,800 sell USD 191,195 dated 04/02/2021	706	–
Buy PHP 18,105,800 sell USD 376,969 dated 07/01/2021	(122)	–
Buy PLN 1,926,900 sell GBP 389,868 dated 07/01/2021	(9,507)	(0.07)
Buy RUB 41,312,696 sell USD 543,045 dated 11/01/2021	6,715	0.05
Buy RUB 83,290,626 sell USD 1,124,464 dated 11/01/2021	(8,169)	(0.06)
Buy RUB 62,301,661 sell USD 825,762 dated 04/02/2021	3,617	0.03
Buy RUB 2,060,541 sell USD 27,540 dated 04/02/2021	(48)	–
Buy TRY 1,460,000 sell GBP 137,796 dated 07/01/2021	6,331	0.04
Buy TWD 5,083,600 sell USD 181,169 dated 07/01/2021	(182)	–
Buy USD 192,300 sell BRL 975,057 dated 07/01/2021	3,355	0.02
Buy USD 15,778 sell BRL 82,300 dated 04/02/2021	(44)	–
Buy USD 192,300 sell CAD 246,186 dated 07/01/2021	(773)	(0.01)
Buy USD 584,902 sell CNY 3,815,900 dated 07/01/2021	757	0.01
Buy USD 373,380 sell COP 1,302,348,000 dated 07/01/2021	(5,276)	(0.04)
Buy USD 383,078 sell EUR 315,400 dated 07/01/2021	(3,006)	(0.02)
Buy USD 187,269 sell IDR 2,646,107,700 dated 07/01/2021	(2,147)	(0.01)
Buy USD 364,749 sell INR 26,721,500 dated 07/01/2021	(666)	–
Buy USD 192,300 sell MXN 3,822,280 dated 07/01/2021	93	–
Buy USD 190,909 sell MYR 770,700 dated 07/01/2021	(408)	–
Buy USD 191,158 sell PEN 691,799 dated 07/01/2021	(663)	–
Buy USD 376,060 sell PHP 18,105,800 dated 07/01/2021	(544)	–
Buy USD 376,248 sell PHP 18,105,800 dated 04/02/2021	(103)	–
Buy USD 839,464 sell RUB 62,301,661 dated 11/01/2021	4,910	0.03
Buy USD 827,819 sell RUB 62,301,661 dated 11/01/2021	(3,621)	(0.02)
Buy USD 179,063 sell TWD 5,083,600 dated 07/01/2021	(1,361)	(0.01)
Buy USD 182,273 sell TWD 5,083,600 dated 04/02/2021	512	–
Buy USD 95,500 sell ZAR 1,438,329 dated 07/01/2021	(1,822)	(0.01)
Forward Currency Contracts total	182,532	1.26

Futures (0.10)% (0.26%)

Canada 10 Year Bond 22/03/2021	(7)	(1,470)	(0.01)
Euro-Bobl 08/03/2021	(2)	234	–
Euro-BTP 08/03/2021	(5)	(3,103)	(0.02)
Euro-buxl 30 Year Bond 08/03/2021	(3)	(4,910)	(0.03)
Euro-OAT 08/03/2021	(1)	(315)	–
Japan 10 Year Bond Mini 12/03/2021	18	(1,408)	(0.01)
Long Gilt 29/03/2021	(3)	(3,975)	(0.03)
US 2 Year Note 31/03/2021	(3)	(412)	–
US 5 Year Note 31/03/2021	(5)	(887)	(0.01)
US 10 Year Note 22/03/2021	(3)	(240)	–
US Ultra Bond 22/03/2021	(1)	1,900	0.01
Futures total		(14,586)	(0.10)

Investment assets (including investment liabilities)

12,947,420 89.20

Net other assets

1,567,411 10.80

Net assets attributable to shareholders**14,514,831 100.00**

All holdings are debt securities and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

UBS Global Strategic Bond Fund

Portfolio Movements (unaudited)

Largest purchases

	Cost £
For the year ended 31 December 2020	
South Africa Government Bond 8.75% 28/02/2048	821,551
US Treasury Bill 0.00% 28/01/2021	683,231
US Treasury 0.50% 30/06/2027	639,098
US Treasury 0.13% 31/05/2022	633,115
US Treasury 1.63% 30/11/2026	491,019
US Treasury Bill 0.00% 07/10/2021	379,280
US Treasury Inflation Indexed 0.63% 15/01/2026	374,785
US Treasury Inflation Indexed 0.88% 15/01/2029	229,842
UK Treasury 0.88% 22/10/2029	211,042
US Treasury Inflation Indexed 1.00% 15/02/2046	202,200
Brazil Notas do Tesouro Nacional 10.00% 01/01/2031	167,224
Spain Government Bond 1.40% 30/07/2028	151,679
Ghana Government Bond 6.38% 11/02/2027	150,057
US Treasury 0.63% 15/05/2030	147,322
New Zealand Government Bond, FRN 3.00% 20/09/2030	138,223
US Treasury 3.13% 15/08/2044	127,647
Mexican Bonos 7.75% 13/11/2042	120,864
US Treasury 0.63% 15/08/2030	110,494
US Treasury 2.88% 15/05/2049	99,260
Slovenia Government Bond 0.49% 20/10/2050	97,280
Total for the year (Note 16)	7,817,090

Largest sales

	Proceeds £
For the year ended 31 December 2020	
US Treasury Inflation Indexed 0.38% 15/07/2025	724,880
US Treasury 3.13% 15/11/2028	620,428
UK Treasury 2.00% 22/07/2020	553,940
US Treasury 2.88% 30/04/2025	543,825
US Treasury Inflation Indexed 1.00% 15/02/2046	451,516
US Treasury Inflation Indexed 0.63% 15/01/2026	363,252
US Treasury Inflation Indexed 0.88% 15/01/2029	232,338
US Treasury 2.25% 15/08/2027	226,953
US Treasury Inflation Indexed 0.75% 15/02/2045	196,976
US Treasury 3.00% 15/05/2047	193,256
ABN AMRO Bank 2.65% 19/01/2021	160,577
Italy Buoni Poliennali Del Tesoro 2.55% 15/09/2041	103,634
Jerrold Finco 6.25% 15/09/2021	101,563
Ardagh Packaging Finance 2.75% 15/03/2024	91,133
Altice Finco 9.00% 15/06/2023	88,339
Unilabs Subholding 5.75% 15/05/2025	80,830
CGDBB Commercial Mortgage Trust, FRN, Series 2017-BIOC 'D' 1.77% 15/07/2032	67,626
Commerzbank 0.50% 28/08/2023	17,870
Goldman Sachs Group 2.00% 27/07/2023	17,731
CF Industries 5.15% 15/03/2034	17,220
Total for the year (Note 16)	4,893,293

UBS Global Strategic Bond Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

	Notes	£	31.12.20 £	£	31.12.19 £
Income					
Net capital gains	2		210,969		553,497
Revenue	3	371,573		335,646	
Expenses	4	(24,964)		(19,159)	
Net revenue before taxation		346,609		316,487	
Taxation	5	70		-	
Net revenue after taxation			346,679		316,487
Total return before distributions			557,648		869,984
Distributions	6		(361,981)		(320,775)
Change in net assets attributable to shareholders from investment activities			195,667		549,209

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

	£	31.12.20 £	£	31.12.19 £
Opening net assets attributable to shareholders		10,906,315		9,931,913
Amounts receivable on issue of shares	3,190,295		106,722	
Amounts payable on cancellation of shares	(150,531)		(1,709)	
		3,039,764		105,013
Dilution adjustment		10,158		-
Change in net assets attributable to shareholders from investment activities (see above)		195,667		549,209
Retained distribution on accumulation shares		362,927		320,180
Closing net assets attributable to shareholders		14,514,831		10,906,315

UBS Global Strategic Bond Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	13,884,077	10,185,996
Current assets			
Debtors	8	188,395	758,858
Cash and bank balances	9	1,938,642	1,664,523
Total assets		16,011,114	12,609,377
Liabilities			
Investment liabilities	7	936,657	490,813
Creditors			
Bank overdrafts	10	517,389	484,188
Distributions payable		118	281
Other creditors	11	42,119	727,780
Total liabilities		1,496,283	1,703,062
Net assets attributable to shareholders		14,514,831	10,906,315

UBS Global Strategic Bond Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital gains

	31.12.20	31.12.19
	£	£
Derivative contracts	(254,032)	(354,120)
Foreign currency losses	(151,658)	(585,497)
Forward currency contracts	33,008	724,437
Non-derivative securities	585,338	772,375
Transaction costs	(1,687)	(3,698)
Net capital gains	210,969	553,497

3. Revenue

	31.12.20	31.12.19
	£	£
Bank interest	1,082	9,364
Interest on debt securities	323,928	338,880
Net revenue return from derivative contracts	46,563	(12,598)
Total revenue	371,573	335,646

4. Expenses

	31.12.20	31.12.19
	£	£
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	1,602	172
Expense fee rebate	(58,782)	(42,476)
Registrar's fee	9,831	941
	(47,349)	(41,363)
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	9,006	9,001
Interest payable	9,173	14,853
	18,179	23,854
Other expenses:		
Administration fee	32,365	21,791
Audit fee	11,670	11,471
Price publication costs	-	(251)
Professional fee	8,031	2,210
Safe custody fee	952	462
Taxation fee	1,116	985
	54,134	36,668
Total expenses	24,964	19,159

The audit fee for the year, excluding VAT, was £8,500 (2019: £8,500).

5. Taxation

(a) Analysis of the tax charge for the year

	£	£
Overseas withholding tax	(70)	-
Total tax charge for the year	(70)	-

(a) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	346,609	316,487
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	69,322	63,297
Effects of:		
Irrecoverable overseas withholding tax	(70)	-
Tax deductible on interest distributions	(69,322)	(63,297)
Total tax charge for the year	(70)	-

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim - First monthly interest distribution	31,620	23,830
Interim - Second monthly interest distribution	32,562	21,900
Interim - Third monthly interest distribution	41,913	26,000
Interim - Fourth monthly interest distribution	29,139	31,133
Interim - Fifth monthly interest distribution	46,973	30,704
Interim - Sixth monthly interest distribution	37,098	28,174
Interim - Seventh monthly interest distribution	4,948	40,274
Interim - Eighth monthly interest distribution	15,936	20,428
Interim - Ninth monthly interest distribution	41,426	24,277
Interim - Tenth monthly interest distribution	20,102	14,988
Interim - Eleventh monthly interest distribution	21,922	23,815
Final interest distribution	40,100	35,348
	363,739	320,871
Add: Revenue deducted on cancellation of shares	411	2
Deduct: Revenue received on issue of shares	(2,169)	(98)
Distributions	361,981	320,775
Movement between net revenue after taxation and distributions		
Net revenue after taxation	346,679	316,487
Add: ACD fee taken to capital	1,602	172
Add: Other expenses taken to capital	14,031	4,134
Add: Undistributed revenue brought forward	23	4
Deduct: Undistributed revenue carried forward	(354)	(22)
Distributions	361,981	320,775

Details of the distributions per share are set out in the Distribution Tables on pages 97 to 102.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

Basis of valuation	31.12.20		31.12.19	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: Quoted prices	2,134	(16,720)	52,677	(25,026)
Level 2: Observable market data	13,881,943	(919,937)	10,110,954	(465,787)
Level 3: Unobservable data	-	-	22,365	-
Total	13,884,077	(936,657)	10,185,996	(490,813)

8. Debtors

	31.12.20 £	31.12.19 £
Accrued revenue	84,971	63,244
Amounts receivable on derivative contracts	-	4,176
Amounts receivable for creation of shares	15,214	-
Overseas withholding tax recoverable	2,773	2,668
Prepaid expenses	-	7,541
Sales awaiting settlement	-	654,575
TER fee rebate	85,437	26,654
Total debtors	188,395	758,858

9. Cash and bank balances

	31.12.20 £	31.12.19 £
Amounts held at futures clearing houses and brokers	1,292,081	116,635
Cash and bank balances	646,561	1,547,888
Total cash and bank balances	1,938,642	1,664,523

10. Bank overdrafts

	31.12.20 £	31.12.19 £
Bank overdrafts	517,389	484,188
Total bank overdrafts	517,389	484,188

11. Other creditors

	31.12.20 £	31.12.19 £
Accrued expenses	24,561	17,606
Amounts payable for cancellation of shares	532	-
Amounts payable on derivative contracts	17,026	-
Purchases awaiting settlement	-	710,174
Total other creditors	42,119	727,780

12. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

13. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £959 and £1,998 respectively (2019: £164 and £423) and the amount included in debtors in respect of ACD fee rebate due from the ACD is £85,437 (2019: £26,654). At 31 December 2020, UBS AG owns xx.xx% of the shares in issue as a seed investor.

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 11.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

14. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Value at risk

The sub-fund is permitted to invest in exchange traded bond, deposit, consumer price index and currency futures, currency forwards, credit default swaps, total return swaps, interest rate swaps and inflation swaps. The sub-fund will use derivatives as part of its investment capabilities and are used to manage market exposure inherent in an invested portfolio. The derivatives overlay is designed to remove unwanted market risk and allow tactical asset allocation and currency views to be expressed efficiently. However, such instruments are inherently volatile and the sub-fund could be potentially exposed to additional risk and costs should the market move against it. The ACD also assesses the market risk of the sub-fund's investments, including any derivative exposures, using a Value at Risk (VaR) methodology with a 99% confidence level and one month time horizon. This process provides the ACD with an estimate of the maximum potential loss that could be expected to occur as a result of changes in the market prices over a given year of time in all but a given percentage of circumstances.

The ACD calculates global exposure using the absolute Value at Risk (VaR) approach. The Fund's annual average leverage level is expected to be 1500% of the Fund's total Net Asset Value based on the sum of notional exposures of financial derivative instruments in the investment portfolio including those held for risk reduction purposes. This level of leverage will vary over time and may increase under certain market conditions.

Specific details of the measures are as follows:

	31.12.20 %	31.12.19 %
Calculation Model:	Risk Metrics Historical Simulation Model	
Confident Level:	99%	99%
Holding Period:	20 Days	20 Days
Data History	2Y of daily data	2Y of daily data
Lowest:	1.62%	1.46%
Highest:	14.74%	2.93%
Average:	9.60%	2.28%

(b) Leverage

Average leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach (CESR/10-788)) divided by the net asset value.

For the year under review:

	31.12.20 %	31.12.19 %
Leverage	422.13%	504.06%
The lowest leverage was:	312.93%	553.98%
The highest leverage was:	897.08%	1,097.57%
The average leverage was:	454.46%	649.93%

15. Debt securities

	31.12.20 £	31.12.19 £
Investment grade securities	11,080,753	8,243,159
Below investment grade securities	2,011,145	1,316,543
Unrated securities	-	-
Total debt securities	13,091,898	9,559,702

16. Direct transaction costs

No transaction costs on the purchase or sale of investments were incurred by the fund during the year or prior year. The total purchases for the year amounted to £7,817,090 (2019: £7,228,519) and the total sales amounted to £4,893,293 (2019: £7,841,632).

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.44% (2019: 0.44%) based on close of business prices.

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

The ACD believes this spread to be representative of the typical spread throughout the year.

17. Counterparty exposure

The types of derivatives held at the balance sheet date were forward exchange contracts, future contracts, credit default swaps and interest rate swaps. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

As at 31.12.20

Counterparty	Collateral type £	Collateral amount* £	Forward exchange contracts £	Future contracts £	Credit default swaps £	Interest rate swaps £	Total £
Canadian Imperial Bank of Commerce	-	-	(1,822)	-	-	-	(1,822)
Citibank	Cash	553,216	-	-	(1,865)	(236,915)	314,436
Goldman Sachs	-	-	13,168	-	-	-	13,168
HSBC	-	-	9,951	-	-	(8,231)	1,720
J.P. Morgan	-	-	8,192	-	(20,401)	(45,012)	(57,221)
Morgan Stanley	-	-	(347)	-	-	-	(347)
State Street	-	-	1,172	-	-	-	1,172
UBS	Cash	221,476	2,917	(14,586)	-	-	209,807
Westpac Banking	-	-	149,301	-	-	-	149,301

As at 31.12.19

Counterparty	Collateral type £	Collateral amount* £	Forward exchange contracts £	Future contracts £	Credit default swaps £	Interest rate swaps £	Total £
Barclays	-	-	10,615	-	-	-	10,615
Citibank	Cash	460,123	-	-	(2,845)	(30,599)	426,679
Goldman Sachs	-	-	2,010	-	-	5,294	7,304
HSBC	-	-	216	-	-	7,478	7,694
J.P. Morgan	-	-	37,925	-	(24,929)	10,235	23,231
Morgan Stanley	-	-	(2,484)	-	-	-	(2,484)
State Street	-	-	450	-	-	-	450
UBS	Cash	98,917	94,464	27,651	-	-	221,032

*The collateral value is positive where the sub-fund has provided collateral to the counterparty or negative where the counterparty has provided collateral to the sub-fund.

18. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation Net shares	43,630	141,449	(113,572)	-	71,507
Class C - Income Net shares	165,141	80,238	(167,025)	-	78,354
Class K - Accumulation Net shares	99,980	-	(2)	-	99,978
Class R - Accumulation shares	-	5,983,289	(22,796)	-	5,960,493
Class R - Income shares	-	200	-	-	200

UBS Global Strategic Bond Fund

Distribution Tables

Distribution for the month ended 31 January 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 31 January 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 29.02.20 p per share	Distribution paid 28.02.19 p per share
Class C - Accumulation Net shares				
Group 1	0.160000	–	0.160000	0.110000
Group 2	0.074279	0.085721	0.160000	0.110000
Class C - Income Net shares				
Group 1	0.150000	–	0.150000	0.120000
Group 2	0.052538	0.097462	0.150000	0.120000
Class K - Accumulation Net shares				
Group 1	31.330000	–	31.330000	23.830000
Group 2	31.330000	0.000000	31.330000	23.830000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 29 February 2020

Group 1 Shares purchased prior to 1 February 2020

Group 2 Shares purchased on or after 1 February 2020 to 29 February 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.03.20 p per share	Distribution paid 31.03.19 p per share
Class C - Accumulation Net shares				
Group 1	0.160000	–	0.160000	0.110000
Group 2	0.050000	0.110000	0.160000	0.110000
Class C - Income Net shares				
Group 1	0.160000	–	0.160000	0.110000
Group 2	0.080000	0.080000	0.160000	0.110000
Class K - Accumulation Net shares				
Group 1	32.260000	–	32.260000	21.900000
Group 2	32.260000	0.000000	32.260000	21.900000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 31 March 2020

Group 1 Shares purchased prior to 1 March 2020

Group 2 Shares purchased on or after 1 March 2020 to 31 March 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 30.04.20 p per share	Distribution paid 30.04.19 p per share
Class C - Accumulation Net shares				
Group 1	0.200000	–	0.200000	0.130000
Group 2	0.130000	0.070000	0.200000	0.130000
Class C - Income Net shares				
Group 1	0.200000	–	0.200000	0.130000
Group 2	0.200000	0.000000	0.200000	0.130000
Class K - Accumulation Net shares				
Group 1	41.650000	–	41.650000	26.000000
Group 2	41.650000	0.000000	41.650000	26.000000
Class R - Accumulation shares				
Group 1	0.170000	–	0.170000	0.000000
Group 2	0.170000	0.000000	0.170000	0.000000
Class R - Income shares				
Group 1	0.170000	–	0.170000	0.000000
Group 2	0.170000	0.000000	0.170000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 30 April 2020

Group 1 Shares purchased prior to 1 April 2020

Group 2 Shares purchased on or after 1 April 2020 to 30 April 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.05.20 p per share	Distribution paid 31.05.19 p per share
Class C - Accumulation Net shares				
Group 1	0.150000	–	0.150000	0.150000
Group 2	0.100000	0.050000	0.150000	0.150000
Class C - Income Net shares				
Group 1	0.130000	–	0.130000	0.150000
Group 2	0.000000	0.130000	0.130000	0.150000
Class K - Accumulation Net shares				
Group 1	29.000000	–	29.000000	31.130000
Group 2	29.000000	0.000000	29.000000	31.130000
Class R - Accumulation shares				
Group 1	0.140000	–	0.140000	0.000000
Group 2	0.050000	0.090000	0.140000	0.000000
Class R - Income shares				
Group 1	0.140000	–	0.140000	0.000000
Group 2	0.140000	0.000000	0.140000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 31 May 2020

Group 1 Shares purchased prior to 1 May 2020

Group 2 Shares purchased on or after 1 May 2020 to 31 May 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 30.06.20 p per share	Distribution paid 30.06.19 p per share
Class C - Accumulation Net shares				
Group 1	0.230000	–	0.230000	0.160000
Group 2	0.013210	0.216790	0.230000	0.160000
Class C - Income Net shares				
Group 1	0.220000	–	0.220000	0.150000
Group 2	0.220000	0.000000	0.220000	0.150000
Class K - Accumulation Net shares				
Group 1	46.800000	–	46.800000	30.700000
Group 2	46.800000	0.000000	46.800000	30.700000
Class R - Accumulation shares				
Group 1	0.210000	–	0.210000	0.000000
Group 2	0.210000	0.000000	0.210000	0.000000
Class R - Income shares				
Group 1	0.210000	–	0.210000	0.000000
Group 2	0.210000	0.000000	0.210000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 30 June 2020

Group 1 Shares purchased prior to 1 June 2020

Group 2 Shares purchased on or after 1 June 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.07.20 p per share	Distribution paid 31.07.19 p per share
Class C - Accumulation Net shares				
Group 1	0.180000	–	0.180000	0.140000
Group 2	0.116369	0.063631	0.180000	0.140000
Class C - Income Net shares				
Group 1	0.180000	–	0.180000	0.140000
Group 2	0.180000	0.000000	0.180000	0.140000
Class K - Accumulation Net shares				
Group 1	36.980000	–	36.980000	28.170000
Group 2	36.980000	0.000000	36.980000	28.170000
Class R - Accumulation shares				
Group 1	0.180000	–	0.180000	0.000000
Group 2	0.180000	0.000000	0.180000	0.000000
Class R - Income shares				
Group 1	0.170000	–	0.170000	0.000000
Group 2	0.170000	0.000000	0.170000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 31 July 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 31 July 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation Net shares				
Group 1	0.030000	–	0.030000	0.200000
Group 2	0.000000	0.030000	0.030000	0.200000
Class C - Income Net shares				
Group 1	0.020000	–	0.020000	0.190000
Group 2	0.000000	0.020000	0.020000	0.190000
Class K - Accumulation Net shares				
Group 1	4.930000	–	4.930000	40.240000
Group 2	4.930000	0.000000	4.930000	40.240000
Class R - Accumulation shares				
Group 1	0.030000	–	0.030000	0.000000
Group 2	0.030000	0.000000	0.030000	0.000000
Class R - Income shares				
Group 1	0.020000	–	0.020000	0.000000
Group 2	0.020000	0.000000	0.020000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 31 August 2020

Group 1 Shares purchased prior to 1 August 2020

Group 2 Shares purchased on or after 1 August 2020 to 31 August 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 30.09.20 p per share	Distribution paid 30.09.19 p per share
Class C - Accumulation Net shares				
Group 1	0.070000	–	0.070000	0.100000
Group 2	0.016616	0.053384	0.070000	0.100000
Class C - Income Net shares				
Group 1	0.070000	–	0.070000	0.100000
Group 2	0.070000	0.000000	0.070000	0.100000
Class K - Accumulation Net shares				
Group 1	15.880000	–	15.880000	20.410000
Group 2	15.880000	0.000000	15.880000	20.410000
Class R - Accumulation shares				
Group 1	0.070000	–	0.070000	0.000000
Group 2	0.070000	0.000000	0.070000	0.000000
Class R - Income shares				
Group 1	0.060000	–	0.060000	0.000000
Group 2	0.060000	0.000000	0.060000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 30 September 2020

Group 1 Shares purchased prior to 1 September 2020

Group 2 Shares purchased on or after 1 September 2020 to 30 September 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.10.20 p per share	Distribution paid 31.10.19 p per share
Class C - Accumulation Net shares				
Group 1	0.210000	–	0.210000	0.130000
Group 2	0.069473	0.140527	0.210000	0.130000
Class C - Income Net shares				
Group 1	0.200000	–	0.200000	0.120000
Group 2	0.032274	0.167726	0.200000	0.120000
Class K - Accumulation Net shares				
Group 1	41.260000	–	41.260000	24.130000
Group 2	41.260000	0.000000	41.260000	24.130000
Class R - Accumulation shares				
Group 1	0.190000	–	0.190000	0.000000
Group 2	0.190000	0.000000	0.190000	0.000000
Class R - Income shares				
Group 1	0.180000	–	0.180000	0.000000
Group 2	0.180000	0.000000	0.180000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 31 October 2020

Group 1 Shares purchased prior to 1 October 2020

Group 2 Shares purchased on or after 1 October 2020 to 31 October 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 30.11.20 p per share	Distribution paid 30.11.19 p per share
Class C - Accumulation Net shares				
Group 1	0.100000	–	0.100000	0.070000
Group 2	0.056337	0.043663	0.100000	0.070000
Class C - Income Net shares				
Group 1	0.090000	–	0.090000	0.070000
Group 2	0.013281	0.076719	0.090000	0.070000
Class K - Accumulation Net shares				
Group 1	19.980000	–	19.980000	14.880000
Group 2	19.980000	0.000000	19.980000	14.880000
Class R - Accumulation shares				
Group 1	0.100000	–	0.100000	0.000000
Group 2	0.100000	0.000000	0.100000	0.000000
Class R - Income shares				
Group 1	0.080000	–	0.080000	0.000000
Group 2	0.080000	0.000000	0.080000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 30 November 2020

Group 1 Shares purchased prior to 1 November 2020

Group 2 Shares purchased on or after 1 November 2020 to 30 November 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.12.20 p per share	Distribution paid 31.12.19 p per share
Class C - Accumulation Net shares				
Group 1	0.080000	–	0.080000	0.120000
Group 2	0.040346	0.039654	0.080000	0.120000
Class C - Income Net shares				
Group 1	0.080000	–	0.080000	0.110000
Group 2	0.030938	0.049062	0.080000	0.110000
Class K - Accumulation Net shares				
Group 1	17.160000	–	17.160000	23.640000
Group 2	17.160000	0.000000	17.160000	23.640000
Class R - Accumulation shares				
Group 1	0.080000	–	0.080000	0.000000
Group 2	0.046986	0.033014	0.080000	0.000000
Class R - Income shares				
Group 1	0.090000	–	0.090000	0.000000
Group 2	0.090000	0.000000	0.090000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Distribution for the month ended 31 December 2020

Group 1 Shares purchased prior to 1 December 2020

Group 2 Shares purchased on or after 1 December 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.01.21 p per share	Distribution paid 31.01.20 p per share
Class C - Accumulation Net shares				
Group 1	0.160000	–	0.160000	0.170000
Group 2	0.080387	0.079613	0.160000	0.170000
Class C - Income Net shares				
Group 1	0.150000	–	0.150000	0.170000
Group 2	0.098081	0.051919	0.150000	0.170000
Class K - Accumulation Net shares				
Group 1	31.530000	–	31.530000	35.000000
Group 2	31.530000	0.000000	31.530000	35.000000
Class R - Accumulation shares				
Group 1	0.140000	–	0.140000	0.000000
Group 2	0.094865	0.045135	0.140000	0.000000
Class R - Income shares				
Group 1	0.140000	–	0.140000	0.000000
Group 2	0.140000	0.000000	0.140000	0.000000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS S&P 500 Index Fund

UBS S&P 500 Index Fund

Manager's report

Investment objective

The sub-fund seeks to track the return of the S&P 500 Index (the "Index") before the deduction of charges.

Investment policy

The sub-fund employs a passive investment strategy, investing all, or substantially all, of its assets in the shares of companies that make up the Index.

To the extent that the sub-fund is not fully invested in the equities of the Index, it may be invested in shares of companies which in the ACD's opinion are reasonably expected to become part of the Index. The sub-fund may also invest in warrants, money market instruments, deposits, cash and near cash and other funds.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

The sub-fund may use derivatives for efficient portfolio management only.

Benchmark information

The sub-fund uses the Index as a target benchmark. The Index has been chosen because it meets the objective of the sub-fund.

The sub-fund aims to have an anticipated tracking error of up to 0.5% per annum. The anticipated tracking error is a target and is not guaranteed.

Market environment

The spread of COVID-19 significantly affected global markets in the first months of the reporting year as countries went into lockdown to contain the pandemic. Market volatility and sometimes dislocation reached levels not seen since the depths of the global financial crisis over a decade ago. From record highs on 19 February, the S&P 500 dropped by 20% in just 16 trading days, the fastest entry into bear market territory ever. The response by central banks and governments has been unprecedented in terms of speed and scale. The Federal Reserve rolled out its entire global financial crisis playbook in just a couple of weeks, cutting rates to zero and restarting quantitative easing programs. US Equities recovered promptly, the S&P 500 recouping losses for the year on 8 June. The US economic recovery continued in the second half of the year, despite the emergence of new COVID-19 hot spots. In November, the outcome of the US presidential election and positive news on the development of effective COVID-19 vaccines triggered a strong rally in US equities. At the end of the year, a new stimulus package worth around USD 900bn was signed into law, which will inject money into the economy early in the new year.

Sub-fund performance

The sub-fund returned 14.28%* over the year compared to its S&P 500 Index benchmark that returned 14.12%.

The largest change in the index was the deletion of Allergan after it was acquired by Abbvie and the removal of Raytheon Co after its acquisition by United Technology. The latter spun-off Otis Worldwide and Carrier Global which were added to the S&P 500 in April. Other significant changes include the additions of DexCom, West Pharmaceutical Services, Domino's Pizza and Paycom Software.

The S&P 500 index review initially planned in March did not take place as the index provider decided to postpone the review in a context of extreme market volatility caused by the COVID-19 pandemic. At the quarterly review in June, three stocks were added and three were deleted from the index. The two-way turnover was 1.24%. The following quarterly review took place in September, with three stocks added and three stocks deleted. The two-way turnover was 0.88%. At the last quarterly review in December, two stocks were deleted and one added. The two-way turnover was 3.24%.

The sub-fund will physically replicate the risk exposures of the benchmark on an optimised basis by investing predominantly in the components of the reference index, consistent with an anticipated tracking error of 0.5% per annum. This is a target and is not guaranteed.

The annualised tracking error as at 31 December 2020 is 0.07%†.

Tracking error indicates the consistency of a product's excess returns over the period. Excess return shows the extent to which the fund has over-or under-performed against the benchmark.

Factors which are likely to affect the ability of the sub-fund to track the performance of the Reference Index include, but are not limited to, the sub-fund's expenses as stated in the Prospectus, transaction costs (from Reference Index turnover), portfolio weightings not being exactly the same as the Reference Index, small amounts of cash not being invested in stock and Efficient Portfolio Management.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C Accumulation shares.

† Tracking error has been calculated as the month end standard deviation of price returns on an ex post basis using the unsprung prices of the J Accumulation share class versus the index values over the accounting year.

Outlook

Despite the impressive rally after the March 2020 drop, the outlook for US stocks remains sanguine, consumer finances are strong and there appears to be significant pent-up demand, the Federal Reserve will remain accommodative for a long time, mitigating the risk of tighter monetary policy.

Percentage growth

	31.12.19 to 31.12.20 %	31.12.18 to 31.12.19 %	31.12.17 to 31.12.18 %	31.12.16 to 31.12.17 %	31.12.15 to 31.12.16 %
Class C - Accumulation shares	14.28	25.95	1.15	10.84	33.02
Class C - Income shares	14.30	25.89	1.14	10.84	33.03
Class J - Accumulation shares	14.30	26.11	1.15	10.83	33.08
Class J - Income shares	14.30	25.90	1.15	10.84	33.03
S&P 500 Net Total Return Index*	14.12	25.65	0.96	10.62	32.55

Source: Lipper-Hindsight: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

Launch dates: Class J Income shares: 10 September 2014; Class J Accumulation shares: 6 October 2014; Class C Income and Accumulation shares: 12 November 2014.

*The S&P 500 Net Total Return Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by UBS AG. Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by UBS AG. S&P 500 Index Fund is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in the S&P 500 Index Fund nor do they have any liability of any errors, omissions, or interruptions of the S&P 500 Index.

UBS Asset Management Funds Ltd
29 April 2021

UBS S&P 500 Index Fund

1. Comparative Tables

Accounting year to 31 December	Class C - Accumulation shares		
	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	103.08	81.89	80.99
Return before operating charges	14.81	21.22	0.98
Operating charges	(0.10)	(0.03)	(0.08)
Return after operating charges*	14.71	21.19	0.90
Distributions	(1.49)	(1.59)	(1.35)
Retained distributions	1.49	1.59	1.35
Closing net asset value per share	117.79	103.08	81.89
*after direct transaction costs of	0.00	0.00	0.00
Performance			
Return after charges (%)	14.27	25.88	1.11
Other information			
Closing net asset value (£)	147,889,906	79,760,418	49,641,427
Closing number of shares	125,552,788	77,375,339	60,617,451
Operating charges (%)	0.09	0.09	0.09
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (p)	118.95	105.47	93.41
Lowest share price (p)	82.49	80.81	75.18

Accounting year to 31 December	Class C - Income shares		
	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	94.93	76.62	77.00
Return before operating charges	13.60	19.82	0.96
Operating charges	(0.09)	(0.08)	(0.07)
Return after operating charges*	13.51	19.74	0.89
Distributions	(1.39)	(1.43)	(1.27)
Retained distributions	-	-	-
Closing net asset value per share	107.05	94.93	76.62
*after direct transaction costs of	0.00	0.00	0.00
Performance			
Return after charges (%)	14.23	25.76	1.16
Other information			
Closing net asset value (£)	20,854,758	15,641,933	4,681,177
Closing number of shares	19,481,680	16,476,468	6,109,840
Operating charges (%)	0.09	0.09	0.09
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (p)	108.77	97.90	88.17
Lowest share price (p)	75.98	75.61	71.47

Class J - Accumulation shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	21,675.54	17,199.58	17,009.69
Return before operating charges	3,117.58	4,489.08	205.84
Operating charges	(20.35)	(13.12)	(15.95)
Return after operating charges*	3,097.23	4,475.96	189.89
Distributions	(318.42)	(359.68)	(282.38)
Retained distributions	318.42	359.68	282.38
Closing net asset value per share	24,772.77	21,675.54	17,199.58
*after direct transaction costs of	0.00	0.00	0.00
Performance			
Return after charges (%)	14.29	26.02	1.12
Other information			
Closing net asset value (£)	287,056	444,055	548,319
Closing number of shares	1,159	2,049	3,188
Operating charges (%)	0.09	0.09	0.09
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (p)	25,016.16	22,176.86	19,618.54
Lowest share price (p)	17,347.11	16,972.41	15,788.60

Class J - Income shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	19,846.13	16,017.02	16,097.48
Return before operating charges	2,840.85	4,145.88	200.77
Operating charges	(18.75)	(16.19)	(15.01)
Return after operating charges*	2,822.10	4,129.69	185.76
Distributions	(290.42)	(300.58)	(266.22)
Retained distributions	-	-	-
Closing net asset value per share	22,377.81	19,846.13	16,017.02
*after direct transaction costs of	0.00	0.00	0.00
Performance			
Return after charges (%)	14.22	25.78	1.15
Other information			
Closing net asset value (£)	330,321,498	493,964,969	375,999,794
Closing number of shares	1,476,112	2,488,974	2,347,502
Operating charges (%)	0.09	0.09	0.09
Direct transaction costs (%)	0.00	0.00	0.00
Prices			
Highest share price (p)	22,737.93	20,466.29	18,432.48
Lowest share price (p)	15,884.77	15,807.09	14,942.33

Please refer to the Direct transaction costs note on page 128 and 129 for more detail regarding the nature transaction costs and how they arise for different types of investment.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

	31.12.20	31.12.19
Share class	%	%
Class C - Accumulation shares	0.09	0.09
Class C - Income shares	0.09	0.09
Class J - Accumulation shares	0.09	0.09
Class J - Income shares	0.09	0.09

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS S&P 500 Index Fund
Portfolio Statement (unaudited)
As at 31 December 2020

	Holding	Market value £	% of net assets
Equities 99.51% (99.61%)			
Communication Services 10.71% (10.34%)			
Diversified Telecommunication Services 1.44% (2.06%)			
AT&T	152,079	3,198,560	0.64
CenturyLink	23,198	165,294	0.04
Verizon Communications	88,725	3,810,057	0.76
		7,173,911	1.44
Entertainment 2.25% (1.87%)			
Activision Blizzard	16,597	1,126,865	0.23
Electronic Arts	6,220	653,374	0.13
Live Nation Entertainment	2,856	153,503	0.03
Netflix	9,545	3,775,615	0.76
Take-Two Interactive Software	2,387	362,673	0.07
Walt Disney	38,870	5,149,681	1.03
		11,221,711	2.25
Interactive Media & Services 5.45% (4.90%)			
Alphabet 'A'	6,460	8,274,112	1.66
Alphabet 'C'	6,224	7,974,069	1.59
Facebook 'A'	51,560	10,297,667	2.06
Twitter	17,402	689,231	0.14
		27,235,079	5.45
Media 1.32% (1.42%)			
Charter Communications 'A'	3,142	1,520,604	0.30
Comcast 'A'	97,963	3,755,266	0.75
Discovery 'A'	2,123	46,733	0.01
Discovery 'C'	5,845	111,944	0.02
DISH Network 'A'	4,790	113,324	0.02
Fox 'A'	7,746	164,956	0.03
Fox 'B'	3,508	74,038	0.02
Interpublic Group	7,584	130,436	0.03
News 'A'	7,393	97,189	0.02
News 'B'	4,155	53,983	0.01
Omnicom Group	4,414	201,237	0.04
ViacomCBS 'B'	11,925	324,962	0.07
		6,594,672	1.32
Wireless Telecommunication Services 0.25% (0.09%)			
T-Mobile US	12,612	1,243,255	0.25
		1,243,255	0.25
Communication Services total			
		53,468,628	10.71
Consumer Discretionary 12.66% (9.73%)			
Auto Components 0.14% (0.13%)			
Aptiv	5,879	560,310	0.11
BorgWarner	5,814	164,304	0.03
		724,614	0.14
Automobiles 1.95% (0.33%)			
Ford Motor	85,293	547,842	0.11
General Motors	27,109	825,595	0.16
Tesla	16,244	8,380,286	1.68
		9,753,723	1.95
Distributors 0.13% (0.10%)			
Genuine Parts	2,876	211,279	0.04
LKQ	6,874	177,162	0.04
Pool	898	244,663	0.05
		633,104	0.13

Diversified Consumer Services 0.00% (0.01%)**Hotels, Restaurants & Leisure 1.67% (1.86%)**

Carnival	13,694	216,888	0.04
Chipotle Mexican Grill	606	614,760	0.12
Darden Restaurants	2,995	260,993	0.05
Domino's Pizza	824	231,048	0.05
Hilton Worldwide Holdings	5,826	474,408	0.10
Las Vegas Sands	6,989	304,725	0.06
Marriott International 'A'	5,715	551,537	0.11
McDonald's	15,800	2,480,125	0.50
MGM Resorts International	9,660	222,534	0.04
Norwegian Cruise Line Holdings	5,488	102,056	0.02
Royal Caribbean Cruises	4,457	243,400	0.05
Starbucks	25,083	1,963,041	0.39
Wynn Resorts	2,301	189,877	0.04
Yum! Brands	6,444	511,626	0.10
	8,367,018	1.67	

Household Durables 0.37% (0.39%)

DR Horton	6,925	349,049	0.07
Garmin	3,042	266,046	0.05
Leggett & Platt	2,804	90,790	0.02
Lennar 'A'	5,544	309,048	0.06
Mohawk Industries	1,042	107,359	0.02
Newell Brands	7,972	123,696	0.02
NVR	79	235,790	0.05
PulteGroup	6,225	196,320	0.04
Whirlpool	1,329	175,469	0.04
	1,853,567	0.37	

Internet & Direct Marketing Retail 4.89% (3.35%)

Amazon.com	9,153	21,804,690	4.37
Booking Holdings	891	1,448,557	0.29
eBay	14,303	525,579	0.11
Etsy	2,811	365,567	0.07
Expedia Group	2,784	269,510	0.05
	24,413,903	4.89	

Leisure Products 0.04% (0.04%)

Hasbro	2,655	181,545	0.04
	181,545	0.04	

Multiline Retail 0.52% (0.53%)

Dollar General	5,069	779,809	0.16
Dollar Tree	5,120	404,259	0.08
Target	10,787	1,391,313	0.28
	2,575,381	0.52	

Specialty Retail 2.20% (2.24%)

Advance Auto Parts	1,515	174,481	0.03
AutoZone	515	446,778	0.09
Best Buy	4,921	359,207	0.07
CarMax	3,488	240,852	0.05
Gap	2,654	39,180	0.01
Home Depot	23,080	4,481,939	0.90
L Brands	4,871	132,487	0.03
Lowe's	15,650	1,837,540	0.37
O'Reilly Automotive	1,607	532,046	0.11
Ross Stores	7,647	687,024	0.14
Tiffany	2,313	222,408	0.04
TJX	25,649	1,281,934	0.26
Tractor Supply	2,477	254,740	0.05
Ulta Beauty	1,337	280,868	0.05
	10,971,484	2.20	

Textiles, Apparel & Luxury Goods 0.75% (0.75%)

Hanesbrands	6,191	65,988	0.01
NIKE 'B'	26,823	2,775,801	0.56
PVH	1,440	98,907	0.02
Ralph Lauren	1,310	99,380	0.02
Tapestry	6,203	140,991	0.03
Under Armour 'A'	5,614	70,516	0.01
Under Armour 'C'	5,855	63,735	0.01
VF	6,869	428,889	0.09
	3,744,207	0.75	

Consumer Discretionary total**63,218,546 12.66****Consumer Staples 6.47% (7.19%)****Beverages 1.61% (1.80%)**

Brown-Forman 'B'	4,009	232,923	0.05
Coca-Cola	83,630	3,353,276	0.67
Constellation Brands 'A'	3,659	586,238	0.12
Molson Coors Beverage 'B'	3,358	110,987	0.02
Monster Beverage	7,906	534,412	0.11
PepsiCo	29,621	3,211,407	0.64
	8,029,243	1.61	

Food & Staples Retailing 1.44% (1.53%)

Costco Wholesale	9,526	2,623,683	0.52
Kroger	16,727	388,516	0.08
Sysco	10,956	595,108	0.12
Walgreens Boots Alliance	15,697	457,607	0.09
Walmart	29,721	3,132,669	0.63
	7,197,583	1.44	

Food Products 0.98% (1.15%)

Archer-Daniels-Midland	11,883	438,131	0.09
Campbell Soup	4,178	147,779	0.03
Conagra Brands	10,224	271,129	0.05
General Mills	13,159	565,848	0.11
Hershey	3,137	349,558	0.07
Hormel Foods	5,409	184,396	0.04
J M Smucker	2,389	201,945	0.04
Kellogg	5,176	235,598	0.05
Kraft Heinz	13,700	347,273	0.07
Lamb Weston Holdings	2,737	157,639	0.03
McCormick, (Non-Voting)	5,306	371,045	0.08
Mondelez International 'A'	30,568	1,306,623	0.26
Tyson Foods 'A'	6,543	308,255	0.06
	4,885,219	0.98	

Household Products 1.60% (1.69%)

Church & Dwight	5,312	338,823	0.07
Clorox	2,722	402,062	0.08
Colgate-Palmolive	18,381	1,148,888	0.23
Kimberly-Clark	7,374	727,016	0.14
Procter & Gamble	53,145	5,403,726	1.08
	8,020,515	1.60	

Personal Products 0.19% (0.18%)

Estee Lauder 'A'	4,896	952,982	0.19
	952,982	0.19	

Tobacco 0.65% (0.84%)

Altria Group	39,938	1,197,600	0.24
Philip Morris International	33,830	2,047,198	0.41
	3,244,798	0.65	

Consumer Staples total**32,330,340 6.47**

Energy 2.28% (4.32%)**Energy Equipment & Services 0.22% (0.43%)**

Baker Hughes	13,848	211,122	0.04
Halliburton	18,329	253,424	0.05
National Oilwell Varco	7,411	74,438	0.02
Schlumberger	29,258	467,032	0.09
TechnipFMC	10,306	70,795	0.02
	1,076,811	0.22	

Oil, Gas & Consumable Fuels 2.06% (3.89%)

Apache	8,559	88,786	0.02
Cabot Oil & Gas	9,429	112,297	0.02
Chevron	41,690	2,573,773	0.52
Concho Resources	3,483	148,600	0.03
ConocoPhillips	22,799	666,816	0.13
Devon Energy	9,193	106,258	0.02
Diamondback Energy	3,870	136,970	0.03
EOG Resources	12,785	466,057	0.09
Exxon Mobil	91,628	2,761,676	0.55
Hess	6,222	240,241	0.05
HollyFrontier	4,279	80,888	0.02
Kinder Morgan	41,273	412,443	0.08
Marathon Oil	22,146	107,899	0.02
Marathon Petroleum	13,839	418,627	0.08
Occidental Petroleum	16,516	209,025	0.04
ONEOK	9,230	259,084	0.05
Phillips 66	9,336	477,540	0.10
Pioneer Natural Resources	3,379	281,256	0.06
Valero Energy	8,726	360,926	0.07
Williams	26,531	388,954	0.08
	10,298,116	2.06	

Energy total**11,374,927 2.28****Financials 10.40% (12.90%)****Banks 3.84% (5.60%)**

Bank of America	163,209	3,617,713	0.72
Citigroup	44,023	1,985,455	0.40
Citizens Financial Group	9,437	246,807	0.05
Comerica	2,427	99,125	0.02
Fifth Third Bancorp	14,705	296,478	0.06
First Republic Bank	3,727	400,442	0.08
Huntington Bancshares	20,793	191,966	0.04
JPMorgan Chase	65,311	6,065,975	1.21
KeyCorp	20,644	247,677	0.05
M&T Bank	2,942	273,894	0.06
People's United Financial	10,574	99,942	0.02
PNC Financial Services Group	9,091	990,403	0.20
Regions Financial	20,500	241,600	0.05
SVB Financial Group	1,157	327,916	0.07
Truist Financial	28,994	1,016,418	0.20
US Bancorp	29,598	1,008,577	0.20
Wells Fargo	89,061	1,965,668	0.39
Zions Bancorp	3,750	119,116	0.02
	19,195,172	3.84	

Capital Markets 2.74% (2.68%)

Ameriprise Financial	2,552	362,782	0.07
Bank of New York Mellon	16,797	521,377	0.10
BlackRock	3,069	1,618,951	0.32
Cboe Global Markets	1,946	132,310	0.03
Charles Schwab	31,880	1,236,765	0.25
CME Group	7,744	1,030,551	0.21
Franklin Resources	5,369	98,115	0.02
Goldman Sachs Group	7,421	1,429,911	0.29
Intercontinental Exchange	12,009	1,012,500	0.20

Invesco	6,633	84,529	0.02
MarketAxess Holdings	825	343,833	0.07
Moody's	3,473	736,496	0.15
Morgan Stanley	30,875	1,547,421	0.31
MSCI	1,793	585,481	0.12
Nasdaq	2,311	224,211	0.04
Northern Trust	4,187	285,137	0.06
Raymond James Financial	2,975	208,192	0.04
S&P Global	5,228	1,255,684	0.25
State Street	7,641	406,771	0.08
T Rowe Price Group	5,071	561,058	0.11
	13,682,075	2.74	
Consumer Finance 0.54% (0.67%)			
American Express	14,006	1,238,454	0.25
Capital One Financial	9,875	714,031	0.14
Discover Financial Services	6,553	433,895	0.09
Synchrony Financial	12,405	314,810	0.06
	2,701,190	0.54	
Diversified Financial Services 1.42% (1.65%)			
Berkshire Hathaway 'B'	41,661	7,065,867	1.42
	7,065,867	1.42	
Insurance 1.86% (2.30%)			
Aflac	13,758	447,478	0.09
Allstate	6,704	539,086	0.11
American International Group	18,521	512,835	0.10
Aon 'A'	5,004	772,958	0.16
Arthur J Gallagher	4,048	366,317	0.07
Assurant	1,217	121,304	0.02
Chubb	9,810	1,104,042	0.22
Cincinnati Financial	2,963	189,166	0.04
Everest Re Group	1,041	178,264	0.04
Globe Life	1,758	122,023	0.03
Hartford Financial Services Group	7,484	268,109	0.05
Lincoln National	3,487	128,312	0.03
Loews	4,910	161,673	0.03
Marsh & McLennan	10,730	918,324	0.18
MetLife	16,307	559,970	0.11
Principal Financial Group	6,143	222,720	0.05
Progressive	12,593	910,377	0.18
Prudential Financial	8,784	501,612	0.10
Travelers	5,422	556,737	0.11
Unum Group	5,926	99,406	0.02
W R Berkley	3,302	160,396	0.03
Willis Towers Watson	2,769	426,365	0.09
	9,267,474	1.86	
Financials total	51,911,778	10.40	
Health Care 13.39% (14.14%)			
Biotechnology 1.86% (1.99%)			
AbbVie	37,455	2,932,393	0.59
Alexion Pharmaceuticals	4,730	540,250	0.11
Amgen	12,373	2,080,406	0.42
Biogen	3,280	586,678	0.12
Gilead Sciences	27,090	1,154,191	0.23
Incyte	3,574	227,129	0.04
Regeneron Pharmaceuticals	2,268	800,549	0.16
Vertex Pharmaceuticals	5,582	964,165	0.19
	9,285,761	1.86	

Health Care Equipment & Supplies 3.78% (3.55%)

Abbott Laboratories	37,889	3,033,171	0.61
ABIOMED	1,064	252,302	0.05
Align Technology	1,551	605,752	0.12
Baxter International	10,785	632,764	0.13
Becton Dickinson	6,260	1,145,892	0.23
Boston Scientific	30,475	801,029	0.16
Cooper	1,020	271,105	0.05
Danaher	13,486	2,190,889	0.44
DENTSPLY SIRONA	4,302	164,690	0.03
DexCom	2,075	561,212	0.11
Edwards Lifesciences	13,363	891,453	0.18
Hologic	5,583	297,458	0.06
IDEXX Laboratories	1,843	673,144	0.14
Intuitive Surgical	2,541	1,518,875	0.30
Medtronic	28,746	2,461,690	0.49
ResMed	3,103	482,515	0.10
STERIS	1,805	250,095	0.05
Stryker	7,075	1,267,543	0.25
Teleflex	940	282,987	0.06
Varian Medical Systems	2,070	265,006	0.05
West Pharmaceutical Services	1,569	325,003	0.07
Zimmer Biomet Holdings	4,430	499,179	0.10
	18,873,754	3.78	

Health Care Providers & Services 2.62% (2.86%)

AmerisourceBergen	3,127	223,542	0.05
Anthem	5,406	1,269,844	0.25
Cardinal Health	6,109	239,274	0.05
Centene	12,479	547,928	0.11
Cigna	7,697	1,172,217	0.24
CVS Health	28,464	1,421,794	0.28
DaVita	1,474	126,518	0.03
HCA Healthcare	5,678	683,088	0.14
Henry Schein	3,492	170,723	0.03
Humana	2,846	852,915	0.17
Laboratory Corp. of America Holdings	2,061	306,779	0.06
McKesson	3,511	446,686	0.09
Quest Diagnostics	2,809	244,867	0.05
UnitedHealth Group	20,287	5,201,350	1.04
Universal Health Services 'B'	1,710	172,007	0.03
	13,079,532	2.62	

Health Care Technology 0.07% (0.09%)

Cerner	6,450	370,075	0.07
	370,075	0.07	

Life Sciences Tools & Services 1.21% (1.04%)

Agilent Technologies	6,577	569,771	0.11
Bio-Rad Laboratories 'A'	520	221,733	0.05
Illumina	3,159	855,064	0.17
IQVIA Holdings	4,111	538,479	0.11
Mettler-Toledo International	522	435,323	0.09
PerkinElmer	2,568	269,471	0.05
Thermo Fisher Scientific	8,552	2,912,666	0.58
Waters	1,432	259,184	0.05
	6,061,691	1.21	

Pharmaceuticals 3.85% (4.61%)

Bristol-Myers Squibb	48,298	2,190,273	0.44
Catalent	3,677	279,672	0.06
Eli Lilly	17,221	2,124,925	0.42
Johnson & Johnson	56,306	6,476,457	1.30
Merck	54,194	3,241,847	0.65
Perrigo	2,513	82,213	0.02

Pfizer	118,541	3,189,537	0.64
Viatis	27,178	372,394	0.07
Zoetis	10,260	1,241,303	0.25
		19,198,621	3.85
Health Care total		66,869,434	13.39
Industrials 8.35% (9.02%)			
Aerospace & Defense 1.61% (2.41%)			
Boeing	11,476	1,796,097	0.36
General Dynamics	4,966	540,504	0.11
Howmet Aerospace	9,182	191,573	0.04
Huntington Ingalls Industries	995	124,092	0.02
L3Harris Technologies	4,593	634,408	0.12
Lockheed Martin	5,331	1,383,537	0.28
Northrop Grumman	3,301	735,809	0.15
Raytheon Technologies	32,080	1,678,923	0.33
Teledyne Technologies	876	251,185	0.05
Textron	5,316	187,875	0.04
TransDigm Group	1,181	534,666	0.11
		8,058,669	1.61
Air Freight & Logistics 0.66% (0.52%)			
CH Robinson Worldwide	2,769	189,988	0.03
Expeditors International of Washington	3,461	240,658	0.05
FedEx	5,237	994,607	0.20
United Parcel Service 'B'	15,342	1,888,134	0.38
		3,313,387	0.66
Airlines 0.25% (0.37%)			
Alaska Air Group	2,097	79,756	0.01
American Airlines Group	14,028	161,631	0.03
Delta Air Lines	13,604	399,974	0.08
Southwest Airlines	12,754	434,790	0.09
United Airlines Holdings	5,888	186,295	0.04
		1,262,446	0.25
Building Products 0.45% (0.28%)			
A O Smith	2,752	110,346	0.02
Allegion	2,208	187,986	0.04
Carrier Global	17,370	479,185	0.09
Fortune Brands Home & Security	3,279	205,455	0.04
Johnson Controls International	14,448	492,328	0.10
Masco	5,789	232,415	0.05
Trane Technologies	5,150	546,591	0.11
		2,254,306	0.45
Commercial Services & Supplies 0.41% (0.41%)			
Cintas	1,886	486,860	0.10
Copart	4,325	402,522	0.08
Republic Services	4,413	310,858	0.06
Rollins	4,017	114,725	0.02
Waste Management	8,343	719,709	0.15
		2,034,674	0.41
Construction & Engineering 0.07% (0.07%)			
Jacobs Engineering Group	2,612	208,203	0.04
Quanta Services	2,845	149,894	0.03
		358,097	0.07
Electrical Equipment 0.48% (0.50%)			
AMETEK	4,793	423,847	0.09
Eaton	8,500	746,995	0.15
Emerson Electric	12,918	759,232	0.15
Rockwell Automation	2,460	451,347	0.09
		2,381,421	0.48

Industrial Conglomerates 1.23% (1.35%)

3M	12,378	1,581,671	0.32
General Electric	190,048	1,500,141	0.30
Honeywell International	15,042	2,339,794	0.47
Roper Technologies	2,255	710,755	0.14
	6,132,361	1.23	

Machinery 1.66% (1.61%)

Caterpillar	11,702	1,557,356	0.31
Cummins	3,178	527,679	0.11
Deere	6,775	1,332,350	0.27
Dover	3,330	307,531	0.06
Flowserve	3,571	96,240	0.02
Fortive	7,017	363,440	0.07
IDEX	1,751	255,153	0.05
Illinois Tool Works	6,210	925,765	0.18
Ingersoll Rand	7,702	256,592	0.05
Otis Worldwide	8,590	424,426	0.08
PACCAR	7,617	480,217	0.10
Parker-Hannifin	2,756	548,841	0.11
Pentair	3,329	129,317	0.03
Snap-on	1,134	141,967	0.03
Stanley Black & Decker	3,409	445,156	0.09
Westinghouse Air Brake Technologies	3,724	199,420	0.04
Xylem	3,751	279,126	0.06
	8,270,576	1.66	

Professional Services 0.33% (0.32%)

Equifax	2,573	362,962	0.07
IHS Markit	7,919	519,823	0.10
Nielsen Holdings	9,068	138,380	0.03
Robert Half International	2,108	96,336	0.02
Verisk Analytics	3,461	525,119	0.11
	1,642,620	0.33	

Road & Rail 1.01% (0.99%)

CSX	15,949	1,058,716	0.21
JB Hunt Transport Services	1,800	179,941	0.04
Kansas City Southern	2,006	299,561	0.06
Norfolk Southern	5,511	957,788	0.19
Old Dominion Freight Line	2,106	300,690	0.06
Union Pacific	14,662	2,230,915	0.45
	5,027,611	1.01	

Trading Companies & Distributors 0.19% (0.19%)

Fastenal	12,060	430,541	0.09
United Rentals	1,527	259,052	0.05
WW Grainger	903	269,741	0.05
	959,334	0.19	
Industrials total	41,695,502	8.35	

Information Technology 27.45% (23.09%)**Communications Equipment 0.79% (0.95%)**

Arista Networks	1,260	267,642	0.05
Cisco Systems	90,122	2,948,357	0.59
F5 Networks	1,120	144,155	0.03
Juniper Networks	7,605	125,178	0.03
Motorola Solutions	3,635	452,065	0.09
	3,937,397	0.79	

Electronic Equipment, Instruments & Components 0.59% (0.56%)

Amphenol 'A'	6,308	603,412	0.12
CDW	3,012	290,040	0.06
Corning	16,113	424,470	0.09
FLIR Systems	2,432	77,944	0.02
IPG Photonics	729	119,081	0.02

Keysight Technologies	3,992	385,752	0.08
TE Connectivity	6,968	617,152	0.12
Vontier	3,455	84,394	0.02
Zebra Technologies 'A'	1,138	319,443	0.06
		2,921,688	0.59
IT Services 5.47% (5.38%)			
Accenture 'A'	13,510	2,578,459	0.52
Akamai Technologies	3,496	268,335	0.05
Automatic Data Processing	9,281	1,196,322	0.24
Broadridge Financial Solutions	2,377	266,383	0.05
Cognizant Technology Solutions 'A'	11,631	697,290	0.14
DXC Technology	5,396	101,648	0.02
Fidelity National Information Services	13,381	1,383,863	0.28
Fiserv	12,582	1,047,280	0.21
FleetCor Technologies	1,727	344,680	0.07
Gartner	2,123	248,774	0.05
Global Payments	6,441	1,013,870	0.20
International Business Machines	19,259	1,772,400	0.36
Jack Henry & Associates	1,794	212,361	0.04
Leidos Holdings	3,058	235,052	0.05
Mastercard 'A'	18,866	4,917,347	0.98
Paychex	6,818	464,359	0.09
PayPal Holdings	25,138	4,303,592	0.86
VeriSign	2,058	325,242	0.07
Visa 'A'	36,211	5,788,939	1.16
Western Union	9,744	156,252	0.03
		27,322,448	5.47
Semiconductors & Semiconductor Equipment 5.10% (4.21%)			
Advanced Micro Devices	26,044	1,746,746	0.35
Analog Devices	7,977	861,104	0.17
Applied Materials	19,616	1,237,704	0.25
Broadcom	8,723	2,794,079	0.56
Intel	87,943	3,205,823	0.64
KLA	3,373	638,796	0.13
Lam Research	3,037	1,048,237	0.21
Maxim Integrated Products	5,658	366,521	0.07
Microchip Technology	5,456	550,410	0.11
Micron Technology	23,971	1,318,190	0.26
NVIDIA	13,287	5,075,003	1.02
Qorvo	2,440	296,523	0.06
QUALCOMM	24,397	2,716,430	0.55
Skyworks Solutions	3,584	400,468	0.08
Teradyne	3,499	306,884	0.06
Texas Instruments	19,713	2,365,935	0.47
Xilinx	5,298	548,849	0.11
		25,477,702	5.10
Software 8.53% (7.04%)			
Adobe	10,245	3,744,246	0.75
ANSYS	1,830	486,527	0.10
Autodesk	4,754	1,061,916	0.21
Cadence Design Systems	5,966	594,789	0.12
Citrix Systems	2,577	245,210	0.05
Fortinet	2,860	310,469	0.06
Intuit	5,659	1,572,365	0.31
Microsoft	162,252	26,371,960	5.28
NortonLifeLock	12,799	194,473	0.04
Oracle	40,653	1,923,282	0.39
Paycom Software	1,058	349,996	0.07
salesforce.com	19,624	3,190,632	0.64
ServiceNow	4,154	1,672,662	0.34
Synopsys	3,282	621,658	0.12
Tyler Technologies	827	263,960	0.05
		42,604,145	8.53

Technology Hardware, Storage & Peripherals 6.97% (4.95%)

Apple	343,000	33,267,450	6.66
Hewlett Packard Enterprise	28,115	243,727	0.05
HP	29,659	533,318	0.11
NetApp	4,608	223,296	0.04
Seagate Technology	4,932	224,239	0.05
Western Digital	6,135	248,461	0.05
Xerox Holdings	3,893	66,015	0.01

34,806,506	6.97
-------------------	-------------

Information Technology total

137,069,886	27.45
--------------------	--------------

Materials 2.62% (2.64%)**Chemicals 1.83% (1.88%)**

Air Products and Chemicals	4,749	949,001	0.19
Albemarle	2,172	234,384	0.05
Celanese	2,521	239,642	0.05
CF Industries Holdings	4,638	131,307	0.03
Corteva	16,098	455,989	0.09
Dow	15,982	648,774	0.13
DuPont de Nemours	15,892	826,717	0.16
Eastman Chemical	3,123	229,082	0.05
Ecolab	5,370	849,685	0.17
FMC	2,671	224,552	0.04
International Flavors & Fragrances	2,261	179,927	0.04
Linde	11,296	2,176,398	0.44
LyondellBasell Industries 'A'	5,254	352,342	0.07
Mosaic	7,338	123,468	0.02
PPG Industries	5,087	536,704	0.11
Sherwin-Williams	1,788	961,004	0.19

9,118,976	1.83
------------------	-------------

Construction Materials 0.12% (0.13%)

Martin Marietta Materials	1,446	300,392	0.06
Vulcan Materials	2,785	302,042	0.06

602,434	0.12
----------------	-------------

Containers & Packaging 0.35% (0.36%)

Amcor	33,342	286,844	0.06
Avery Dennison	1,631	185,025	0.04
Ball	7,354	501,295	0.10
International Paper	8,411	305,687	0.06
Packaging Corp. of America	1,970	198,506	0.04
Sealed Air	2,997	100,371	0.02
Westrock	5,366	170,800	0.03

1,748,528	0.35
------------------	-------------

Metals & Mining 0.32% (0.27%)

Freeport-McMoRan	32,202	612,732	0.12
Newmont	17,253	755,903	0.15
Nucor	6,305	245,291	0.05

1,613,926	0.32
------------------	-------------

Materials total

13,083,864	2.62
-------------------	-------------

Real Estate 2.44% (2.92%)**Equity Real Estate Investment Trusts (REITs) 2.38% (2.84%)**

Alexandria Real Estate Equities	2,828	368,460	0.07
American Tower	9,624	1,579,182	0.32
Apartment Income REIT	4,462	125,411	0.03
Apartment Investment and Management 'A'	4,462	17,202	–
AvalonBay Communities	2,985	350,308	0.07
Boston Properties	2,907	200,860	0.04
Crown Castle International	9,036	1,051,903	0.21
Digital Realty Trust	6,255	638,335	0.13
Duke Realty	7,320	213,985	0.04
Equinix	1,927	1,005,883	0.20
Equity Residential	7,157	310,165	0.06

Essex Property Trust	1,298	225,435	0.05
Extra Space Storage	2,506	212,367	0.04
Federal Realty Investment Trust	1,872	116,556	0.02
Healthpeak Properties	12,159	268,806	0.05
Host Hotels & Resorts	16,679	178,388	0.04
Iron Mountain	5,677	122,390	0.02
Kimco Realty	7,157	78,589	0.02
Mid-America Apartment Communities	2,744	254,236	0.05
Prologis	16,082	1,172,370	0.24
Public Storage	3,320	560,559	0.11
Realty Income	6,884	312,889	0.06
Regency Centers	2,980	99,322	0.02
SBA Communications	2,421	499,325	0.10
Simon Property Group	7,417	462,237	0.09
SL Green Realty	1,999	87,041	0.02
UDR	5,783	162,497	0.03
Ventas	7,861	281,730	0.06
Vornado Realty Trust	3,873	105,739	0.02
Welltower	8,968	423,617	0.09
Weyerhaeuser	16,245	398,237	0.08
	11,884,024	2.38	
Real Estate Management & Development 0.06% (0.08%)			
CBRE Group 'A'	7,008	321,447	0.06
	321,447	0.06	
Real Estate total	12,205,471	2.44	
Utilities 2.74% (3.32%)			
Electric Utilities 1.74% (2.04%)			
Alliant Energy	5,763	217,080	0.04
American Electric Power	10,638	647,564	0.13
Duke Energy	16,001	1,071,065	0.21
Edison International	8,308	381,623	0.08
Entergy	4,169	304,467	0.06
Eversource Energy	4,667	189,316	0.04
Exelon	7,341	464,535	0.09
Exelon	20,803	642,223	0.13
FirstEnergy	11,358	254,256	0.05
NextEra Energy	42,373	2,388,722	0.48
NRG Energy	4,173	114,601	0.02
Pinnacle West Capital	2,454	143,511	0.03
PPL	16,039	330,765	0.07
Southern	22,731	1,020,854	0.20
Xcel Energy	10,995	535,935	0.11
	8,706,517	1.74	
Gas Utilities 0.04% (0.05%)			
Atmos Energy	2,908	202,950	0.04
	202,950	0.04	
Independent Power and Renewable Electricity Producers 0.05% (0.09%)			
AES	13,176	226,420	0.05
	226,420	0.05	
Multi-Utilities 0.82% (1.06%)			
Ameren	5,147	293,732	0.06
CenterPoint Energy	12,462	197,193	0.04
CMS Energy	6,202	276,764	0.05
Consolidated Edison	7,291	385,258	0.08
Dominion Energy	17,262	949,129	0.19
DTE Energy	4,341	385,433	0.08
NiSource	8,929	149,780	0.03
Public Service Enterprise Group	10,882	463,955	0.09
Sempra Energy	6,184	576,350	0.11
WEC Energy Group	6,414	431,401	0.09
	4,108,995	0.82	

Water Utilities 0.09% (0.08%)

American Water Works

3,836	430,422	0.09
	430,422	0.09

Utilities total

13,675,304	2.74
-------------------	-------------

Equities total

496,903,680	99.51
--------------------	--------------

Futures 0.01% (0.00%)

S&P 500 Emini Index 19/03/2021

17	58,607	0.01
----	--------	------

Futures total

58,607	0.01
---------------	-------------

Investment assets

496,962,287	99.52
-------------	-------

Net other assets

2,390,931	0.48
-----------	------

Net assets attributable to shareholders

499,353,218	100.00
--------------------	---------------

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

UBS S&P 500 Index Fund

Portfolio Movements (unaudited)

Largest purchases

	Cost £
For the year ended 31 December 2020	
Tesla	8,421,348
Apple	5,540,589
Microsoft	5,494,203
Amazon.com	4,673,606
Facebook 'A'	2,231,987
Berkshire Hathaway 'B'	1,729,355
Alphabet 'A'	1,594,616
Johnson & Johnson	1,571,298
Alphabet 'C'	1,445,705
JPMorgan Chase	1,407,168
Visa 'A'	1,209,770
UnitedHealth Group	1,201,915
Procter & Gamble	1,149,576
Mastercard 'A'	1,007,624
NVIDIA	1,001,793
PayPal Holdings	934,064
Home Depot	918,849
DexCom	913,787
Intel	908,412
Merck	865,938
Total for the year (Note 14)	115,425,036

Largest sales

	Proceeds £
For the year ended 31 December 2020	
Apple	16,689,467
Microsoft	14,506,593
Amazon.com	10,869,167
Facebook 'A'	5,713,226
Alphabet 'C'	4,386,855
Alphabet 'A'	4,278,267
Berkshire Hathaway 'B'	4,263,266
Johnson & Johnson	3,880,995
JPMorgan Chase	3,676,270
Visa 'A'	3,232,124
Procter & Gamble	3,115,885
UnitedHealth Group	2,915,863
Home Depot	2,648,928
Mastercard 'A'	2,636,116
Intel	2,483,486
NVIDIA	2,381,574
Bank of America	2,289,361
AT&T	2,277,517
Verizon Communications	2,272,480
Walt Disney	2,221,112
Total for the year (Note 14)	269,268,263

UBS S&P 500 Index Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

		31.12.20	31.12.19
	Notes	£	£
Income			
Net capital gains	2	63,519,230	106,510,833
Revenue	3	9,568,863	10,250,339
Expenses	4	(516,180)	(389,664)
Net revenue before taxation		9,052,683	9,860,675
Taxation	5	(1,533,234)	(1,445,037)
Net revenue after taxation		7,519,449	8,415,638
Total return before distributions		71,038,679	114,926,471
Distributions	6	(7,511,004)	(8,412,006)
Change in net assets attributable to shareholders from investment activities		63,527,675	106,514,465

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

	31.12.20	31.12.19
	£	£
Opening net assets attributable to shareholders	589,811,375	430,870,717
Amounts receivable on issue of shares	197,255,176	206,770,161
Amounts payable on cancellation of shares	(352,978,340)	(155,466,165)
	(155,723,164)	51,303,996
Dilution adjustment	35,936	27,565
Change in net assets attributable to shareholders from investment activities (see above)	63,527,675	106,514,465
Retained distribution on accumulation shares	1,701,396	1,094,632
Closing net assets attributable to shareholders	499,353,218	589,811,375

UBS S&P 500 Index Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	496,962,287	587,491,777
Current assets			
Debtors	8	4,679,591	4,672,330
Cash and bank balances	9	1,799,483	3,951,464
Total assets		503,441,361	596,115,571
Liabilities			
Creditors			
Distributions payable		2,178,750	4,044,205
Other creditors	10	1,909,393	2,259,991
Total liabilities		4,088,143	6,304,196
Net assets attributable to shareholders		499,353,218	589,811,375

UBS S&P 500 Index Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital gains

	31.12.20	31.12.19
	£	£
Derivative contracts	207,276	888,297
Foreign currency losses	(55,858)	(62,271)
Forward currency contracts	61,070	(15,623)
Non-derivative securities	63,314,845	105,709,904
Transaction costs	(8,103)	(9,474)
Net capital gains	63,519,230	106,510,833

3. Revenue

	31.12.20	31.12.19
	£	£
Bank interest	6,517	25,222
Net revenue return from derivative contracts	(7,962)	-
Overseas dividends	9,540,873	10,203,102
Scrip dividends	24,146	834
UK dividends	5,289	21,181
Total revenue	9,568,863	10,250,339

4. Expenses

	31.12.20	31.12.19
	£	£
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	275,824	148,021
Expense fee rebate	(126,112)	(25,397)
Registrar's fee	123,774	27,040
	273,486	149,664
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	61,791	61,884
Interest payable	10,985	7,006
	72,776	68,890
Other expenses:		
Administration fee	89,945	91,328
Audit fee	10,398	6,384
Derivative fee	-	65
Price publication costs	-	1
Professional fee	8,193	500
Revenue collection costs	-	1
Safe custody fee	7,042	7,811
Taxation fee	1,003	1,000
Tracker fee	53,337	64,020
	169,918	171,110
Total expenses	516,180	389,664

The audit fee for the year, excluding VAT, was £7,000 (2019: £7,000).

5. Taxation

(a) Analysis of the tax charge for the year

	31.12.20 £	31.12.19 £
Overseas withholding tax	1,533,234	1,445,037
Total tax charge for the year (Note 5(b))	1,533,234	1,445,037

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	9,052,683	9,860,675
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	1,810,537	1,972,135
Effects of:		
Revenue not subject to corporation tax	(1,843,040)	(1,961,181)
Expenses not deductible for tax purposes	-	13
Irrecoverable overseas withholding tax	1,533,234	1,445,037
Movement in excess management expenses	37,652	3,947
Movement in revenue taxable in different periods	3,220	(2,639)
Non-trade deficit set against current year income	2,486	-
Overseas tax expensed	(10,855)	(12,275)
Total tax charge for the year (Note 5(a))	1,533,234	1,445,037

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £129,242 (2019: £91,590) in respect of unutilised management expenses of £646,207 (2019: £457,950). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim dividend distribution	4,103,906	4,281,794
Final dividend distribution	3,084,501	4,706,128
	7,188,407	8,987,922
Add: Revenue deducted on cancellation of shares	1,130,446	590,517
Deduct: Revenue received on issue of shares	(807,849)	(1,166,433)
Distributions	7,511,004	8,412,006
Movement between net revenue after taxation and distributions		
Net revenue after taxation	7,519,449	8,415,638
Add: Equalisation on conversions	1	10
Add: Tax relief on capital expenses	-	286
Add: Other expenses taken to capital	689	(4,608)
Add: Undistributed revenue brought forward	1,468	2,148
Deduct: Undistributed revenue carried forward	(10,603)	(1,468)
Distributions	7,511,004	8,412,006

Details of the distributions per share are set out in the Distribution Tables on page 130.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

	31.12.20	31.12.19
	Assets	Assets
	£	£
Basis of valuation		
Level 1: Quoted prices	496,962,287	587,491,777
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	496,962,287	587,491,777

8. Debtors

	31.12.20	31.12.19
	£	£
Accrued revenue	314,473	476,226
Amounts receivable for issue of shares	2,164,907	1,121,663
Overseas withholding tax recoverable	21,038	373
Prepaid expenses	5,452	7,860
Sales awaiting settlement	2,012,138	3,017,391
TER fees rebate	161,583	48,817
Total debtors	4,679,591	4,672,330

9. Cash and bank balances

	31.12.20	31.12.19
	£	£
Amounts held at futures clearing houses and brokers	273,349	619,233
Cash and bank balances	1,526,134	3,332,231
Total cash and bank balances	1,799,483	3,951,464

10. Other creditors

	31.12.20	31.12.19
	£	£
Accrued expenses	126,930	180,423
Amounts payable for cancellation of shares	1,255,279	2,079,568
Purchases awaiting settlement	527,184	-
Total other creditors	1,909,393	2,259,991

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £47,920 and £27,267 respectively (2019: £91,087 and £32,470) and the amount included in debtors in respect of TER fees rebate due from the ACD is £161,583 (2019: £48,817).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Interest rate risk profile of financial assets and financial liabilities

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the net asset value of the sub-fund. At the year end 0.36% (2019: 0.67%) of the sub-fund's net asset value were interest bearing. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(b) Currency exposure

The majority of the net assets of the sub-fund's investments are denominated in currencies other than sterling, with the effect that currency movements can significantly affect the balance sheet and total return.

Numerical disclosures are as follows:

Currency	Monetary exposure 31.12.20	Non- Monetary exposure 31.12.20	Total 31.12.20
	£	£	£
US dollar	2,309,699	496,962,287	499,271,986
	2,309,699	496,962,287	499,271,986
Sterling	81,232	-	81,232
	2,390,931	496,962,287	499,353,218

Currency	Monetary exposure 31.12.19	Non- Monetary exposure 31.12.19	Total 31.12.19
	£	£	£
US dollar	2,533,107	587,491,777	590,024,884
	2,533,107	587,491,777	590,024,884
Sterling	(213,509)	-	(213,509)
	2,319,598	587,491,777	589,811,375

At the year end, if the value of sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £49,927,199 (2019: £59,002,488).

(c) Other price risk

A 10% increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £49,696,229 (2019: £58,749,178). A 10% decrease would have an equal and opposite effect.

(d) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and financial liabilities, as shown in the balance sheet, and their fair value.

14. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.20						
Purchases						
Equities	115,380,932	3,195	-	115,384,127	0.00	-
Corporate actions purchases						
Equities	40,909	-	-	40,909	-	-
	115,421,841	3,195	-	115,425,036		
Sales						
Equities	269,281,649	(7,523)	(5,863)	269,268,263	0.00	0.00
	269,281,649	(7,523)	(5,863)	269,268,263		
Total cost as percentage of average net asset value		0.00%	0.00%			

31.12.19	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
Purchases						
Equities	146,668,587	8,780	-	146,677,367	0.01	-
Corporate actions purchases						
Equities	9,326	-	-	9,326	-	-
	146,677,913	8,780	-	146,686,693		
Sales						
Equities	91,256,167	(2,938)	(1,658)	91,251,571	0.00	0.00
	91,256,167	(2,938)	(1,658)	91,251,571		
Total cost as percentage of average net asset value		0.00%	0.00%			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.05% (2019: 0.03%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price. The ACD believes this spread to be representative of the typical spread throughout the year.

15. Counterparty exposure

The types of derivatives held at the balance sheet date were futures contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

As at 31.12.20

Counterparty	Collateral type	Collateral amount* £	Futures contracts £	Total £
UBS	Cash	273,349	58,607	331,956

As at 31.12.19

Counterparty	Collateral type	Collateral amount* £	Futures contracts £	Total £
UBS	Cash	619,233	15,531	634,764

*The collateral value is positive where the sub-fund has provided collateral to the counterparty or negative where the counterparty has provided collateral to the sub-fund.

16. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation shares	77,375,339	90,672,375	(42,470,965)	(23,961)	125,552,788
Class C - Income shares	16,476,468	10,648,988	(7,669,980)	26,204	19,481,680
Class J - Accumulation shares	2,049	1,540	(2,430)	-	1,159
Class J - Income shares	2,488,974	460,919	(1,473,781)	-	1,476,112

UBS S&P 500 Index Fund

Distribution Tables

Interim distribution for the six months ended 30 June 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation shares				
Group 1	0.77	–	0.77	0.74
Group 2	0.33	0.44	0.77	0.74
Class C - Income shares				
Group 1	0.73	–	0.73	0.68
Group 2	0.37	0.36	0.73	0.68
Class J - Accumulation shares				
Group 1	165.63	–	165.63	153.07
Group 2	75.38	90.25	165.63	153.07
Class J - Income shares				
Group 1	151.53	–	151.53	143.06
Group 2	71.82	79.71	151.53	143.06

Final distribution for the six months ended 31 December 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 28.02.21 p per share	Distribution paid 29.02.20 p per share
Class C - Accumulation shares				
Group 1	0.72	–	0.72	0.85
Group 2	0.34	0.38	0.72	0.85
Class C - Income shares				
Group 1	0.66	–	0.66	0.75
Group 2	0.31	0.35	0.66	0.75
Class J - Accumulation shares				
Group 1	152.79	–	152.79	206.61
Group 2	152.79	0.00	152.79	206.61
Class J - Income shares				
Group 1	138.89	–	138.89	157.52
Group 2	34.86	104.03	138.89	157.52

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS Sterling Corporate Bond Indexed Fund

UBS Sterling Corporate Bond Indexed Fund

Manager's report

Investment objective

The sub-fund seeks to track the return of the Markit iBoxx GBP Non-Gilt Index (the "Index") before the deduction of charges.

Investment policy

The sub-fund employs a passive investment strategy, investing all, or substantially all, of its assets in the bonds that make up the Index.

The sub-fund may also invest in warrants, money market instruments, deposits, cash and near cash and other funds.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

The sub-fund may use derivatives for efficient portfolio management only.

Benchmark information

The sub-fund uses the Index as a target benchmark. The Index has been chosen because it meets the objective of the sub-fund.

The sub-fund aims to have an anticipated tracking error of up to 0.5% per annum. The anticipated tracking error is a target and is not guaranteed.

Market environment

The past year was dominated by the COVID-19 pandemic, which caused unprecedented disruption to the global economy. The virus started to make headlines in late January and early February. But markets fully awoke to the threat in late February after Italy announced a lockdown of northern cities. As a result, investors headed for cash and US treasuries, with significant dislocations seen across other markets. Following the fastest bear market in history, the development of vaccines and support from policymakers at record speed helped to turn the tide. Significant policy rate cuts across global economies cratered government bond yields. Within spread markets, such as corporates, after initial widening central bank purchase programmes and investor optimism helped close the year near the same levels where 2019 finished.

Sub-fund performance

The sub-fund achieved a return of 7.26%* for the year against the Markit iBoxx GBP Non-Gilt Index benchmark of 7.80%.

The sub-fund replicates the risk exposures of the benchmark on an optimised basis by investing predominantly in the components of the reference index consistent with an anticipated tracking error of 0.50% per annum, a process referred to as stratified sampling.

The anticipated tracking error is a target and is not guaranteed. The 1-year tracking error as at 31 December 2020 was 0.11%†.

Tracking error indicates the consistency of a product's excess returns over the year. Excess return shows the extent to which the sub-fund has over or under-performed against the benchmark.

Stratified sampling can contribute to tracking error for this sub-fund. That said, differences in return over time between the sub-fund and the benchmark are largely caused by the effect of trading costs incurred by the sub-fund which do not impact its benchmark. Further, on a net of fee basis, annual management fees and taxes charged on distributed income are a drag on performance for the sub-fund but not applicable to its benchmark.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C Accumulation Gross shares.

† Tracking error has been calculated as the month end standard deviation of price returns on an ex post basis using the unsprung prices of the K Accumulation Gross share class versus the intra-day index values over the accounting year.

Outlook

As we begin 2021 spreads are now back to pre COVID-19 levels and the corporate bond market continues to be supported by many positive drivers. We are witnessing an improving macro backdrop, which should be supportive of corporate fundamentals, and combined with fiscal stimulus packages and continued accommodative monetary policy gives credit a solid base. On the technical side, strong demand from global investors looking for yield, and the likelihood of less supply in 2021 provides a nice tailwind for credit. These factors continue to draw global investors into investment grade credit as they search for yield. As we approach 2021, drivers that could slow the credit rally include a sudden rise in Treasury rates or increases in M&A activity that favour equity holders versus bondholders.

Percentage growth

	31.12.19 to 31.12.20	31.12.18 to 31.12.19	31.12.17 to 31.12.18	31.12.16 to 31.12.17	31.12.15 to 31.12.16
	%	%	%	%	%
Class C - Accumulation Gross shares	7.26	9.37	-1.82	5.48	-
Class C - Income Gross shares	7.26	9.36	-1.81	5.48	-
Class J - Income Gross shares	7.31	9.85	-1.78	4.26	10.55
Class K - Accumulation Gross shares	7.41	9.57	-1.67	4.36	10.68
iBoxx Sterling Non Gilts Overall TR Index*	7.80	9.27	-1.68	4.33	10.63

Source: Lipper-Hindsight: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

Launch dates: Class K Accumulation Gross shares: 22 March 2013; Class J Income Gross shares: 22 April 2013; Class C Accumulation Gross and Class C Income Gross shares: 1 February 2017.

*Markit iBoxx GBP is the intellectual property of Markit Indices Limited ("Markit") and is used under license. The sub-fund is not sponsored, endorsed, or promoted by Markit. Markit makes no representations or warranties as to Markit iBoxx GBP including those of merchantability or fitness for a particular purpose or use, or the accuracy and/or completeness of the index or any data included therein.

UBS Asset Management Funds Ltd
29 April 2021

UBS Sterling Corporate Bond Indexed Fund

1. Comparative Tables

Class C - Accumulation Gross shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	56.50	51.64	52.53
Return before operating charges	4.36	4.96	(0.79)
Operating charges	(0.12)	(0.10)	(0.10)
Return after operating charges*	4.24	4.86	(0.89)
Distributions	(1.19)	(1.30)	(1.31)
Retained distributions	1.19	1.30	1.31
Closing net asset value per share	60.74	56.50	51.64
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	7.50	9.41	(1.69)
Other information			
Closing net asset value (£)	10,589,468	9,264,822	38,745,835
Closing number of shares	17,435,410	16,396,648	75,028,054
Operating charges (%)	0.20	0.20	0.20
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	61.27	57.29	52.98
Lowest share price (p)	51.84	51.66	51.06

Class C - Income Gross shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	52.62	49.22	51.36
Return before operating charges	4.00	4.72	(0.77)
Operating charges	(0.11)	(0.10)	(0.10)
Return after operating charges*	3.89	4.62	(0.87)
Distributions	(1.10)	(1.22)	(1.27)
Retained distributions	-	-	-
Closing net asset value per share	55.41	52.62	49.22
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	7.39	9.39	(1.69)
Other information			
Closing net asset value (£)	1,702,572	1,491,591	1,873,869
Closing number of shares	3,072,517	2,834,645	3,806,910
Operating charges (%)	0.20	0.20	0.20
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	56.16	53.95	51.80
Lowest share price (p)	48.28	49.24	49.17

Class J - Income Gross shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	11,266.08	10,493.47	10,943.92
Return before operating charges	856.86	1,051.59	(163.72)
Operating charges	(17.28)	(16.97)	(16.10)
Return after operating charges*	839.58	1,034.62	(179.82)
Distributions	(235.51)	(262.01)	(270.63)
Retained distributions	-	-	-
Closing net asset value per share	11,870.15	11,266.08	10,493.47
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	7.45	9.86	(1.64)
Other information			
Closing net asset value (£)	145,028,272	135,185,904	457,583
Closing number of shares	1,221,790	1,199,937	4,361
Operating charges (%)	0.15	0.14	0.15
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	11,981.79	11,551.00	11,038.07
Lowest share price (p)	10,385.16	10,497.87	10,482.93

Class K - Accumulation Gross shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	14,012.49	12,782.81	12,983.45
Return before operating charges	1,079.11	1,232.73	(194.22)
Operating charges	(7.32)	(3.05)	(6.42)
Return after operating charges*	1,071.79	1,229.68	(200.64)
Distributions	(295.34)	(321.10)	(324.22)
Retained distributions	295.34	321.10	324.22
Closing net asset value per share	15,084.28	14,012.49	12,782.81
*after direct transaction costs of	-	-	-
Performance			
Return after charges (%)	7.65	9.62	(1.55)
Other information			
Closing net asset value (£)	248,440,383	203,065,534	183,632,410
Closing number of shares	1,647,015	1,449,176	1,436,557
Operating charges (%)	0.05	0.05	0.05
Direct transaction costs (%)	-	-	-
Prices			
Highest share price (p)	15,153.46	14,203.08	13,095.54
Lowest share price (p)	12,919.24	12,787.77	12,622.75

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

	31.12.20	31.12.19
Share class	%	%
Class C - Accumulation Gross shares	0.20	0.20
Class C - Income Gross shares	0.20	0.20
Class J - Income Gross shares	0.15	0.14
Class K - Accumulation Gross shares	0.05	0.05

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Sterling Corporate Bond Indexed Fund

Portfolio Statement (unaudited)

As at 31 December 2020

	Holding	Market value £	% of net assets
Government Bonds 1.86% (1.32%)			
Canada 0.69% (0.41%)			
Province of Alberta Canada 1.00% 15/11/2021	£300,000	302,335	0.08
Province of Alberta Canada 1.50% 15/12/2022	£800,000	813,884	0.20
Province of Manitoba Canada 0.75% 15/12/2021	£200,000	200,888	0.05
Province of Ontario Canada 0.50% 15/12/2023	£500,000	504,399	0.12
Province of Quebec Canada 0.88% 24/05/2022	£200,000	202,055	0.05
Province of Quebec Canada 1.50% 15/12/2023	£250,000	259,064	0.06
Province of Quebec Canada 0.75% 13/12/2024	£500,000	509,786	0.13
		2,792,411	0.69
Denmark 0.05% (0.00%)			
Kommunekredit 1.38% 12/10/2022	£200,000	204,351	0.05
		204,351	0.05
Finland 0.05% (0.11%)			
Kuntarahoitus 1.25% 07/12/2022	£200,000	204,557	0.05
		204,557	0.05
Guernsey 0.04% (0.04%)			
Guernsey Government Bond 3.38% 12/12/2046	£100,000	140,659	0.04
		140,659	0.04
Italy 0.33% (0.36%)			
Italy Government Bond 6.00% 04/08/2028	£1,005,000	1,325,981	0.33
		1,325,981	0.33
Japan 0.00% (0.03%)			
Jersey 0.04% (0.04%)			
Jersey Government Bond 3.75% 09/06/2054	£100,000	160,591	0.04
		160,591	0.04
Mexico 0.20% (0.23%)			
Mexico Government Bond 6.75% 06/02/2024	£200,000	234,500	0.06
Mexico Government Bond 5.63% 19/03/2114	£500,000	567,500	0.14
		802,000	0.20
Netherlands 0.12% (0.00%)			
BNG Bank 0.38% 15/12/2025	£500,000	505,213	0.12
		505,213	0.12
Norway 0.25% (0.00%)			
Kommunalbanken 1.00% 12/12/2024	£1,000,000	1,029,066	0.25
		1,029,066	0.25
Spain 0.02% (0.02%)			
Spain Government Bond 5.25% 06/04/2029	£45,000	59,496	0.02
		59,496	0.02
United States of America 0.07% (0.08%)			
Tennessee Valley Authority 5.63% 07/06/2032	£200,000	299,883	0.07
		299,883	0.07
Government Bonds total			
		7,524,208	1.86
Corporate Bonds 85.56% (86.23%)			
Australia 1.41% (1.69%)			
APT Pipelines 4.25% 26/11/2024	£100,000	113,490	0.03
APT Pipelines 3.50% 22/03/2030	£400,000	470,398	0.12
APT Pipelines 3.13% 18/07/2031	£215,000	248,800	0.06
BHP Billiton Finance 3.25% 25/09/2024	£300,000	332,104	0.08
BHP Billiton Finance 4.30% 25/09/2042	£500,000	751,392	0.19
BHP Billiton Finance, FRN 6.50% 22/10/2077	£400,000	435,500	0.11
Commonwealth Bank of Australia 1.13% 22/12/2021	£500,000	504,869	0.12
Commonwealth Bank of Australia 3.00% 04/09/2026	£300,000	342,330	0.08
National Australia Bank 1.13% 10/11/2021	£200,000	201,734	0.05
National Australia Bank 1.38% 27/06/2022	£300,000	305,275	0.08
Pacific National Finance 5.00% 19/09/2023	£100,000	108,889	0.03

QBE Insurance Group, FRN 6.12% 24/05/2042	£200,000	211,755	0.05
Scentre Group Trust 1, REIT 3.88% 16/07/2026	£300,000	338,191	0.08
Vicinity Centres Trust, REIT 3.38% 07/04/2026	£100,000	109,268	0.03
Westfield America Management, REIT 2.13% 30/03/2025	£100,000	101,977	0.02
Westfield America Management, REIT 2.63% 30/03/2029	£400,000	405,839	0.10
Westpac Banking 1.00% 30/06/2022	£300,000	303,999	0.07
Westpac Banking 2.13% 02/05/2025	£400,000	430,211	0.11
	5,716,021	1.41	
Austria 0.43% (0.29%)			
Oesterreichische Kontrollbank 0.75% 07/03/2022	£100,000	100,813	0.02
Oesterreichische Kontrollbank 1.25% 15/12/2023	£1,600,000	1,650,450	0.41
	1,751,263	0.43	
Belgium 0.37% (0.61%)			
Anheuser-Busch InBev 9.75% 30/07/2024	£275,000	365,774	0.09
Anheuser-Busch InBev 2.25% 24/05/2029	£500,000	551,334	0.14
Anheuser-Busch InBev 2.85% 25/05/2037	£500,000	583,950	0.14
	1,501,058	0.37	
Bermuda 0.10% (0.19%)			
Fidelity International 7.13% 13/02/2024	£150,000	177,383	0.04
Hiscox 2.00% 14/12/2022	£110,000	112,483	0.03
Hiscox, FRN 6.12% 24/11/2045	£100,000	116,033	0.03
	405,899	0.10	
Canada 0.64% (0.90%)			
Bank of Montreal 1.63% 21/06/2022	£450,000	459,610	0.11
Bank of Nova Scotia 1.25% 08/06/2022	£200,000	203,020	0.05
Bank of Nova Scotia 1.38% 05/12/2023	£375,000	384,472	0.09
Canadian Imperial Bank of Commerce 1.13% 30/06/2022	£100,000	101,414	0.03
CPPIB Capital 1.13% 14/12/2029	£900,000	938,966	0.23
Royal Bank of Canada 1.13% 15/12/2025	£300,000	308,298	0.08
Toronto-Dominion Bank 1.00% 13/12/2021	£200,000	201,686	0.05
	2,597,466	0.64	
Cayman Islands 0.65% (0.65%)			
Bishopsgate Asset Finance 4.81% 14/08/2044	£75,585	71,210	0.02
Lunar Funding I 5.75% 18/10/2033	£50,000	73,549	0.02
Southern Water Services Finance 6.64% 31/03/2026	£500,000	633,910	0.15
Southern Water Services Finance 6.19% 31/03/2029	£825,000	1,148,383	0.28
Southern Water Services Finance 3.00% 28/05/2037	£500,000	567,981	0.14
Southern Water Services Finance 5.00% 31/03/2041	£100,000	157,544	0.04
	2,652,577	0.65	
China 0.15% (0.00%)			
China Development Bank 1.25% 21/01/2023	£600,000	606,114	0.15
	606,114	0.15	
Denmark 0.50% (0.48%)			
AP Moller - Maersk 4.00% 04/04/2025	£100,000	111,680	0.03
Danske Bank, FRN 2.25% 14/01/2028	£400,000	418,517	0.10
Orsted 4.88% 12/01/2032	£200,000	280,270	0.07
Orsted 2.50% 16/05/2033	£500,000	582,695	0.14
Orsted 5.75% 09/04/2040	£379,000	653,851	0.16
	2,047,013	0.50	
Finland 0.18% (0.32%)			
Nordea Bank Abp 2.38% 02/06/2022	£600,000	618,884	0.15
OP Corporate Bank 2.50% 20/05/2022	£100,000	103,226	0.03
	722,110	0.18	
France 6.97% (7.13%)			
AXA, FRN 5.62% 16/01/2054	£500,000	666,220	0.16
AXA, FRN 5.45% Perpetual	£350,000	406,437	0.10
AXA, FRN 6.69% Perpetual	£100,000	122,958	0.03
Banque Federative du Credit Mutuel 1.88% 13/12/2022	£100,000	103,274	0.02
Banque Federative du Credit Mutuel 2.25% 18/12/2023	£200,000	211,282	0.05
Banque Federative du Credit Mutuel 1.75% 19/12/2024	£300,000	315,860	0.08
Banque Federative du Credit Mutuel 1.25% 05/12/2025	£800,000	828,849	0.20
BNP Paribas 5.75% 24/01/2022	£525,000	553,389	0.14
BNP Paribas 1.13% 16/08/2022	£200,000	203,154	0.05
BNP Paribas 3.38% 23/01/2026	£250,000	281,428	0.07

BNP Paribas 1.88% 14/12/2027	£800,000	849,598	0.21
Bouygues 5.50% 06/10/2026	£100,000	127,336	0.03
BPCE 1.38% 23/12/2026	£400,000	415,881	0.10
BPCE 5.25% 16/04/2029	£400,000	515,402	0.13
Cie de Financement Foncier 5.50% 26/01/2027	£250,000	323,927	0.08
Cie de Saint-Gobain 5.63% 15/11/2024	£500,000	596,857	0.15
Cie de Saint-Gobain 4.63% 09/10/2029	£100,000	128,604	0.03
CNP Assurances, FRN 7.37% 30/09/2041	£100,000	104,650	0.03
Credit Agricole 7.38% 18/12/2023	£100,000	119,059	0.03
Dexia Credit Local 1.38% 07/12/2022	£2,200,000	2,250,415	0.55
Dexia Credit Local 2.13% 12/02/2025	£900,000	966,576	0.24
Electricite de France 6.25% 30/05/2028	£1,250,000	1,705,090	0.42
Electricite de France 5.88% 18/07/2031	£300,000	433,291	0.11
Electricite de France 6.13% 02/06/2034	£1,300,000	2,010,683	0.49
Electricite de France 5.50% 17/10/2041	£200,000	314,286	0.08
Electricite de France 5.13% 22/09/2050	£500,000	813,713	0.20
Electricite de France 6.00% 23/01/2114	£900,000	1,695,919	0.42
Engie 7.00% 30/10/2028	£650,000	957,559	0.24
Engie 5.00% 01/10/2060	£450,000	879,625	0.22
LVMH Moet Hennessy Louis Vuitton 1.00% 14/06/2022	£90,000	90,845	0.02
LVMH Moet Hennessy Louis Vuitton 1.13% 11/02/2027	£800,000	817,433	0.20
Orange 8.13% 20/11/2028	£200,000	308,772	0.08
Orange 3.25% 15/01/2032	£700,000	845,367	0.21
Orange 5.63% 23/01/2034	£200,000	304,404	0.07
Orange 5.38% 22/11/2050	£300,000	536,065	0.13
Orange, FRN 5.75% Perpetual	£400,000	438,000	0.11
Orange, FRN 5.87% Perpetual	£400,000	420,500	0.10
SNCF Reseau 5.25% 07/12/2028	£100,000	135,171	0.03
SNCF Reseau 5.25% 31/01/2035	£825,000	1,266,616	0.31
SNCF Reseau 5.00% 11/03/2052	£300,000	560,980	0.14
SNCF Reseau 4.83% 25/03/2060	£325,000	638,257	0.16
Societe Nationale SNCF 5.38% 18/03/2027	£275,000	349,875	0.09
Total Capital International 1.25% 16/12/2024	£125,000	129,384	0.03
Total Capital International 1.66% 22/07/2026	£200,000	211,881	0.05
Total Capital International 1.41% 03/09/2031	£500,000	528,404	0.13
Veolia Environnement 6.13% 29/10/2037	£400,000	674,600	0.17
Vinci 2.25% 15/03/2027	£600,000	655,417	0.16
Vinci 2.75% 15/09/2034	£100,000	119,550	0.03
WPP Finance 3.75% 19/05/2032	£300,000	352,751	0.09
		28,285,594	6.97
Germany 6.39% (7.59%)			
BASF 0.88% 06/10/2023	£100,000	101,557	0.03
BASF 1.75% 11/03/2025	£850,000	897,027	0.22
Bayerische Landesbank 1.25% 20/12/2021	£200,000	202,139	0.05
Deutsche Bahn Finance 2.75% 20/06/2022	£250,000	259,577	0.06
Deutsche Bahn Finance 3.13% 24/07/2026	£400,000	459,837	0.11
Deutsche Bank 3.88% 12/02/2024	£200,000	216,480	0.05
Deutsche Bank 2.63% 16/12/2024	£700,000	737,788	0.18
Deutsche Pfandbriefbank 1.50% 16/12/2021	£200,000	204,021	0.05
Deutsche Telekom 3.13% 06/02/2034	£375,000	456,420	0.11
FMS Wertmanagement 0.88% 14/02/2022	£400,000	403,649	0.10
FMS Wertmanagement 1.00% 07/09/2022	£1,100,000	1,117,712	0.28
FMS Wertmanagement 1.13% 20/03/2023	£1,000,000	1,022,476	0.25
FMS Wertmanagement 1.13% 07/09/2023	£600,000	616,000	0.15
Henkel 0.88% 13/09/2022	£70,000	70,736	0.02
Henkel 1.25% 30/09/2026	£400,000	417,306	0.10
Kreditanstalt fuer Wiederaufbau 0.88% 15/03/2022	£2,900,000	2,929,290	0.72
Kreditanstalt fuer Wiederaufbau 1.00% 15/12/2022	£1,000,000	1,020,248	0.25
Kreditanstalt fuer Wiederaufbau 1.25% 29/12/2023	£1,000,000	1,035,255	0.26
Kreditanstalt fuer Wiederaufbau 5.00% 10/09/2024	£200,000	235,722	0.06
Kreditanstalt fuer Wiederaufbau 1.38% 09/12/2024	£1,100,000	1,154,767	0.29
Kreditanstalt fuer Wiederaufbau 5.50% 18/06/2025	£275,000	340,210	0.08
Kreditanstalt fuer Wiederaufbau 0.88% 15/09/2026	£500,000	520,487	0.13
Kreditanstalt fuer Wiederaufbau 6.00% 07/12/2028	£1,801,000	2,597,375	0.64

Kreditanstalt fuer Wiederaufbau 5.75% 07/06/2032	£1,750,000	2,759,657	0.68
Kreditanstalt fuer Wiederaufbau 5.00% 09/06/2036	£300,000	491,832	0.12
Kreditanstalt fuer Wiederaufbau 4.88% 15/03/2037	£350,000	570,844	0.14
Landesbank Baden-Wuerttemberg 1.50% 03/02/2025	£600,000	617,147	0.15
Landeskreditbank Baden-Wuerttemberg Foerderbank 0.88% 07/03/2022	£700,000	706,465	0.17
Landeskreditbank Baden-Wuerttemberg Foerderbank 0.38% 09/12/2024	£500,000	503,735	0.12
Landwirtschaftliche Rentenbank 1.13% 15/12/2023	£200,000	206,049	0.05
Landwirtschaftliche Rentenbank 1.38% 08/09/2025	£1,250,000	1,322,385	0.33
Landwirtschaftliche Rentenbank 0.88% 15/12/2026	£300,000	311,373	0.08
Muenchener Rueckversicherungs-Gesellschaft, FRN 6.62% 26/05/2042	£100,000	108,000	0.03
NRW Bank 1.25% 15/12/2021	£300,000	303,531	0.08
NRW Bank 1.00% 15/06/2022	£1,000,000	1,013,316	0.25
		25,930,413	6.39
Guernsey 0.18% (0.28%)			
Credit Suisse Group Funding Guernsey 3.00% 27/05/2022	£700,000	725,401	0.18
		725,401	0.18
Ireland 0.84% (0.75%)			
Dali Capital 4.80% 21/12/2037	£200,000	280,154	0.07
ESB Finance DAC 1.88% 21/07/2035	£100,000	109,893	0.03
Freshwater Finance 5.18% 20/04/2035	£200,000	281,551	0.07
Freshwater Finance 4.61% 17/10/2036	£550,000	747,522	0.18
GE Capital UK Funding 4.13% 13/09/2023	£150,000	163,583	0.04
GE Capital UK Funding 5.88% 18/01/2033	£300,000	409,467	0.10
GE Capital UK Funding 6.25% 05/05/2038	£200,000	296,961	0.07
GE Capital UK Funding 8.00% 14/01/2039	£368,000	627,176	0.16
Russian Railways 7.49% 25/03/2031	£200,000	273,903	0.07
UK Municipal Bonds Agency Finance Designated Activity 1.63% 26/08/2060	£200,000	206,919	0.05
		3,397,129	0.84
Italy 0.32% (0.62%)			
Enel 5.75% 22/06/2037	£410,000	641,917	0.16
FCA Bank 1.63% 29/09/2021	£250,000	251,770	0.06
Intesa Sanpaolo 5.25% 28/01/2022	£100,000	104,809	0.02
Intesa Sanpaolo 2.50% 15/01/2030	£300,000	319,606	0.08
		1,318,102	0.32
Japan 0.31% (0.20%)			
East Japan Railway 4.75% 08/12/2031	£150,000	209,919	0.05
East Japan Railway 5.25% 22/04/2033	£400,000	596,198	0.15
East Japan Railway 4.88% 14/06/2034	£100,000	146,921	0.04
East Japan Railway 4.50% 25/01/2036	£200,000	291,188	0.07
		1,244,226	0.31
Jersey 2.61% (2.65%)			
AA Bond 6.27% 02/07/2043	£750,000	813,099	0.20
AA Bond 2.88% 31/07/2043	£409,000	408,100	0.10
CPUK Finance 3.59% 28/02/2042	£500,000	538,700	0.13
CPUK Finance 7.24% 28/02/2042	£100,000	116,012	0.03
CPUK Finance 3.69% 28/02/2047	£100,000	110,355	0.03
Gatwick Funding 6.13% 02/03/2028	£1,300,000	1,564,952	0.39
Gatwick Funding 3.13% 28/09/2041	£150,000	161,674	0.04
Gatwick Funding 3.25% 26/02/2048	£300,000	326,807	0.08
Gatwick Funding 2.63% 07/10/2048	£150,000	147,991	0.04
Gatwick Funding 2.88% 05/07/2051	£400,000	409,474	0.10
Glencore Finance Europe 6.00% 03/04/2022	£250,000	266,651	0.07
Glencore Finance Europe 3.13% 26/03/2026	£500,000	538,984	0.13
Hastings Group Finance 3.00% 24/05/2025	£100,000	108,022	0.03
Heathrow Funding 7.13% 14/02/2024	£400,000	458,102	0.11
Heathrow Funding 6.75% 03/12/2028	£925,000	1,189,960	0.29
Heathrow Funding 7.08% 04/08/2030	£100,000	136,178	0.03
Heathrow Funding 2.75% 13/10/2031	£400,000	428,576	0.10
Heathrow Funding 6.45% 10/12/2033	£550,000	796,267	0.20
Heathrow Funding 5.88% 13/05/2043	£250,000	381,505	0.09
Heathrow Funding 4.63% 31/10/2046	£400,000	561,022	0.14
Heathrow Funding 2.75% 09/08/2051	£300,000	323,541	0.08

HSBC Bank Capital Funding Sterling 1, FRN 5.84% Perpetual	£275,000	400,984	0.10
Porterbrook Rail Finance 7.13% 20/10/2026	£225,000	296,722	0.07
Porterbrook Rail Finance 4.63% 04/04/2029	£100,000	120,807	0.03
		10,604,485	2.61
Luxembourg 0.56% (0.46%)			
Aroundtown 3.00% 16/10/2029	£700,000	775,008	0.19
Aroundtown 3.63% 10/04/2031	£100,000	117,398	0.03
Aroundtown, FRN 4.75% Perpetual	£200,000	208,875	0.05
CK Hutchison Group Telecom Finance 2.63% 17/10/2034	£300,000	333,916	0.08
CPI Property Group 2.75% 22/01/2028	£300,000	308,772	0.08
Gazprom 4.25% 06/04/2024	£400,000	424,000	0.10
Nestle Finance International 2.25% 30/11/2023	£100,000	105,966	0.03
		2,273,935	0.56
Mexico 0.37% (0.59%)			
America Movil 5.00% 27/10/2026	£300,000	369,192	0.09
America Movil 5.75% 28/06/2030	£150,000	208,537	0.05
America Movil 4.95% 22/07/2033	£200,000	277,600	0.07
America Movil 4.38% 07/08/2041	£450,000	632,085	0.16
		1,487,414	0.37
Netherlands 6.69% (6.61%)			
ABN AMRO Bank 1.38% 16/01/2025	£1,000,000	1,037,279	0.26
Aegon 6.13% 15/12/2031	£150,000	225,125	0.06
Aegon 6.63% 16/12/2039	£300,000	546,197	0.13
Allianz Finance II 4.50% 13/03/2043	£500,000	821,320	0.20
BMW International Investment 1.25% 11/07/2022	£200,000	203,082	0.05
BMW International Investment 1.88% 11/09/2023	£700,000	728,690	0.18
BMW International Investment 0.75% 08/03/2024	£700,000	708,263	0.17
BNG Bank 1.00% 17/06/2022	£500,000	506,910	0.12
BNG Bank 5.20% 07/12/2028	£100,000	135,995	0.03
Cooperatieve Rabobank 4.00% 19/09/2022	£1,275,000	1,356,522	0.33
Cooperatieve Rabobank 1.25% 14/01/2025	£300,000	309,521	0.08
Cooperatieve Rabobank 5.25% 14/09/2027	£375,000	469,219	0.12
Cooperatieve Rabobank 4.63% 23/05/2029	£400,000	494,886	0.12
Cooperatieve Rabobank 4.55% 30/08/2029	£200,000	263,641	0.06
Cooperatieve Rabobank 5.25% 23/05/2041	£300,000	514,684	0.13
Cooperatieve Rabobank 5.38% 03/08/2060	£200,000	429,332	0.11
Daimler International Finance 1.50% 13/01/2022	£600,000	607,262	0.15
Daimler International Finance 2.13% 07/06/2022	£700,000	717,649	0.18
Daimler International Finance 1.63% 11/11/2024	£300,000	310,899	0.08
Deutsche Telekom International Finance 6.50% 08/04/2022	£600,000	647,432	0.16
Deutsche Telekom International Finance 1.25% 06/10/2023	£100,000	102,530	0.02
Deutsche Telekom International Finance 2.50% 10/10/2025	£550,000	602,270	0.15
Deutsche Telekom International Finance 8.88% 27/11/2028	£100,000	160,242	0.04
E.ON International Finance 5.63% 06/12/2023	£200,000	229,379	0.06
E.ON International Finance 6.25% 03/06/2030	£600,000	864,084	0.21
E.ON International Finance 6.38% 07/06/2032	£600,000	914,759	0.23
E.ON International Finance 4.75% 31/01/2034	£200,000	276,851	0.07
E.ON International Finance 5.88% 30/10/2037	£300,000	482,308	0.12
E.ON International Finance 6.75% 27/01/2039	£650,000	1,151,613	0.28
E.ON International Finance 6.13% 06/07/2039	£700,000	1,183,143	0.29
EDP Finance 8.63% 04/01/2024	£150,000	184,806	0.05
Enel Finance International 5.63% 14/08/2024	£275,000	325,168	0.08
Enel Finance International 1.00% 20/10/2027	£410,000	415,159	0.10
Enel Finance International 5.75% 14/09/2040	£850,000	1,384,963	0.34
Highbury Finance 7.02% 20/03/2023	£94,153	102,564	0.03
ING Groep 3.00% 18/02/2026	£800,000	887,838	0.22
innogy Finance 5.50% 06/07/2022	£200,000	215,317	0.05
JT International Financial Services 2.75% 28/09/2033	£200,000	227,658	0.06
Koninklijke KPN 5.75% 17/09/2029	£650,000	794,069	0.20
LafargeHolcim Sterling Finance Netherlands 3.00% 12/05/2032	£100,000	116,470	0.03
Linde Finance 5.88% 24/04/2023	£100,000	112,725	0.03
MDGH - GMTN 6.88% 14/03/2026	£200,000	256,500	0.06
Nederlandse Waterschapsbank 0.88% 20/12/2021	£200,000	201,690	0.05
Nederlandse Waterschapsbank 5.38% 07/06/2032	£200,000	303,151	0.07

Shell International Finance 1.75% 10/09/2052	£500,000	500,260	0.12
Siemens Financieringsmaatschappij 1.00% 20/02/2025	£600,000	616,631	0.15
Siemens Financieringsmaatschappij 2.75% 10/09/2025	£500,000	556,156	0.14
Siemens Financieringsmaatschappij 3.75% 10/09/2042	£300,000	451,859	0.11
Volkswagen Financial Services 1.63% 09/06/2022	£1,000,000	1,014,482	0.25
Volkswagen Financial Services 2.25% 12/04/2025	£833,000	880,098	0.22
Volkswagen Financial Services 4.25% 09/10/2025	£300,000	345,250	0.08
Volkswagen International Finance 4.13% 17/11/2031	£200,000	249,702	0.06
		27,143,603	6.69
Norway 0.56% (0.72%)			
DNB Bank 1.63% 15/12/2023	£100,000	103,626	0.03
Equinor 6.88% 11/03/2031	£427,000	670,215	0.17
Equinor 4.25% 10/04/2041	£200,000	294,634	0.07
Kommunalbanken 1.13% 30/11/2022	£250,000	254,852	0.06
Kommunalbanken 1.50% 15/12/2023	£400,000	415,397	0.10
SpareBank 1 Boligkreditt 1.75% 18/12/2023	£500,000	520,668	0.13
		2,259,392	0.56
Singapore 0.08% (0.09%)			
Temasek Financial I 5.13% 26/07/2040	£200,000	341,059	0.08
		341,059	0.08
South Korea 0.06% (0.15%)			
Korea Development Bank 1.75% 15/12/2022	£250,000	257,724	0.06
		257,724	0.06
Spain 0.62% (0.46%)			
Abertis Infraestructuras 3.38% 27/11/2026	£200,000	219,472	0.06
Banco Bilbao Vizcaya Argentaria, FRN 3.10% 15/07/2031	£200,000	208,660	0.05
Banco Santander 2.75% 12/09/2023	£700,000	737,358	0.18
Banco Santander 1.38% 31/07/2024	£300,000	307,430	0.08
Telefonica Emisiones 5.29% 09/12/2022	£450,000	492,245	0.12
Telefonica Emisiones 5.45% 08/10/2029	£400,000	533,086	0.13
		2,498,251	0.62
Sweden 0.94% (1.10%)			
Akelius Residential Property 2.38% 15/08/2025	£300,000	317,988	0.08
Investor 5.50% 05/05/2037	£150,000	236,686	0.06
Scania CV 1.88% 28/06/2022	£150,000	152,280	0.04
Skandinaviska Enskilda Banken 1.25% 05/08/2022	£320,000	325,427	0.08
Svensk Exportkredit 1.38% 15/12/2023	£400,000	413,834	0.10
Svenska Handelsbanken 1.63% 18/06/2022	£400,000	408,690	0.10
Svenska Handelsbanken 1.63% 15/12/2023	£400,000	416,043	0.10
Swedbank 1.63% 28/12/2022	£750,000	771,166	0.19
Swedbank Hypotek 1.13% 07/12/2021	£100,000	100,918	0.03
Vattenfall 6.88% 15/04/2039	£350,000	651,228	0.16
		3,794,260	0.94
Switzerland 0.29% (0.04%)			
Credit Suisse Group 2.75% 08/08/2025	£250,000	272,764	0.07
Credit Suisse Group, FRN 2.13% 12/09/2025	£150,000	157,247	0.04
Credit Suisse Group, FRN 2.25% 09/06/2028	£700,000	742,160	0.18
		1,172,171	0.29
United Arab Emirates 0.04% (0.05%)			
DP World 4.25% 25/09/2030	£150,000	169,625	0.04
		169,625	0.04
United Kingdom 41.98% (39.49%)			
3i Group 5.75% 03/12/2032	£200,000	280,134	0.07
3i Group 3.75% 05/06/2040	£300,000	349,065	0.09
A2Dominion Housing Group 3.50% 15/11/2028	£100,000	113,341	0.03
ABP Finance 6.25% 14/12/2026	£400,000	487,684	0.12
Accent Capital 2.63% 18/07/2049	£300,000	376,979	0.09
Affinity Sutton Capital Markets 5.98% 17/09/2038	£100,000	171,106	0.04
Affinity Sutton Capital Markets 4.25% 08/10/2042	£100,000	148,989	0.04
Affinity Water Finance 5.88% 13/07/2026	£150,000	190,799	0.05
Affinity Water Finance 4.50% 31/03/2036	£100,000	141,184	0.03
Affordable Housing Finance 3.80% 20/05/2044	£400,000	614,377	0.15
Affordable Housing Finance 2.89% 11/08/2045	£450,000	616,026	0.15
Anglian Water Services Financing 1.63% 10/08/2025	£700,000	735,631	0.18

Anglian Water Services Financing 4.50% 05/10/2027	£100,000	122,266	0.03
Anglian Water Services Financing 2.75% 26/10/2029	£300,000	343,875	0.08
Anglian Water Services Financing 6.29% 30/07/2030	£125,000	183,940	0.05
Anglian Water Services Financing, STEP 6.87% 21/08/2023	£50,000	58,434	0.01
Anglian Water Services Financing, STEP 6.63% 15/01/2029	£100,000	142,228	0.03
Anglo American Capital 3.38% 11/03/2029	£150,000	168,175	0.04
Annington Funding 2.65% 12/07/2025	£500,000	537,151	0.13
Annington Funding 3.18% 12/07/2029	£250,000	283,028	0.07
Annington Funding 3.69% 12/07/2034	£300,000	368,633	0.09
Annington Funding 3.94% 12/07/2047	£565,000	758,223	0.19
Arqiva Financing 4.88% 31/12/2032	£80,000	93,710	0.02
Artesian Finance II 6.00% 30/09/2033	£250,000	391,809	0.10
Aspire Defence Finance 4.67% 31/03/2040	£782,676	1,075,816	0.26
Assura Financing, REIT 3.00% 19/07/2028	£300,000	345,734	0.09
Aster Treasury 4.50% 18/12/2043	£250,000	387,239	0.10
AstraZeneca 5.75% 13/11/2031	£138,000	208,182	0.05
Aviva, FRN 6.12% 14/11/2036	£980,000	1,208,135	0.30
Aviva, FRN 4.37% 12/09/2049	£300,000	347,838	0.09
Aviva, FRN 5.12% 04/06/2050	£450,000	547,092	0.13
Aviva, FRN 4.00% 03/06/2055	£300,000	346,207	0.09
Aviva, FRN 6.12% Perpetual	£250,000	268,959	0.07
BAE Systems 4.13% 08/06/2022	£220,000	231,017	0.06
Barclays 3.13% 17/01/2024	£300,000	318,916	0.08
Barclays 3.00% 08/05/2026	£900,000	983,015	0.24
Barclays 3.25% 12/02/2027	£450,000	500,444	0.12
Barclays 3.25% 17/01/2033	£700,000	821,214	0.20
Barclays, FRN 2.38% 06/10/2023	£400,000	411,101	0.10
Barclays, FRN 1.70% 03/11/2026	£500,000	516,152	0.13
Barclays Bank 5.75% 14/09/2026	£510,000	625,477	0.15
Barclays Bank UK 4.25% 12/01/2022	£300,000	312,805	0.08
BAT International Finance 7.25% 12/03/2024	£400,000	480,103	0.12
BAT International Finance 4.00% 04/09/2026	£800,000	918,329	0.23
BAT International Finance 2.25% 26/06/2028	£200,000	207,378	0.05
BAT International Finance 5.75% 05/07/2040	£150,000	208,088	0.05
BAT International Finance 2.25% 09/09/2052	£475,000	396,178	0.10
BAT International Finance 4.00% 23/11/2055	£200,000	230,266	0.06
BG Energy Capital 5.13% 01/12/2025	£700,000	862,574	0.21
BG Energy Capital 5.00% 04/11/2036	£386,000	590,735	0.15
Blend Funding 3.46% 21/09/2049	£100,000	133,279	0.03
Blend Funding 2.92% 05/04/2056	£300,000	370,477	0.09
BP Capital Markets 2.03% 14/02/2025	£750,000	796,861	0.20
BP Capital Markets 2.27% 03/07/2026	£100,000	109,005	0.03
BP Capital Markets, FRN 4.25% Perpetual	£800,000	858,334	0.21
BPHA Finance 4.82% 11/04/2044	£150,000	238,567	0.06
British Land, REIT 2.38% 14/09/2029	£100,000	103,659	0.03
British Telecommunications 5.75% 07/12/2028	£400,000	529,705	0.13
British Telecommunications 3.13% 21/11/2031	£500,000	576,028	0.14
British Telecommunications 6.38% 23/06/2037	£100,000	157,567	0.04
British Telecommunications 3.63% 21/11/2047	£150,000	185,305	0.05
Broadgate Financing 4.82% 05/07/2036	£100,000	135,166	0.03
Broadgate Financing 5.00% 05/10/2033	£100,000	116,811	0.03
Broadgate Financing 5.10% 05/04/2035	£411,000	491,192	0.12
Bromford Housing Group 3.13% 03/05/2048	£150,000	199,871	0.05
Bunzl Finance 2.25% 11/06/2025	£200,000	213,108	0.05
Bunzl Finance 1.50% 30/10/2030	£500,000	515,868	0.13
BUPA Finance 5.00% 25/04/2023	£200,000	217,601	0.05
BUPA Finance 5.00% 08/12/2026	£100,000	117,331	0.03
BUPA Finance 1.75% 14/06/2027	£500,000	520,431	0.13
BUPA Finance 4.13% 14/06/2035	£300,000	347,222	0.09
Cadent Finance 1.13% 22/09/2021	£166,000	166,908	0.04
Cadent Finance 2.13% 22/09/2028	£100,000	107,978	0.03
Cadent Finance 2.63% 22/09/2038	£1,050,000	1,192,124	0.29
Cadent Finance 2.75% 22/09/2046	£400,000	460,904	0.11
Canary Wharf Finance II, Series A1 6.46% 22/10/2033	£104,941	130,050	0.03

Canary Wharf Finance II, Series A3 5.95% 22/10/2037	£250,000	362,653	0.09
Cardiff University 3.00% 07/12/2055	£200,000	279,394	0.07
Catalyst Housing 3.13% 31/10/2047	£300,000	386,992	0.10
Centrica 6.38% 10/03/2022	£500,000	533,830	0.13
Centrica 4.38% 13/03/2029	£175,000	217,647	0.05
Centrica 7.00% 19/09/2033	£400,000	656,716	0.16
Centrica 4.25% 12/09/2044	£400,000	578,220	0.14
Chancellor Masters & Scholars of The University of Cambridge 3.75% 17/10/2052	£100,000	172,654	0.04
Chancellor Masters & Scholars of The University of Cambridge 2.35% 27/06/2078	£200,000	323,794	0.08
Channel Link Enterprises Finance 3.85% 30/06/2050	£150,000	182,425	0.04
Circle Anglia Social Housing 5.20% 02/03/2044	£550,000	928,082	0.23
Citizen Treasury 3.25% 20/10/2048	£250,000	337,421	0.08
Clarion Funding 1.25% 13/11/2032	£600,000	612,507	0.15
Clarion Funding 3.13% 19/04/2048	£200,000	265,947	0.07
Close Brothers Finance 2.75% 19/10/2026	£150,000	163,296	0.04
Close Brothers Group 2.75% 26/04/2023	£100,000	103,876	0.03
Clydesdale Bank 4.63% 08/06/2026	£300,000	367,186	0.09
Community Finance Co. 1 5.02% 31/07/2034	£150,000	209,635	0.05
Compass Group 2.00% 05/09/2025	£500,000	534,751	0.13
Connect Plus M25 Issuer 2.61% 31/03/2039	£285,009	329,315	0.08
Coventry Building Society 5.88% 28/09/2022	£100,000	109,316	0.03
Coventry Building Society 1.88% 24/10/2023	£200,000	207,130	0.05
Coventry Building Society 1.00% 21/09/2025	£600,000	604,687	0.15
Crh Finance UK 4.13% 02/12/2029	£100,000	125,186	0.03
CTRL Section 1 Finance, Series A1 5.23% 02/05/2035	£147,380	208,835	0.05
Derby Healthcare 5.56% 30/06/2041	£223,287	323,755	0.08
Diageo Finance 1.75% 12/10/2026	£250,000	266,721	0.07
Diageo Finance 2.88% 27/03/2029	£200,000	233,766	0.06
Diageo Finance 1.25% 28/03/2033	£335,000	347,183	0.09
Direct Line Insurance Group, FRN 9.25% 27/04/2042	£150,000	166,643	0.04
DWR Cymru Financing UK 6.02% 31/03/2028	£150,000	204,768	0.05
DWR Cymru Financing UK 1.38% 31/03/2033	£160,000	167,788	0.04
DWR Cymru Financing UK 2.50% 31/03/2036	£183,000	217,507	0.05
DWR Cymru Financing UK 4.47% 31/03/2057	£50,000	91,325	0.02
Eastern Power Networks 5.75% 08/03/2024	£560,000	652,132	0.16
Eastern Power Networks 1.88% 01/06/2035	£400,000	429,881	0.11
Eastern Power Networks 6.25% 12/11/2036	£100,000	169,663	0.04
Electricity North West 8.88% 25/03/2026	£200,000	282,762	0.07
ENW Finance 6.13% 21/07/2021	£100,000	103,083	0.03
Equity Release Funding No. 2, Series 2 5.88% 26/05/2032	£39,835	48,463	0.01
Equity Release Funding No. 3, Series A2 5.05% 26/04/2033	£49,568	62,520	0.02
Eversholt Funding 6.70% 22/02/2035	£600,000	803,150	0.20
Eversholt Funding 2.74% 30/06/2040	£300,000	324,439	0.08
Eversholt Funding 3.53% 07/08/2042	£300,000	355,995	0.09
Exchequer Partnership No. 2 5.40% 13/07/2036	£19,577	27,304	0.01
Experian Finance 3.50% 15/10/2021	£300,000	305,039	0.08
Experian Finance 3.25% 07/04/2032	£400,000	488,352	0.12
Firstgroup 5.25% 29/11/2022	£500,000	528,766	0.13
GB Social Housing 5.19% 12/02/2040	£200,000	289,458	0.07
Genfinance II 6.06% 21/12/2039	£100,000	165,413	0.04
GlaxoSmithKline Capital 3.38% 20/12/2027	£100,000	119,041	0.03
GlaxoSmithKline Capital 1.25% 12/10/2028	£700,000	728,216	0.18
GlaxoSmithKline Capital 5.25% 19/12/2033	£792,000	1,195,671	0.29
GlaxoSmithKline Capital 1.63% 12/05/2035	£900,000	945,087	0.23
GlaxoSmithKline Capital 6.38% 09/03/2039	£250,000	451,565	0.11
GlaxoSmithKline Capital 5.25% 10/04/2042	£550,000	932,774	0.23
GlaxoSmithKline Capital 4.25% 18/12/2045	£350,000	550,504	0.14
Go-Ahead Group 2.50% 06/07/2024	£100,000	101,753	0.02
Grainger 3.38% 24/04/2028	£100,000	111,151	0.03
Grainger 3.00% 03/07/2030	£400,000	435,888	0.11
Great Rolling Stock 6.50% 05/04/2031	£287,000	372,596	0.09
Greene King Finance 4.06% 15/03/2035	£119,925	128,365	0.03
Greene King Finance 5.11% 15/03/2034	£75,000	85,848	0.02
Guinness Partnership 4.00% 24/10/2044	£200,000	300,407	0.07

Guinness Partnership 2.00% 22/04/2055	£300,000	338,322	0.08
Gwyn y Mor OFTO 2.78% 17/02/2034	£80,463	89,809	0.02
Hammerson, REIT 3.50% 27/10/2025	£150,000	146,623	0.04
Hammerson, REIT 6.00% 23/02/2026	£125,000	133,034	0.03
High Speed Rail Finance 1 4.38% 01/11/2038	£400,000	534,681	0.13
Home Group 3.13% 27/03/2043	£300,000	368,401	0.09
Housing & Care 21 3.29% 08/11/2049	£100,000	125,523	0.03
HSBC Bank 6.50% 07/07/2023	£150,000	171,314	0.04
HSBC Bank 5.38% 22/08/2033	£325,000	455,635	0.11
HSBC Bank 4.75% 24/03/2046	£500,000	701,229	0.17
HSBC Bank, FRN 5.37% 04/11/2030	£50,000	60,236	0.01
HSBC Holdings 6.50% 20/05/2024	£600,000	714,427	0.18
HSBC Holdings 5.75% 20/12/2027	£500,000	630,901	0.16
HSBC Holdings 2.63% 16/08/2028	£385,000	427,648	0.11
HSBC Holdings 6.75% 11/09/2028	£200,000	270,045	0.07
HSBC Holdings 7.00% 07/04/2038	£350,000	553,309	0.14
HSBC Holdings 6.00% 29/03/2040	£900,000	1,321,835	0.33
HSBC Holdings, FRN 2.17% 27/06/2023	£700,000	716,058	0.18
HSBC Holdings, FRN 2.26% 13/11/2026	£500,000	532,313	0.13
HSBC Holdings, FRN 3.00% 22/07/2028	£1,100,000	1,226,911	0.30
HSBC Holdings, FRN 3.00% 29/05/2030	£100,000	113,832	0.03
Hutchison Whampoa Finance UK 5.63% 24/11/2026	£150,000	192,468	0.05
Hyde Housing Association 5.13% 23/07/2040	£50,000	78,064	0.02
Hyde Housing Association 1.75% 18/08/2055	£400,000	399,318	0.10
Imperial Brands Finance 9.00% 17/02/2022	£800,000	875,744	0.22
Imperial Brands Finance 8.13% 15/03/2024	£600,000	731,063	0.18
Imperial Brands Finance 5.50% 28/09/2026	£150,000	183,233	0.05
Imperial Brands Finance 4.88% 07/06/2032	£200,000	247,502	0.06
Incommunities Treasury 3.25% 21/03/2049	£100,000	135,308	0.03
Informa 3.13% 05/07/2026	£150,000	159,387	0.04
InterContinental Hotels Group 3.75% 14/08/2025	£100,000	109,147	0.03
InterContinental Hotels Group 3.38% 08/10/2028	£600,000	658,654	0.16
Investec 4.50% 05/05/2022	£100,000	104,467	0.03
Investec Bank, FRN 4.25% 24/07/2028	£450,000	465,605	0.11
Juturna European Loan Conduit No. 16 5.06% 10/08/2033	£353,949	445,679	0.11
Karbon Homes 3.38% 15/11/2047	£300,000	420,047	0.10
Land Securities Capital Markets, REIT 2.38% 29/03/2029	£145,000	154,675	0.04
Land Securities Capital Markets, REIT 2.40% 08/02/2031	£800,000	863,738	0.21
Land Securities Capital Markets, REIT 2.63% 22/09/2039	£179,000	201,928	0.05
Land Securities Capital Markets, REIT 2.75% 22/09/2059	£300,000	366,558	0.09
LCR Finance 4.50% 07/12/2028	£745,000	980,333	0.24
LCR Finance 4.50% 07/12/2038	£280,000	451,851	0.11
LCR Finance 5.10% 07/03/2051	£710,000	1,467,021	0.36
Legal & General Finance 5.88% 11/12/2031	£25,000	37,296	0.01
Legal & General Finance 5.88% 05/04/2033	£100,000	152,752	0.04
Legal & General Group, FRN 5.37% 27/10/2045	£200,000	234,382	0.06
Legal & General Group, FRN 5.12% 14/11/2048	£150,000	178,565	0.04
Legal & General Group, FRN 3.75% 26/11/2049	£200,000	218,003	0.05
Legal & General Group, FRN 4.50% 01/11/2050	£300,000	345,958	0.09
Legal & General Group, FRN 5.50% 27/06/2064	£500,000	663,275	0.16
Lendlease Europe Finance 6.13% 12/10/2021	£150,000	154,995	0.04
Liberty Living Finance 2.63% 28/11/2024	£300,000	316,788	0.08
Libra Longhurst Group Treasury 5.13% 02/08/2038	£200,000	302,640	0.07
Liverpool Victoria Friendly Society, FRN 6.50% 22/05/2043	£100,000	110,847	0.03
LiveWest Treasury 2.25% 10/10/2043	£100,000	113,696	0.03
Lloyds Bank 1.75% 31/03/2022	£457,000	466,618	0.11
Lloyds Bank 7.50% 15/04/2024	£225,000	274,974	0.07
Lloyds Bank 5.13% 07/03/2025	£750,000	900,234	0.22
Lloyds Bank 7.63% 22/04/2025	£525,000	665,430	0.16
Lloyds Bank 4.88% 30/03/2027	£300,000	382,057	0.09
Lloyds Bank 6.00% 08/02/2029	£1,400,000	2,000,307	0.49
Lloyds Bank 6.50% 17/09/2040	£400,000	750,355	0.18
Lloyds Bank Corporate Markets 1.75% 11/07/2024	£600,000	619,355	0.15
Lloyds Banking Group 2.25% 16/10/2024	£1,280,000	1,341,371	0.33

Lloyds Banking Group, FRN 1.88% 15/01/2026	£800,000	826,586	0.20
Lloyds Banking Group, FRN 2.71% 03/12/2035	£285,000	298,518	0.07
Logicor UK 1.88% 17/11/2026	£600,000	638,135	0.16
London & Quadrant Housing Trust 2.63% 05/05/2026	£100,000	108,572	0.03
London & Quadrant Housing Trust 2.63% 28/02/2028	£400,000	442,212	0.11
London & Quadrant Housing Trust 2.25% 20/07/2029	£500,000	541,619	0.13
London & Quadrant Housing Trust 4.63% 05/12/2033	£300,000	415,283	0.10
London & Quadrant Housing Trust 2.00% 20/10/2038	£300,000	317,792	0.08
London & Quadrant Housing Trust 3.13% 28/02/2053	£250,000	329,650	0.08
London & Quadrant Housing Trust 2.75% 20/07/2057	£165,000	207,164	0.05
London Power Networks 6.13% 07/06/2027	£50,000	66,439	0.02
London Power Networks 2.63% 01/03/2029	£450,000	508,401	0.13
Longstone Finance 4.90% 19/04/2036	£300,000	363,178	0.09
M&G, FRN 3.87% 20/07/2049	£700,000	740,175	0.18
M&G, FRN 5.62% 20/10/2051	£100,000	119,641	0.03
M&G, FRN 5.56% 20/07/2055	£340,000	405,198	0.10
M&G, FRN 6.34% 19/12/2063	£600,000	788,306	0.19
M&G, FRN 6.25% 20/10/2068	£200,000	262,797	0.06
Manchester Airport Group Funding 4.13% 02/04/2024	£250,000	272,927	0.07
Manchester Airport Group Funding 2.88% 30/09/2044	£500,000	522,144	0.13
Martlet Homes 3.00% 09/05/2052	£320,000	416,427	0.10
Meadowhall Finance 4.99% 12/07/2037	£198,414	233,205	0.06
Meadowhall Finance 'B' 4.99% 12/07/2037	£135,498	161,112	0.04
Merseylink Issuer 3.84% 31/03/2043	£100,000	144,038	0.04
Metropolitan Funding 4.13% 05/04/2048	£200,000	271,275	0.07
Mitchells & Butlers Finance 5.57% 15/12/2030	£17,782	20,082	–
Mitchells & Butlers Finance 6.47% 15/09/2032	£100,000	102,010	0.02
Morhomes 3.40% 19/02/2038	£400,000	467,488	0.12
Motability Operations Group 3.75% 16/07/2026	£400,000	471,264	0.12
Motability Operations Group 4.38% 08/02/2027	£200,000	245,398	0.06
Motability Operations Group 1.75% 03/07/2029	£300,000	323,804	0.08
Motability Operations Group 3.63% 10/03/2036	£600,000	802,982	0.20
Motability Operations Group 2.38% 03/07/2039	£250,000	293,950	0.07
National Express Group 2.50% 11/11/2023	£400,000	417,201	0.10
National Express Group 2.38% 20/11/2028	£300,000	314,027	0.08
National Grid Electricity Transmission 5.88% 02/02/2024	£125,000	144,343	0.04
National Grid Electricity Transmission 4.00% 08/06/2027	£100,000	120,353	0.03
National Grid Electricity Transmission 2.75% 06/02/2035	£450,000	535,999	0.13
National Grid Electricity Transmission 2.00% 16/09/2038	£600,000	661,837	0.16
National Westminster Bank 5.13% 13/01/2024	£725,000	831,093	0.20
Nationwide Building Society 5.63% 28/01/2026	£500,000	631,993	0.16
Nationwide Building Society 3.00% 06/05/2026	£600,000	676,717	0.17
Nats En Route 5.25% 31/03/2026	£68,250	77,447	0.02
Natwest Group, FRN 2.88% 19/09/2026	£250,000	271,432	0.07
Natwest Group, FRN 3.13% 28/03/2027	£450,000	493,522	0.12
Natwest Group, FRN 3.62% 14/08/2030	£400,000	430,127	0.11
Network Rail Infrastructure Finance 3.00% 07/09/2023	£850,000	915,521	0.23
Network Rail Infrastructure Finance 4.38% 09/12/2030	£450,000	619,268	0.15
Network Rail Infrastructure Finance 4.75% 29/11/2035	£710,000	1,113,379	0.27
NewRiver REIT 3.50% 07/03/2028	£100,000	90,238	0.02
Next Group 3.00% 26/08/2025	£200,000	215,997	0.05
Next Group 3.63% 18/05/2028	£200,000	219,596	0.05
NGG Finance, FRN 5.62% 18/06/2073	£525,000	600,469	0.15
NIE Finance 2.50% 27/10/2025	£500,000	543,947	0.13
NIE Finance 6.38% 02/06/2026	£100,000	130,312	0.03
Northern Gas Networks Finance 4.88% 30/06/2027	£100,000	125,665	0.03
Northern Gas Networks Finance 4.88% 15/11/2035	£280,000	406,470	0.10
Northern Gas Networks Finance 5.63% 23/03/2040	£100,000	164,507	0.04
Northern Powergrid Holdings 7.25% 15/12/2022	£80,000	90,380	0.02
Northern Powergrid Yorkshire 2.25% 09/10/2059	£420,000	513,720	0.13
Northumbrian Water Finance 6.88% 06/02/2023	£250,000	282,559	0.07
Northumbrian Water Finance 1.63% 11/10/2026	£400,000	418,986	0.10
Northumbrian Water Finance 2.38% 05/10/2027	£1,000,000	1,092,454	0.27
Northumbrian Water Finance 5.13% 23/01/2042	£200,000	326,839	0.08

Notting Hill Genesis 2.88% 31/01/2029	£200,000	221,452	0.05
Notting Hill Genesis 3.75% 20/12/2032	£300,000	368,029	0.09
Notting Hill Genesis 5.25% 07/07/2042	£200,000	309,057	0.08
Notting Hill Genesis 3.25% 12/10/2048	£200,000	249,235	0.06
Notting Hill Genesis 4.38% 20/02/2054	£225,000	350,798	0.09
Optivo Finance 3.28% 22/03/2048	£200,000	263,131	0.06
Orbit Capital 3.50% 24/03/2045	£406,000	538,316	0.13
Orbit Capital 3.38% 14/06/2048	£200,000	265,998	0.07
Paragon Treasury 3.63% 21/01/2047	£161,000	212,768	0.05
Peabody Capital No. 2 3.25% 14/09/2048	£450,000	597,818	0.15
Pearson Funding 3.75% 04/06/2030	£400,000	460,022	0.11
Penarian Housing Finance 3.21% 07/06/2052	£100,000	123,113	0.03
Pension Insurance 6.50% 03/07/2024	£300,000	350,650	0.09
Pension Insurance 8.00% 23/11/2026	£150,000	198,399	0.05
Pension Insurance 5.63% 20/09/2030	£150,000	188,644	0.05
Pension Insurance 4.63% 07/05/2031	£400,000	472,881	0.12
Phoenix Group Holdings 4.13% 20/07/2022	£100,000	104,185	0.03
Phoenix Group Holdings 6.63% 18/12/2025	£400,000	479,859	0.12
Phoenix Group Holdings 5.87% 13/06/2029	£300,000	367,272	0.09
Phoenix Group Holdings 5.63% 28/04/2031	£400,000	492,691	0.12
Places for People Homes 3.63% 22/11/2028	£200,000	233,682	0.06
Platform HG Financing 1.63% 10/08/2055	£300,000	312,081	0.08
Principality Building Society 2.38% 23/11/2023	£100,000	103,293	0.03
Prs Finance 1.75% 24/11/2026	£865,876	933,684	0.23
Prs Finance 2.00% 23/01/2029	£400,000	442,664	0.11
Prudential 5.88% 11/05/2029	£650,000	901,102	0.22
Quadgas Finance 3.38% 17/09/2029	£250,000	278,613	0.07
RAC Bond 4.57% 06/05/2046	£250,000	257,864	0.06
RAC Bond 4.87% 06/05/2046	£250,000	265,986	0.07
Reckitt Benckiser Treasury Services 1.75% 19/05/2032	£120,000	130,159	0.03
Rio Tinto Finance 4.00% 11/12/2029	£300,000	381,970	0.09
Riverside Finance 3.88% 05/12/2044	£100,000	142,378	0.03
RL Finance Bonds NO 4, FRN 4.87% 07/10/2049	£550,000	641,340	0.16
RL Finance Bonds No. 2, FRN 6.12% 30/11/2043	£250,000	281,882	0.07
RMPA Services 5.34% 30/09/2038	£181,243	250,666	0.06
Rothesay Life 3.38% 12/07/2026	£510,000	542,298	0.13
RSA Insurance Group 1.63% 28/08/2024	£400,000	412,286	0.10
RSA Insurance Group, FRN 5.12% 10/10/2045	£100,000	116,551	0.03
RSL Finance No. 1 6.63% 31/03/2038	£85,396	126,668	0.03
Sanctuary Capital 6.70% 23/03/2039	£300,000	551,865	0.14
Sanctuary Capital 5.00% 26/04/2047	£190,000	329,512	0.08
Sanctuary Capital 2.38% 14/04/2050	£300,000	351,063	0.09
Santander UK 5.75% 02/03/2026	£450,000	573,105	0.14
Santander UK 5.25% 16/02/2029	£428,000	586,499	0.14
Santander UK 3.88% 15/10/2029	£150,000	186,721	0.05
Santander UK Group Holdings 3.63% 14/01/2026	£200,000	224,402	0.06
Santander UK Group Holdings, FRN 2.92% 08/05/2026	£500,000	537,843	0.13
Scotland Gas Networks 3.25% 08/03/2027	£100,000	113,908	0.03
Scotland Gas Networks 4.88% 21/12/2034	£350,000	501,549	0.12
Scottish Power UK 6.75% 29/05/2023	£50,000	57,553	0.01
Scottish Widows 5.50% 16/06/2023	£450,000	498,059	0.12
Scottish Widows 7.00% 16/06/2043	£400,000	608,561	0.15
Segro, REIT 2.38% 11/10/2029	£100,000	112,434	0.03
Segro, REIT 5.75% 20/06/2035	£100,000	157,504	0.04
Segro, REIT 2.88% 11/10/2037	£500,000	612,096	0.15
Severn Trent Utilities Finance 1.63% 04/12/2022	£515,000	527,141	0.13
Severn Trent Utilities Finance 3.63% 16/01/2026	£350,000	402,068	0.10
Severn Trent Utilities Finance 6.25% 07/06/2029	£400,000	572,474	0.14
Severn Trent Utilities Finance 2.75% 05/12/2031	£200,000	236,313	0.06
Severn Trent Utilities Finance 2.00% 02/06/2040	£525,000	569,836	0.14
Skpton Building Society, FRN 2.00% 02/10/2026	£500,000	517,325	0.13
Sky 6.00% 21/05/2027	£50,000	66,556	0.02
Sky 4.00% 26/11/2029	£100,000	126,514	0.03
Society of Lloyd's 4.75% 30/10/2024	£100,000	112,702	0.03

Society of Lloyd's, FRN 4.87% 07/02/2047	£400,000	470,460	0.12
South Eastern Power Networks 5.50% 05/06/2026	£100,000	124,839	0.03
South Eastern Power Networks 6.37% 12/11/2031	£100,000	154,397	0.04
Southern Electric Power Distribution 4.63% 20/02/2037	£100,000	146,242	0.04
Southern Gas Networks 4.88% 05/10/2023	£300,000	335,393	0.08
Southern Gas Networks 3.10% 15/09/2036	£500,000	609,961	0.15
Southern Gas Networks 6.38% 15/05/2040	£300,000	532,796	0.13
Southern Housing Group 3.50% 19/10/2047	£150,000	197,763	0.05
Sovereign Housing Capital 2.38% 04/11/2048	£550,000	650,837	0.16
SP Distribution 5.88% 17/07/2026	£300,000	381,760	0.09
SP Manweb 4.88% 20/09/2027	£275,000	345,151	0.08
SP Transmission 2.00% 13/11/2031	£300,000	329,445	0.08
SSE 8.38% 20/11/2028	£1,250,000	1,936,766	0.48
SSE 6.25% 27/08/2038	£100,000	171,371	0.04
SSE, FRN 3.62% 16/09/2077	£550,000	565,400	0.14
Stagecoach Group 4.00% 29/09/2025	£100,000	106,240	0.03
Standard Chartered 5.13% 06/06/2034	£750,000	958,075	0.24
Sunderland SHG Finance 6.38% 31/03/2042	£50,000	73,421	0.02
Swan Housing Capital 3.63% 05/03/2048	£300,000	345,515	0.08
Telereal Secured Finance 4.01% 10/12/2033	£68,632	74,233	0.02
Telereal Securitisation 5.55% 10/12/2033	£138,795	168,058	0.04
Telereal Securitisation, Series A5 5.39% 10/12/2033	£25,170	30,617	0.01
Telereal Securitisation 6.16% 10/12/2033	£793,880	991,941	0.24
Tesco Corporate Treasury Services 2.75% 27/04/2030	£500,000	553,999	0.14
Tesco Personal Finance Group 3.50% 25/07/2025	£100,000	107,166	0.03
Tesco Property Finance 1 7.62% 13/07/2039	£254,054	386,163	0.10
Tesco Property Finance 3 5.74% 13/04/2040	£287,448	393,001	0.10
Tesco Property Finance 4 5.80% 13/10/2040	£242,727	333,436	0.08
Tesco Property Finance 5 5.66% 13/10/2041	£391,466	537,637	0.13
Tesco Property Finance 6 5.41% 13/07/2044	£612,152	822,316	0.20
Thames Water Utilities Finance 4.00% 19/06/2025	£579,000	663,282	0.16
Thames Water Utilities Finance 2.63% 24/01/2032	£100,000	111,841	0.03
Thames Water Utilities Finance 5.13% 28/09/2037	£500,000	743,444	0.18
Thames Water Utilities Finance 5.50% 11/02/2041	£550,000	886,295	0.22
Thames Water Utilities Finance 4.63% 04/06/2046	£400,000	617,321	0.15
Thames Water Utilities Finance 7.74% 09/04/2058	£100,000	232,740	0.06
THFC Funding No. 1 5.13% 21/12/2037	£50,000	73,243	0.02
THFC Funding No. 2 6.35% 08/07/2041	£150,000	259,007	0.06
THFC Funding No. 3 5.20% 11/10/2043	£900,000	1,464,076	0.36
TP ICAP 5.25% 26/01/2024	£225,000	245,812	0.06
Transport for London 2.25% 09/08/2022	£200,000	206,144	0.05
Transport for London 2.13% 24/04/2025	£140,000	150,194	0.04
Transport for London 4.50% 31/03/2031	£350,000	432,015	0.11
Transport for London 4.00% 12/09/2033	£500,000	671,175	0.17
Transport for London 3.88% 23/07/2042	£400,000	576,578	0.14
Transport for London 3.63% 15/05/2045	£200,000	285,027	0.07
Transport for London 4.00% 07/04/2064	£200,000	355,888	0.09
Tritax Big Box REIT 2.63% 14/12/2026	£500,000	551,496	0.14
Tritax Big Box REIT 3.13% 14/12/2031	£200,000	238,635	0.06
Unilever 1.13% 03/02/2022	£135,000	136,580	0.03
Unilever 1.50% 22/07/2026	£800,000	850,557	0.21
UNITE USAF II 3.37% 30/06/2028	£250,000	261,269	0.06
UNITE USAF II 3.92% 30/06/2030	£400,000	437,021	0.11
United Utilities Water 5.75% 25/03/2022	£200,000	213,351	0.05
United Utilities Water Finance 2.00% 14/02/2025	£700,000	743,105	0.18
United Utilities Water Finance 2.00% 03/07/2033	£100,000	110,819	0.03
United Utilities Water Finance 1.88% 03/06/2042	£600,000	645,055	0.16
University of Leeds 3.13% 19/12/2050	£100,000	135,342	0.03
University of Liverpool 3.38% 25/06/2055	£200,000	312,231	0.08
University of Manchester 4.25% 04/07/2053	£100,000	177,463	0.04
University of Oxford 2.54% 08/12/2117	£600,000	940,698	0.23
University of Southampton 2.25% 11/04/2057	£200,000	240,732	0.06
UPP Bond 1 Issuer 4.90% 28/02/2040	£179,813	223,821	0.06
Virgin Money UK, FRN 3.13% 22/06/2025	£125,000	129,766	0.03

Virgin Money UK, FRN 3.37% 24/04/2026	£185,000	195,353	0.05
Virgin Money UK, FRN 4.00% 25/09/2026	£600,000	655,106	0.16
Virgin Money UK, FRN 4.00% 03/09/2027	£200,000	221,564	0.05
Vodafone Group 5.63% 04/12/2025	£100,000	124,598	0.03
Vodafone Group 5.90% 26/11/2032	£275,000	412,778	0.10
Vodafone Group 3.38% 08/08/2049	£400,000	491,443	0.12
Vodafone Group 3.00% 12/08/2056	£700,000	808,830	0.20
Wales & West Utilities Finance 4.63% 13/12/2023	£100,000	112,075	0.03
Wales & West Utilities Finance 5.75% 29/03/2030	£150,000	212,117	0.05
Wales & West Utilities Finance 3.00% 03/08/2038	£300,000	374,651	0.09
Wales & West Utilities Finance 1.88% 28/05/2041	£300,000	319,060	0.08
Wellcome Trust 4.00% 09/05/2059	£150,000	292,970	0.07
Wellcome Trust 2.52% 07/02/2118	£525,000	841,126	0.21
Wellcome Trust Finance 4.63% 25/07/2036	£150,000	236,952	0.06
Wessex Water Services Finance 4.00% 24/09/2021	£100,000	102,619	0.03
Wessex Water Services Finance 5.38% 10/03/2028	£100,000	130,291	0.03
Wessex Water Services Finance 1.50% 17/09/2029	£250,000	259,228	0.06
Wessex Water Services Finance 5.75% 14/10/2033	£500,000	767,981	0.19
Western Power Distribution 3.63% 06/11/2023	£300,000	320,301	0.08
Western Power Distribution 3.50% 16/10/2026	£150,000	167,033	0.04
Western Power Distribution East Midlands 5.25% 17/01/2023	£100,000	109,619	0.03
Western Power Distribution South West 2.38% 16/05/2029	£400,000	442,588	0.11
Western Power Distribution West Midlands 5.75% 16/04/2032	£1,425,000	2,101,316	0.52
WHG Treasury 4.25% 06/10/2045	£200,000	294,139	0.07
Whitbread Group 3.38% 16/10/2025	£300,000	316,171	0.08
White City Property Finance 5.12% 17/04/2035	£42,391	54,726	0.01
Wm Morrison Supermarkets 4.63% 08/12/2023	£215,000	240,262	0.06
Wm Morrison Supermarkets 2.50% 01/10/2031	£600,000	664,080	0.16
WPP Finance 2013 2.88% 14/09/2046	£100,000	104,576	0.03
Wrekin Housing Group 2.50% 22/10/2048	£100,000	119,251	0.03
Yorkshire Building Society, FRN 3.37% 13/09/2028	£200,000	217,975	0.05
Yorkshire Water Finance 6.38% 19/08/2039	£100,000	176,792	0.04
Yorkshire Water Finance 2.75% 18/04/2041	£700,000	827,325	0.20
Yorkshire Water Services Finance 5.50% 28/05/2037	£50,000	79,845	0.02
Zurich Finance UK, FRN 6.62% Perpetual	£375,000	409,094	0.10
		170,354,659	41.98
United States of America 11.32% (12.06%)			
American Honda Finance 2.63% 14/10/2022	£150,000	155,914	0.04
American Honda Finance 0.75% 25/11/2026	£700,000	702,855	0.17
American International Group 5.00% 26/04/2023	£150,000	164,755	0.04
Amgen 5.50% 07/12/2026	£650,000	833,650	0.21
Amgen 4.00% 13/09/2029	£150,000	188,091	0.05
Apple 3.05% 31/07/2029	£600,000	731,474	0.18
Apple 3.60% 31/07/2042	£150,000	224,102	0.06
AT&T 2.90% 04/12/2026	£250,000	277,130	0.07
AT&T 5.50% 15/03/2027	£1,250,000	1,582,551	0.39
AT&T 5.20% 18/11/2033	£200,000	279,579	0.07
AT&T 7.00% 30/04/2040	£450,000	776,726	0.19
AT&T 4.25% 01/06/2043	£500,000	661,920	0.16
AT&T 4.88% 01/06/2044	£925,000	1,336,392	0.33
Athene Global Funding 1.75% 24/11/2027	£500,000	514,408	0.13
Bank of America 5.50% 22/11/2021	£200,000	208,932	0.05
Bank of America 2.30% 25/07/2025	£305,000	329,906	0.08
Bank of America 4.25% 10/12/2026	£650,000	787,899	0.19
Bank of America 7.00% 31/07/2028	£600,000	873,665	0.22
BAT Capital 2.13% 15/08/2025	£500,000	525,374	0.13
Berkshire Hathaway Finance 2.38% 19/06/2039	£850,000	1,000,200	0.25
Berkshire Hathaway Finance 2.63% 19/06/2059	£350,000	461,776	0.11
Brown-Forman 2.60% 07/07/2028	£100,000	112,260	0.03
Cargill 5.38% 02/03/2037	£150,000	228,724	0.06
Citigroup 2.75% 24/01/2024	£750,000	798,629	0.20
Citigroup 5.88% 01/07/2024	£100,000	116,412	0.03
Citigroup 5.15% 21/05/2026	£100,000	122,660	0.03
Citigroup 1.75% 23/10/2026	£1,100,000	1,158,866	0.29

Citigroup 4.50% 03/03/2031	£100,000	127,291	0.03
Citigroup 6.80% 25/06/2038	£300,000	547,888	0.14
Citigroup 7.38% 01/09/2039	£50,000	96,528	0.02
Comcast 1.50% 20/02/2029	£170,000	178,263	0.04
Comcast 5.50% 23/11/2029	£550,000	766,117	0.19
Comcast 1.88% 20/02/2036	£500,000	540,828	0.13
Digital Stout Holding, REIT 4.25% 17/01/2025	£300,000	341,957	0.08
Digital Stout Holding, REIT 3.30% 19/07/2029	£150,000	173,828	0.04
Digital Stout Holding, REIT 3.75% 17/10/2030	£700,000	850,333	0.21
Discovery Communications 2.50% 20/09/2024	£400,000	420,852	0.10
DXC Technology 2.75% 15/01/2025	£200,000	207,643	0.05
Fidelity National Information Services 1.70% 30/06/2022	£100,000	101,902	0.03
Fidelity National Information Services 2.60% 21/05/2025	£1,000,000	1,088,656	0.27
Fidelity National Information Services 3.36% 21/05/2031	£300,000	357,478	0.09
Fiserv 3.00% 01/07/2031	£500,000	579,646	0.14
FNMA 5.38% 07/12/2028	£100,000	135,763	0.03
General Electric 5.50% 07/06/2021	£250,000	255,295	0.06
General Electric 5.63% 16/09/2031	£459,000	588,733	0.15
General Electric 4.88% 18/09/2037	£175,000	209,012	0.05
General Electric 5.38% 18/12/2040	£200,000	275,441	0.07
General Motors Financial 2.25% 06/09/2024	£425,000	438,289	0.11
Goldman Sachs Group 5.50% 12/10/2021	£150,000	155,843	0.04
Goldman Sachs Group 4.25% 29/01/2026	£310,000	362,175	0.09
Goldman Sachs Group 7.25% 10/04/2028	£675,000	965,455	0.24
Goldman Sachs Group 3.13% 25/07/2029	£330,000	385,941	0.10
Goldman Sachs Group 6.88% 18/01/2038	£250,000	419,080	0.10
International Business Machines 2.63% 05/08/2022	£200,000	207,614	0.05
Johnson & Johnson 5.50% 06/11/2024	£450,000	539,936	0.13
JPMorgan Chase 3.50% 18/12/2026	£250,000	294,633	0.07
McDonald's 5.88% 23/04/2032	£325,000	482,738	0.12
McDonald's 4.13% 11/06/2054	£100,000	156,343	0.04
McKesson 3.13% 17/02/2029	£250,000	280,540	0.07
Metropolitan Life Global Funding I 2.63% 05/12/2022	£700,000	732,879	0.18
Metropolitan Life Global Funding I 1.63% 21/09/2029	£500,000	537,097	0.13
Morgan Stanley 2.63% 09/03/2027	£565,000	628,082	0.15
New York Life Global Funding 1.75% 15/12/2022	£300,000	309,524	0.08
New York Life Global Funding 1.63% 15/12/2023	£600,000	624,137	0.15
New York Life Global Funding 1.25% 17/12/2026	£500,000	523,328	0.13
PepsiCo 2.50% 01/11/2022	£300,000	313,400	0.08
Pfizer 2.74% 15/06/2043	£1,140,000	1,427,131	0.35
Procter & Gamble 1.38% 03/05/2025	£350,000	368,454	0.09
Procter & Gamble 1.80% 03/05/2029	£300,000	332,247	0.08
Prologis, REIT 2.25% 30/06/2029	£200,000	223,145	0.05
Time Warner Cable 5.75% 02/06/2031	£165,000	219,513	0.05
Time Warner Cable 5.25% 15/07/2042	£500,000	704,117	0.17
Toyota Motor Credit 1.00% 27/09/2022	£500,000	506,615	0.12
Toyota Motor Credit 0.75% 19/11/2026	£500,000	505,590	0.12
United Parcel Service 5.13% 12/02/2050	£250,000	454,115	0.11
Verizon Communications 1.13% 03/11/2028	£600,000	608,947	0.15
Verizon Communications 1.88% 19/09/2030	£900,000	963,166	0.24
Verizon Communications 3.13% 02/11/2035	£260,000	318,143	0.08
Verizon Communications 3.38% 27/10/2036	£620,000	790,967	0.19
Verizon Communications 1.88% 03/11/2038	£400,000	423,133	0.10
Walgreens Boots Alliance 3.60% 20/11/2025	£200,000	218,527	0.05
Walmart 5.75% 19/12/2030	£400,000	594,887	0.15
Walmart 5.63% 27/03/2034	£400,000	635,626	0.16
Walmart 5.25% 28/09/2035	£731,000	1,162,314	0.29
Wells Fargo 2.13% 22/04/2022	£300,000	306,348	0.08
Wells Fargo 2.13% 20/12/2023	£268,000	279,644	0.07
Wells Fargo 2.50% 02/05/2029	£500,000	551,465	0.14
Wells Fargo 3.50% 12/09/2029	£400,000	475,395	0.12
Wells Fargo 2.13% 24/09/2031	£175,000	189,582	0.05
Wells Fargo 4.63% 02/11/2035	£500,000	706,954	0.17
Wells Fargo 4.88% 29/11/2035	£500,000	678,802	0.17

Wells Fargo Bank 5.25% 01/08/2023	£150,000	167,015	0.04
Welltower, REIT 4.80% 20/11/2028	£200,000	245,309	0.06
Welltower, REIT 4.50% 01/12/2034	£400,000	515,701	0.13
		45,928,190	11.32
Virgin Islands, British 0.00% (0.06%)			
Corporate Bonds total		347,185,154	85.56
Supranationals 9.73% (8.65%)			
African Development Bank 0.88% 20/12/2021	£100,000	100,836	0.02
Asian Development Bank 1.38% 07/03/2025	£1,500,000	1,575,507	0.39
Asian Development Bank 1.13% 15/12/2025	£200,000	209,615	0.05
Asian Development Bank 0.25% 28/10/2027	£500,000	498,838	0.12
Asian Infrastructure Investment Bank 0.20% 15/12/2025	£500,000	500,681	0.12
Council of Europe Development Bank 1.13% 17/03/2022	£400,000	405,406	0.10
Council of Europe Development Bank 0.63% 15/06/2022	£200,000	201,805	0.05
EUROFIMA 5.50% 07/06/2032	£100,000	150,260	0.04
European Bank for Reconstruction & Development 5.63% 07/12/2028	£500,000	701,331	0.17
European Investment Bank 2.50% 31/10/2022	£2,500,000	2,614,600	0.64
European Investment Bank 0.75% 14/07/2023	£2,000,000	2,034,370	0.50
European Investment Bank 0.88% 15/12/2023	£1,200,000	1,227,480	0.30
European Investment Bank 0.75% 15/11/2024	£1,600,000	1,638,547	0.40
European Investment Bank 1.38% 07/03/2025	£1,800,000	1,893,730	0.47
European Investment Bank 5.50% 15/04/2025	£325,000	399,667	0.10
European Investment Bank 1.00% 21/09/2026	£1,200,000	1,256,903	0.31
European Investment Bank 3.75% 07/12/2027	£150,000	185,811	0.05
European Investment Bank 6.00% 07/12/2028	£726,000	1,045,953	0.26
European Investment Bank 4.50% 07/06/2029	£1,400,000	1,874,881	0.46
European Investment Bank 5.63% 07/06/2032	£1,165,000	1,818,169	0.45
European Investment Bank 3.88% 08/06/2037	£725,000	1,077,943	0.27
European Investment Bank 5.00% 15/04/2039	£1,072,000	1,850,111	0.46
European Investment Bank 4.50% 07/03/2044	£375,000	661,641	0.16
European Investment Bank 4.63% 12/10/2054	£430,000	888,514	0.22
Inter-American Development Bank 1.25% 15/12/2022	£1,600,000	1,636,672	0.40
Inter-American Development Bank 1.25% 15/12/2023	£700,000	723,830	0.18
Inter-American Development Bank 1.25% 15/12/2025	£1,800,000	1,891,710	0.47
International Bank for Reconstruction & Development 0.38% 15/06/2021	£200,000	200,386	0.05
International Bank for Reconstruction & Development 1.00% 19/12/2022	£500,000	509,714	0.13
International Bank for Reconstruction & Development 1.25% 07/09/2023	£900,000	928,391	0.23
International Bank for Reconstruction & Development 0.88% 13/12/2024	£550,000	566,188	0.14
International Bank for Reconstruction & Development 0.75% 15/12/2026	£1,500,000	1,545,784	0.38
International Bank for Reconstruction & Development 0.25% 23/09/2027	£1,300,000	1,296,639	0.32
International Bank for Reconstruction & Development 1.00% 21/12/2029	£1,100,000	1,159,653	0.29
International Bank for Reconstruction & Development 5.75% 07/06/2032	£100,000	157,451	0.04
International Development Association 0.75% 12/12/2024	£800,000	818,751	0.20
International Finance 1.25% 15/12/2023	£200,000	206,478	0.05
International Finance 1.38% 07/03/2025	£900,000	943,984	0.23
International Finance 0.25% 15/12/2025	£700,000	703,239	0.17
Nordic Investment Bank 0.63% 02/11/2021	£100,000	100,552	0.02
Nordic Investment Bank 1.13% 16/03/2022	£300,000	303,623	0.07
Nordic Investment Bank 1.13% 15/12/2022	£700,000	714,113	0.18
Nordic Investment Bank 1.13% 15/12/2023	£100,000	102,946	0.03
Nordic Investment Bank 5.20% 07/06/2032	£100,000	149,466	0.04
Supranationals total		39,472,169	9.73
Investment assets		394,181,531	97.15
Net other assets		11,579,164	2.85
Net assets attributable to shareholders		405,760,695	100.00

All holdings are debt securities and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

UBS Sterling Corporate Bond Indexed Fund

Portfolio Movements (unaudited)

Largest purchases

	Cost £
For the year ended 31 December 2020	
European Investment Bank 0.75% 14/07/2023	2,031,905
Kreditanstalt fuer Wiederaufbau 5.75% 07/06/2032	1,888,076
European Investment Bank 4.50% 07/03/2044	1,790,666
Electricite de France 6.13% 02/06/2034	1,702,191
International Bank for Reconstruction & Development 0.75% 15/12/2026	1,530,000
Kreditanstalt fuer Wiederaufbau 1.13% 12/07/2021	1,520,805
Dexia Credit Local 1.38% 07/12/2022	1,332,946
Western Power Distribution West Midlands 5.75% 16/04/2032	1,300,248
International Bank for Reconstruction & Development 0.25% 23/09/2027	1,290,088
Asian Development Bank 1.38% 07/03/2025	1,262,402
European Investment Bank 0.88% 15/12/2023	1,231,764
European Investment Bank 2.50% 31/10/2022	1,156,341
Lloyds Banking Group 2.25% 16/10/2024	1,150,930
International Bank for Reconstruction & Development 1.00% 21/12/2029	1,146,563
Aviva, FRN 6.12% 14/11/2036	1,070,829
Northumbrian Water Finance 2.38% 05/10/2027	1,063,130
European Investment Bank 1.38% 07/03/2025	1,049,693
ABN AMRO Bank 1.38% 16/01/2025	1,037,550
Kommunalbanken 1.00% 12/12/2024	1,029,551
Inter-American Development Bank 1.25% 15/12/2022	1,024,160
Total for the year (Note 15)	146,981,294

Largest sales

	Proceeds £
For the year ended 31 December 2020	
Kreditanstalt fuer Wiederaufbau 1.13% 12/07/2021	3,636,667
European Investment Bank 1.13% 09/07/2021	2,221,449
European Investment Bank 5.38% 06/07/2021	1,904,411
European Investment Bank 4.50% 07/03/2044	1,737,916
Kreditanstalt fuer Wiederaufbau 5.55% 06/07/2021	1,689,594
Electricite de France 5.50% 17/10/2041	1,682,710
BNG Bank NV 1.00% 03/15/2022	1,315,626
European Investment Bank 0.75% 15/11/2024	1,205,948
Toyota Motor Credit Corp 1.13% 09/07/2021	1,204,845
Asian Development Bank 1.38% 12/15/2023	1,124,853
Nestle Holdings Inc 1.00% 06/11/2021	1,037,213
Nordea Bank Abp 2.38% 02/06/2022	1,027,241
Kreditanstalt fuer Wiederaufbau 0.88% 15/03/2022	1,006,410
Barclays Bank PLC 10.00% 05/21/2021	910,520
HSBC Holdings 6.00% 29/03/2040	867,191
BUPA Finance PLC 3.38% 06/17/2021	824,112
BMW International Investment 1.25% 11/07/2022	778,250
Total Capital International SA 2.25% 06/09/2022	746,063
Bank of America Corp 6.13% 09/15/2021	734,944
Anheuser-Busch InBev SA/NV 1.75% 03/07/2025	730,433
Total for the year (Note 15)	102,362,703

UBS Sterling Corporate Bond Indexed Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

	Notes	£	31.12.20 £	31.12.19 £
Income				
Net capital gains	2		17,529,976	12,340,236
Revenue	3	7,085,911		5,564,156
Expenses	4	(328,684)		(117,901)
Net revenue before taxation		6,757,227		5,446,255
Taxation	5	-		-
Net revenue after taxation			6,757,227	5,446,255
Total return before distributions			24,287,203	17,786,491
Distributions	6		(7,084,886)	(5,566,270)
Change in net assets attributable to shareholders from investment activities			17,202,317	12,220,221

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

		£	31.12.20 £	31.12.19 £
Opening net assets attributable to shareholders			349,007,851	224,722,441
Amounts receivable on issue of shares	139,305,501		200,292,947	
Amounts payable on cancellation of shares	(105,008,051)		(93,869,061)	
			34,297,450	106,423,886
Dilution adjustment			1,149,354	910,881
Change in net assets attributable to shareholders from investment activities (see above)			17,202,317	12,220,221
Retained distribution on accumulation shares			4,103,723	4,730,422
Closing net assets attributable to shareholders			405,760,695	349,007,851

UBS Sterling Corporate Bond Indexed Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	394,181,531	335,757,648
Current assets			
Debtors	8	4,887,785	7,357,610
Cash and bank balances	9	7,492,122	6,740,380
Total assets		406,561,438	349,855,638
Liabilities			
Creditors			
Distributions payable		695,734	736,539
Other creditors	10	105,009	111,248
Total liabilities		800,743	847,787
Net assets attributable to shareholders		405,760,695	349,007,851

UBS Sterling Corporate Bond Indexed Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital gains

	31.12.20 £	31.12.19 £
Derivative contracts	56,984	40,620
Foreign currency gains	140	53
Non-derivative securities	17,479,350	12,305,330
Transaction costs	(6,498)	(5,767)
Net capital gains	17,529,976	12,340,236

3. Revenue

	31.12.20 £	31.12.19 £
Bank interest	3,025	10,975
Interest on debt securities	7,082,863	5,553,029
Net revenue return from derivative contracts	23	152
Total revenue	7,085,911	5,564,156

4. Expenses

	31.12.20 £	31.12.19 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	159,429	84,044
Expense fee rebate	(52,154)	(74,961)
Registrar's fee	45,791	(32,271)
	153,066	(23,188)
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	41,810	30,382
Interest payable	1,011	2,382
	42,821	32,764
Other expenses:		
Administration fee	77,642	60,942
Audit fee	8,070	8,704
Derivative fee	-	64
Price publication costs	-	1
Professional fee	2,634	511
Safe custody fee	17,227	10,319
Taxation fee	1,003	997
Tracker fees	26,221	26,787
	132,797	108,325
Total expenses	328,684	117,901

The audit fee for the year, excluding VAT, was £7,000 (2019: £7,000).

5. Taxation

(a) Analysis of the tax charge for the year

There was no tax charge for the year.

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	6,757,227	5,446,255
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	1,351,445	1,089,251
Effects of:		
Tax deductible on interest distributions	(1,351,445)	(1,089,251)
Total tax charge for the year (Note 5(a))	-	-

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim - First quarterly interest distribution	1,549,089	1,205,096
Interim - Second quarterly interest distribution	1,681,345	1,286,240
Interim - Third quarterly interest distribution	1,804,719	1,860,746
Final interest distribution	1,918,477	1,875,844
	6,953,630	6,227,926
Add: Revenue deducted on cancellation of shares	386,762	218,313
Deduct: Revenue received on issue of shares	(255,506)	(879,969)
Distributions	7,084,886	5,566,270
Movement between net revenue after taxation and distributions		
Net revenue after taxation	6,757,227	5,446,255
Add: ACD fee taken to capital	159,428	84,044
Add: Other expenses taken to capital	168,244	31,971
Add: Undistributed revenue brought forward	749	4,750
Deduct: Equalisation on conversions	-	(1)
Deduct: Undistributed revenue carried forward	(762)	(749)
Distributions	7,084,886	5,566,270

Details of the distributions per share are set out in the Distribution Tables on pages 160 and 161.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

	31.12.20 Assets £	31.12.19 Assets £
Basis of valuation		
Level 1: Quoted prices	-	-
Level 2: Observable market data	394,181,531	335,757,648
Level 3: Unobservable data	-	-
Total	394,181,531	335,757,648

8. Debtors

	31.12.20 £	31.12.19 £
Accrued revenue	4,794,954	4,490,004
Amounts receivable for issue of shares	22,763	806,876
Prepaid expenses	-	2,300
Sales awaiting settlement	-	2,036,375
TER fees rebate	70,068	22,055
Total debtors	4,887,785	7,357,610

9. Cash and bank balances

	31.12.20 £	31.12.19 £
Amounts held at futures clearing houses and brokers	23	16
Cash and bank balances	7,492,099	6,740,364
Total cash and bank balances	7,492,122	6,740,380

10. Other creditors

	31.12.20 £	31.12.19 £
Accrued expenses	78,779	93,619
Amounts payable for cancellation of shares	26,230	17,629
Total other creditors	105,009	111,248

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £19,864 and £6,468 respectively (2019: £41,538 and £8,691) and the amount included in debtors in respect of TER fees rebate due from the ACD is £70,068 (2019: £22,055).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

UBS Asset Management Life Ltd is an investor in the sub-fund. Transactions with the sub-fund were entered into in the normal course of business and on normal commercial terms. No initial charge was paid by UBS Asset Management Life Ltd on these transactions. The entity holds Class K Accumulation Gross shares on which no ACD fee is payable. The aggregate value of these transactions during the year was £nil (2019: £4,354,857). As at 31 December 2020, the entity held no shares in the sub-fund with a market value of £nil (2019: nil)

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end is set out in the following tables:

	Floating rate financial assets 31.12.20 £	Fixed rate financial assets 31.12.20 £	Financial assets not carrying interest 31.12.20 £	Total 31.12.20 £
Currency				
Sterling	8,505,226	393,163,080	4,887,785	406,556,091
US dollar	5,347	-	-	5,347
	8,510,573	393,163,080	4,887,785	406,561,438

	Floating rate financial assets 31.12.19 £	Fixed rate financial assets 31.12.19 £	Financial assets not carrying interest 31.12.19 £	Total 31.12.19 £
Currency				
Sterling	7,202,859	335,290,677	7,357,609	349,851,145
US dollar	4,492	-	1	4,493
	7,207,351	335,290,677	7,357,610	349,855,638

	Floating rate financial liabilities 31.12.20 £	Fixed rate financial liabilities 31.12.20 £	Financial liabilities not carrying interest 31.12.20 £	Total 31.12.20 £
Currency				
Sterling	-	-	800,743	800,743
	-	-	800,743	800,743

	Floating rate financial liabilities 31.12.19 £	Fixed rate financial liabilities 31.12.19 £	Financial liabilities not carrying interest 31.12.19 £	Total 31.12.19 £
Currency				
Sterling	-	-	847,787	847,787
	-	-	847,787	847,787

At the year end, if all interest rates increased or decreased by 10%, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £40,167,365 (2019: £34,249,803).

(b) Currency exposure

The revenue and capital of the sub-fund's investments are mainly denominated in sterling, the sub-fund's base currency. Therefore, the financial statements are not subject to any significant risk of currency movements and therefore no sensitivity analysis has been provided.

(c) Other price risk

A 10% increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £39,418,153 (2019: £33,575,765). A 10% decrease would have an equal and opposite effect.

(d) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and financial liabilities, as shown in the balance sheet, and their fair value.

14. Debt securities

	31.12.20	31.12.19
	£	£
Investment grade securities	393,340,347	332,379,213
Below investment grade securities	841,184	3,378,435
Unrated securities	-	-
Total debt securities	394,181,531	335,757,648

15. Direct transaction costs

No transaction costs on the purchase or sale of investments were incurred by the fund during the year or prior year. The total purchases for the year amounted to £146,981,294 (2019: £192,409,093) and the total sales amounted to £102,362,703 (2019: £86,825,775).

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.83% (2019: 0.66%) based on close of business prices.

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

The ACD believes this spread to be representative of the typical spread throughout the year.

16. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation Gross shares	16,396,648	14,586,237	(13,547,475)	-	17,435,410
Class C - Income Gross shares	2,834,645	810,619	(572,747)	-	3,072,517
Class J - Income Gross shares	1,199,937	274,623	(252,770)	-	1,221,790
Class K - Accumulation Gross shares	1,449,176	678,674	(480,835)	-	1,647,015

UBS Sterling Corporate Bond Indexed Fund

Distribution Tables

Quarterly distribution for the three months ended 31 March 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 31 March 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.05.20 p per share	Distribution paid 31.05.19 p per share
Class C - Accumulation Gross shares				
Group 1	0.300000	–	0.300000	0.330000
Group 2	0.183861	0.116139	0.300000	0.330000
Class C - Income Gross shares				
Group 1	0.290000	–	0.290000	0.310000
Group 2	0.144400	0.145600	0.290000	0.310000
Class J - Income Gross shares				
Group 1	60.890000	–	60.890000	66.590000
Group 2	35.599315	25.290685	60.890000	66.590000
Class K - Accumulation Gross shares				
Group 1	75.720000	–	75.720000	80.950000
Group 2	63.439250	12.280750	75.720000	80.950000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Interim distribution for the three months ended 30 June 2020

Group 1 Shares purchased prior to 1 April 2020

Group 2 Shares purchased on or after 1 April 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation Gross shares				
Group 1	0.310000	–	0.310000	0.330000
Group 2	0.123684	0.186316	0.310000	0.330000
Class C - Income Gross shares				
Group 1	0.280000	–	0.280000	0.320000
Group 2	0.161574	0.118426	0.280000	0.320000
Class J - Income Gross shares				
Group 1	60.240000	–	60.240000	67.360000
Group 2	50.323582	9.916418	60.240000	67.360000
Class K - Accumulation Gross shares				
Group 1	75.370000	–	75.370000	82.270000
Group 2	28.577505	46.792495	75.370000	82.270000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Quarterly distribution for the three months ended 30 September 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 30 September 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 30.11.20 p per share	Distribution paid 30.11.19 p per share
Class C - Accumulation Gross shares				
Group 1	0.290000	–	0.290000	0.330000
Group 2	0.110474	0.179526	0.290000	0.330000
Class C - Income Gross shares				
Group 1	0.270000	–	0.270000	0.310000
Group 2	0.149044	0.120956	0.270000	0.310000
Class J - Income Gross shares				
Group 1	58.090000	–	58.090000	67.340000
Group 2	47.289343	10.800657	58.090000	67.340000
Class K - Accumulation Gross shares				
Group 1	73.080000	–	73.080000	82.770000
Group 2	55.226085	17.853915	73.080000	82.770000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Final distribution for the three months ended 31 December 2020

Group 1 Shares purchased prior to 1 October 2020

Group 2 Shares purchased on or after 1 October 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 28.02.21 p per share	Distribution paid 29.02.20 p per share
Class C - Accumulation Gross shares				
Group 1	0.290000	–	0.290000	0.310000
Group 2	0.166492	0.123508	0.290000	0.310000
Class C - Income Gross shares				
Group 1	0.260000	–	0.260000	0.280000
Group 2	0.121624	0.138376	0.260000	0.280000
Class J - Income Gross shares				
Group 1	56.290000	–	56.290000	60.720000
Group 2	34.949524	21.340476	56.290000	60.720000
Class K - Accumulation Gross shares				
Group 1	71.170000	–	71.170000	75.110000
Group 2	30.612118	40.557882	71.170000	75.110000

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS UK Equity Income Fund

UBS UK Equity Income Fund

Manager's report

Investment objective

The sub-fund aims to generate income and grow the value of your investment; and outperform the FTSE All-Share Index after charges over the medium to long term (3 to 5 years).

Investment policy

At least 70% of the sub-fund will be invested in shares of UK companies.

The sub-fund may also invest in other equities, bonds, warrants, money market instruments, deposits, currencies, cash and near cash and other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options and repurchase agreements for efficient portfolio management only.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

Investment strategy

The sub-fund is actively managed in reference to the benchmark and may hold some or all of the benchmark constituents. The sub-fund strategy is to invest in equities believed to be undervalued by the market.

Benchmark information

The sub-fund's target benchmark represents the performance of UK listed equities and therefore aligns with the sub-fund's principal asset class.

Market environment

In 2020, the FTSE All Share Index returned -9.8% in the UK. 2020 was a roller coaster year for equities in the wake of the coronavirus pandemic. The first quarter of the year was the most challenging quarter since 2008. Sentiment was boosted in the fourth quarter due to successful vaccine development, the US election results and the Brexit deal.

The near term outlook for the UK economy is undoubtedly challenging. However the approval of vaccines in the UK is positive news. The UK market has recovered from March lows, along with global stocks, but it has lagged, held back by its high weighting towards the sectors hit hardest by the pandemic.

Sub-fund performance

The sub-fund underperformed the FTSE All-Share Index benchmark for the year. The sub-fund returned negative -21.34%* compared to benchmark decline of -9.82% in Sterling terms. The yield of the sub-fund (C income class) for the period was 3.80% compared to FTSE All share yield of 3.57%.

The global pandemic has had a negative impact on the performance of Value stocks, and hence the outcome for our clients. The precipitous fall in Q1 further re-enforced the 'flight to safety' in markets with cyclical stocks underperforming defensive stocks and Value underperforming Growth. However, the prospect of a faster economic recovery on the back of widespread effective vaccine availability prompted a change of market leadership in favour of more cyclical stocks in November.

The sub-fund lost value from cyclical sectors such as Industrials and Consumer Discretionary, Energy and Financials and underweighting defensive sectors such as Consumer Staples and Utilities. Within the portfolio, the largest positive contributors were from the strategy's holdings in Royal Mail, 3i Group and Anglo American. Conversely, the main detractors were the holdings in Carnival, BP and SIG.

While the underperformance has been substantial over the past year, we believe this reflects extreme market conditions. We have used this period to buy companies and substantial discounts to Fair Value and this should lead to a strong recovery in performance as economies normalise.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C income shares.

Outlook

In our view, the COVID-19 virus has not materially changed the long term outlook for the UK equity market. While there will clearly be a hit in the first half of the year to economic growth and earnings, central banks and governments globally have produced an unprecedented response to stimulate growth. Bond yields have fallen further which makes the case for equities versus bonds even more compelling.

While the past year has been extremely challenging for investment performance, we believe it is crucial to stick to our investment process which has been in place for over 30 years. Our experience has been that we have made our highest relative returns following similar periods of financial market dislocation, and COVID-19 has many similarities to other periods we have seen in the past. What we have found is that when there is resolution of the uncertainty, even when the outcome is less positive, investors come back into the market for Value stocks. This process we believe has started in Q4, but has a long way to go and this should be supported by the economic recovery in 2021.

Percentage growth

	31.12.19	31.12.18	31.12.17	31.12.16	31.12.15
	to	to	to	to	to
	31.12.20	31.12.19	31.12.18	31.12.17	31.12.16
	%	%	%	%	%
Class C - Accumulation shares	-21.33	13.99	-13.68	11.71	35.03
Class C - Income shares	-21.34	13.99	-13.67	11.70	35.03
Class K - Accumulation shares	-20.73	14.83	-15.19	-	-
Class K - Income shares	-20.73	14.83	-15.19	-	-

Source: Lipper-Hindsight: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

Launch dates: Class C Accumulation and Income shares: 15 August 2012; Class K Accumulation and Income shares: 10 July 2018.

UBS Asset Management Funds Ltd
29 April 2021

UBS UK Equity Income Fund

1. Comparative Tables

Class C - Accumulation shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	88.40	77.70	90.25
Return before operating charges	(18.56)	11.39	(11.81)
Operating charges	(0.55)	(0.69)	(0.74)
Return after operating charges*	(19.11)	10.70	(12.55)
Distributions	(1.87)	(4.53)	(3.90)
Retained distributions	1.87	4.53	3.90
Closing net asset value per share	69.29	88.40	77.70
*after direct transaction costs of	(0.37)	(0.23)	(0.30)
Performance			
Return after charges (%)	(21.62)	13.77	(13.91)
Other information			
Closing net asset value (£)	20,114,603	18,710,467	19,793,866
Closing number of shares	29,029,230	21,165,347	25,474,110
Operating charges (%)	0.84	0.84	0.84
Direct transaction costs (%)	0.57	0.27	0.34
Prices			
Highest share price (p)	89.46	89.61	95.96
Lowest share price (p)	50.08	76.99	76.39

Class C - Income shares			
Accounting year to 31 December	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	64.31	59.64	72.51
Return before operating charges	(13.71)	8.61	(9.20)
Operating charges	(0.39)	(0.52)	(0.58)
Return after operating charges*	(14.10)	8.09	(9.78)
Distributions	(1.35)	(3.42)	(3.09)
Retained distributions	-	-	-
Closing net asset value per share	48.86	64.31	59.64
*after direct transaction costs of	(0.27)	(0.17)	(0.24)
Performance			
Return after charges (%)	(21.93)	13.56	(13.49)
Other information			
Closing net asset value (£)	1,625,755	2,664,707	1,813,073
Closing number of shares	3,327,282	4,143,741	3,040,181
Operating charges (%)	0.84	0.84	0.84
Direct transaction costs (%)	0.57	0.27	0.34
Prices			
Highest share price (p)	65.09	67.28	76.65
Lowest share price (p)	36.44	58.25	59.41

Accounting year to 31 December	Class K - Accumulation shares		
	2020	2019	2018 [†]
	p	p	p
Change in net asset value per share			
Opening net asset value per share	97,267.08	84,866.83	100,000.00
Return before operating charges	(20,382.96)	12,485.42	(15,048.96)
Operating charges	(56.80)	(85.17)	(84.21)
Return after operating charges*	(20,439.76)	12,400.25	(15,133.17)
Distributions	(2,057.96)	(4,975.73)	(2,114.05)
Retained distributions	2,057.96	4,975.73	2,114.05
Closing net asset value per share	76,827.32	97,267.08	84,866.83
*after direct transaction costs of	(404.73)	(248.50)	(318.14)
Performance			
Return after charges (%)	(21.01)	14.61	(15.13)
Other information			
Closing net asset value (£)	115,996,992	56,329,351	20,330,729
Closing number of shares	150,984	57,912	23,956
Operating charges (%)	0.08	0.09	0.09
Direct transaction costs (%)	0.57	0.27	0.34
Prices			
Highest share price (p)	98,438.95	98,590.56	100,520.00
Lowest share price (p)	55,197.12	84,092.51	83,432.64

† Covers the period from 10 July 2018 to 31 December 2018.

Accounting year to 31 December	Class K - Income shares		
	2020	2019	2018 [†]
	p	p	p
Change in net asset value per share			
Opening net asset value per share	90,074.88	82,923.84	100,000.00
Return before operating charges	(19,147.63)	12,010.62	(14,890.19)
Operating charges	(59.31)	(81.72)	(83.00)
Return after operating charges*	(19,206.94)	11,928.90	(14,973.19)
Distributions	(1,886.65)	(4,777.86)	(2,102.97)
Retained distributions	-	-	-
Closing net asset value per share	68,981.29	90,074.88	82,923.84
*after direct transaction costs of	(375.65)	(237.73)	(313.54)
Performance			
Return after charges (%)	(21.32)	14.39	(14.97)
Other information			
Closing net asset value (£)	6,822,017	9,146,128	7,362,990
Closing number of shares	9,890	10,154	8,879
Operating charges (%)	0.09	0.09	0.09
Direct transaction costs (%)	0.57	0.27	0.34
Prices			
Highest share price (p)	91,174.59	93,739.82	100,520.00
Lowest share price (p)	51,123.57	81,333.14	82,419.70

† Covers the period from 10 July 2018 to 31 December 2018.

Please refer to the Direct transaction costs note on page 178 and 179 for more detail regarding the nature transaction costs and how they arise for different types of investment.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

	31.12.20	31.12.19
Share class	%	%
Class C - Accumulation shares	0.84	0.84
Class C - Income shares	0.84	0.84
Class K - Accumulation shares	0.08	0.09
Class K - Income shares	0.09	0.09

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS UK Equity Income Fund

Portfolio Statement (unaudited)

As at 31 December 2020

	Holding	Market value £	% of net assets
Equities 96.99% (98.72%)			
Communication Services 5.05% (6.65%)			
Diversified Telecommunication Services 2.97% (3.01%)			
BT Group	3,248,487	4,296,124	2.97
		4,296,124	2.97
Media 2.08% (1.87%)			
ITV	2,818,605	3,010,270	2.08
		3,010,270	2.08
Wireless Telecommunication Services 0.00% (1.77%)			
Communication Services total		7,306,394	5.05
Consumer Discretionary 7.19% (6.34%)			
Distributors 1.09% (0.82%)			
Inchcape	245,591	1,580,378	1.09
		1,580,378	1.09
Hotels, Restaurants & Leisure 3.24% (2.49%)			
Carnival	180,602	2,468,830	1.71
Whitbread	71,593	2,218,667	1.53
		4,687,497	3.24
Household Durables 1.01% (0.00%)			
Taylor Wimpey	875,938	1,450,991	1.01
		1,450,991	1.01
Internet & Direct Marketing Retail 0.00% (1.23%)			
Multiline Retail 0.07% (0.64%)			
Mothercare	856,535	94,647	0.07
		94,647	0.07
Specialty Retail 1.78% (1.16%)			
Dixons Carphone	2,221,329	2,572,299	1.78
		2,572,299	1.78
Consumer Discretionary total		10,385,812	7.19
Consumer Staples 11.06% (7.75%)			
Food & Staples Retailing 3.88% (3.50%)			
Tesco	1,854,671	4,291,709	2.97
Wm Morrison Supermarkets	741,420	1,314,537	0.91
		5,606,246	3.88
Personal Products 1.99% (0.00%)			
Unilever	65,345	2,869,953	1.99
		2,869,953	1.99
Tobacco 5.19% (4.25%)			
British American Tobacco	208,303	5,640,845	3.90
Imperial Brands	121,676	1,868,335	1.29
		7,509,180	5.19
Consumer Staples total		15,985,379	11.06
Energy 12.25% (16.37%)			
Oil, Gas & Consumable Fuels 12.25% (16.37%)			
BP	2,890,027	7,363,789	5.09
Royal Dutch Shell 'A'	517,336	6,713,987	4.65
Royal Dutch Shell 'B'	288,595	3,634,565	2.51
		17,712,341	12.25
Energy total		17,712,341	12.25

Financials 29.62% (29.00%)**Banks 14.76% (16.08%)**

Barclays	5,877,282	8,620,797	5.97
HSBC Holdings	1,458,516	5,524,859	3.82
Lloyds Banking Group	12,058,274	4,394,035	3.04
Natwest Group	1,667,713	2,793,419	1.93
	21,333,110	14.76	

Capital Markets 8.01% (7.22%)

3i Group	440,247	5,095,859	3.53
Man Group	4,064,522	5,607,008	3.88
TP ICAP	366,246	872,398	0.60
	11,575,265	8.01	

Diversified Financial Services 0.71% (0.41%)

M&G	522,919	1,035,118	0.71
	1,035,118	0.71	

Insurance 6.14% (5.29%)

Aviva	1,166,843	3,794,573	2.62
Prudential	377,433	5,084,023	3.52
	8,878,596	6.14	

Financials total**42,822,089 29.62****Health Care 7.21% (6.70%)****Pharmaceuticals 7.21% (6.70%)**

AstraZeneca	45,824	3,356,150	2.32
GlaxoSmithKline	526,077	7,059,953	4.89
	10,416,103	7.21	

Health Care total**10,416,103 7.21****Industrials 11.26% (14.72%)****Aerospace & Defense 0.51% (0.47%)**

BAE Systems	150,657	736,412	0.51
	736,412	0.51	

Air Freight & Logistics 1.86% (1.90%)

Royal Mail	794,025	2,680,628	1.86
	2,680,628	1.86	

Airlines 0.00% (0.66%)**Commercial Services & Supplies 1.63% (4.98%)**

Babcock International Group	687,689	1,924,842	1.33
RPS Group	624,296	437,007	0.30
	2,361,849	1.63	

Construction & Engineering 2.55% (2.05%)

Balfour Beatty	1,362,029	3,680,202	2.55
	3,680,202	2.55	

Electrical Equipment 1.72% (1.01%)

Melrose Industries	1,400,155	2,492,276	1.72
	2,492,276	1.72	

Machinery 0.00% (0.68%)**Professional Services 1.54% (1.28%)**

Pagegroup	369,483	1,652,328	1.14
SThree	195,915	579,908	0.40
	2,232,236	1.54	

Road & Rail 1.07% (0.00%)

National Express Group	649,050	1,540,845	1.07
	1,540,845	1.07	

Trading Companies & Distributors 0.38% (1.69%)

SIG	1,758,739	551,541	0.38
	551,541	0.38	

Industrials total**16,275,989 11.26**

Materials 11.86% (9.56%)

Chemicals 0.00% (0.14%)

Metals & Mining 11.86% (9.42%)

Anglo American

Glencore

Rio Tinto

210,445	5,102,239	3.53
3,169,773	7,385,571	5.11
85,239	4,662,573	3.22
	17,150,383	11.86
	17,150,383	11.86

Materials total

Real Estate 1.49% (1.63%)

Equity Real Estate Investment Trusts (REITs) 0.02% (0.78%)

Intu Properties^

1,305,901	23,245	0.02
	23,245	0.02

Real Estate Management & Development 1.47% (0.85%)

IWG

624,134	2,128,297	1.47
	2,128,297	1.47
	2,151,542	1.49

Real Estate total

Equities total

140,206,032	96.99
--------------------	--------------

Investment assets

140,206,032	96.99
-------------	-------

Net other assets

4,353,335	3.01
-----------	------

Net assets attributable to shareholders

144,559,367	100.00
--------------------	---------------

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

^ Unlisted, suspended or delisted security.

UBS UK Equity Income Fund

Portfolio Movements (unaudited)

Largest purchases

	Cost £
For the year ended 31 December 2020	
BP	6,231,845
GlaxoSmithKline	5,969,669
Barclays	5,953,355
Royal Dutch Shell 'A'	5,169,618
Glencore	4,751,216
British American Tobacco	4,664,646
HSBC Holdings	4,438,640
Man Group	4,153,562
Rio Tinto	3,707,792
Prudential	3,600,752
Anglo American	3,486,546
3i Group	3,351,427
Lloyds Banking Group	3,268,972
Tesco	3,233,396
BT Group	3,085,257
Royal Dutch Shell 'B'	2,985,016
Unilever	2,922,498
AstraZeneca	2,910,714
Aviva	2,764,306
Balfour Beatty	2,696,414
Total for the year (Note 14)	109,225,867

Largest sales

	Proceeds £
For the year ended 31 December 2020	
Vodafone Group	2,341,477
Royal Mail	2,166,740
BP	2,068,784
Rio Tinto	1,998,656
Royal Dutch Shell 'A'	1,642,878
HSBC Holdings	1,633,999
Barclays	1,564,376
GlaxoSmithKline	1,494,023
Anglo American	1,444,672
3i Group	1,316,059
British American Tobacco	1,266,972
Tesco	1,266,604
Glencore	1,196,704
Lloyds Banking Group	1,087,114
Aviva	994,293
AstraZeneca	943,150
ITV	932,476
Serco Group	886,194
Man Group	873,059
Balfour Beatty	845,595
Total for the year (Note 14)	38,201,077

UBS UK Equity Income Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

	Notes	£	31.12.20 £	£	31.12.19 £
Income					
Net capital (losses)/gains	2		(16,561,626)		5,610,938
Revenue	3	2,240,616		3,365,776	
Expenses	4	(176,974)		(230,319)	
Net revenue before taxation		2,063,642		3,135,457	
Taxation	5	(26,497)		(28,723)	
Net revenue after taxation			2,037,145		3,106,734
Total return before distributions			(14,524,481)		8,717,672
Distributions	6		(2,215,006)		(3,332,878)
Change in net assets attributable to shareholders from investment activities			(16,739,487)		5,384,794

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

		£	31.12.20 £	£	31.12.19 £
Opening net assets attributable to shareholders			86,850,653		51,152,514
Amounts transferred from UBS UK Opportunities Fund			17,570,848		-
Amounts receivable on issue of shares	93,214,080			38,893,416	
Amounts payable on cancellation of shares	(39,105,059)			(11,773,659)	
			54,109,021		27,119,757
Dilution adjustment			467,587		135,220
Change in net assets attributable to shareholders from investment activities (see above)			(16,739,487)		5,384,794
Retained distribution on accumulation shares			2,300,745		3,058,368
Closing net assets attributable to shareholders			144,559,367		86,850,653

UBS UK Equity Income Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	140,206,032	85,738,633
Current assets			
Debtors	8	551,475	382,072
Cash and bank balances	9	4,072,649	1,063,600
Total assets		144,830,156	87,184,305
Liabilities			
Creditors			
Distributions payable		60,233	159,423
Other creditors	10	210,556	174,229
Total liabilities		270,789	333,652
Net assets attributable to shareholders		144,559,367	86,850,653

UBS UK Equity Income Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital (losses)/gains

	31.12.20 £	31.12.19 £
Foreign currency gain/(losses)	745	(963)
Non-derivative securities	(16,557,392)	5,615,958
Transaction costs	(4,979)	(4,057)
Net capital (losses)/gains	(16,561,626)	5,610,938

3. Revenue

	31.12.20 £	31.12.19 £
Bank interest	477	3,031
Overseas dividends	359,320	497,585
Real estate income distributions	-	7,560
Scrip dividends	-	171,798
UK dividends	1,880,819	2,685,802
Total revenue	2,240,616	3,365,776

4. Expenses

	31.12.20 £	31.12.19 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	111,535	181,546
Expense fee rebate	(17,010)	(42,770)
Registrar's fee	34,611	38,001
	129,136	176,777
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	11,827	9,757
Interest payable	147	120
	11,974	9,877
Other expenses:		
Administration fee	25,696	32,524
Audit fee	8,070	8,704
Derivative fee	-	84
Price publication costs	-	1
Professional fee	165	511
Safe custody fee	930	844
Taxation fee	1,003	997
	35,864	43,665
Total expenses	176,974	230,319

The audit fee for the year, excluding VAT, was £7,000 (2019: £7,000).

5. Taxation

(a) Analysis of the tax charge for the year

	31.12.20 £	31.12.19 £
Overseas withholding tax	26,497	28,723
Total tax charge for the year (Note 5(b))	26,497	28,723

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	2,063,642	3,135,457
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	412,728	627,091
Effects of:		
Revenue not subject to corporation tax	(448,027)	(671,037)
Expenses not deductible for tax purposes	-	17
Irrecoverable overseas withholding tax	26,497	28,723
Movement in excess management expenses	35,299	43,929
Total tax charge for the year (Note 5(a))	26,497	28,723

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £226,861 (2019: £191,562) in respect of unutilised management expenses of £1,134,307 (2019: £957,810). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim - First quarterly dividend distribution	294,698	449,494
Interim - Second quarterly dividend distribution	557,180	836,160
Interim - Third quarterly dividend distribution	653,070	1,185,092
Final dividend distribution	1,019,352	1,151,871
	2,524,300	3,622,617
Add: Revenue deducted on cancellation of shares	304,716	126,220
Deduct: Revenue received on issue of shares	(614,010)	(415,959)
Distributions	2,215,006	3,332,878

Movement between net revenue after taxation and distributions

Net revenue after taxation	2,037,145	3,106,734
Add: ACD fee taken to capital	111,535	181,546
Add: Equalisation on conversions	20	(380)
Add: Other expenses taken to capital	65,292	49,149
Add: Undistributed revenue brought forward	2,412	435
Deduct: Tax relief on capital expenses	(164)	(2,194)
Deduct: Undistributed revenue carried forward	(1,234)	(2,412)
Distributions	2,215,006	3,332,878

Details of the distributions per share are set out in the Distribution Tables on pages 180 and 181.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

	31.12.20 Assets £	31.12.19 Assets £
Basis of valuation		
Level 1: Quoted prices	140,182,787	85,738,633
Level 2: Observable market data	-	-
Level 3: Unobservable data	23,245	-
Total	140,206,032	85,738,633

8. Debtors

	31.12.20 £	31.12.19 £
Accrued revenue	340,548	334,548
Amounts receivable for issue of shares	74,649	9,994
Overseas withholding tax recoverable	24,484	26,542
Sales awaiting settlement	43,632	-
TER fee rebate	68,162	10,988
Total debtors	551,475	382,072

9. Cash and bank balances

	31.12.20 £	31.12.19 £
Cash and bank balances	4,072,649	1,063,600
Total cash and bank balances	4,072,649	1,063,600

10. Other creditors

	31.12.20 £	31.12.19 £
Accrued expenses	72,753	78,892
Amounts payable for cancellation of shares	71,135	95,337
Purchases awaiting settlement	66,668	-
Total other creditors	210,556	174,229

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £30,849 and £19,775 respectively (2019: £42,991 and £17,236) and the amounts included in debtors in respect of TER fees rebate due from the ACD is £68,162 (2019: £10,988).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Interest rate risk profile of financial assets and financial liabilities

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the net asset value of the sub-fund. At the year end 2.82% (2019: 1.22%) of the sub-fund's net asset value were interest bearing. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(b) Currency exposure

The revenue and capital of the sub-fund's investments are mainly denominated in sterling, the sub-fund's base currency. Therefore, the financial statements are not subject to any significant risk of currency movements and therefore no sensitivity analysis has been provided.

(c) Other price risk

A 10% increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £14,020,603 (2019: £8,573,863). A 10% decrease would have an equal and opposite effect.

(d) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and financial liabilities, as shown in the balance sheet, and their fair value.

14. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.

- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.20						
Purchases						
Equities	91,149,956	19,713	412,033	91,581,702	0.02	0.45
In-specie purchases						
Equities	17,494,270	-	-	17,494,270	-	-
Corporate actions purchases						
Equities	149,895	-	-	149,895	-	-
	108,794,121	19,713	412,033	109,225,867		
Sales						
Equities	38,210,694	(9,182)	(435)	38,201,077	0.02	0.00
	38,210,694	(9,182)	(435)	38,201,077		
Total cost as percentage of average net asset value		0.04%	0.53%			

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.19						
Purchases						
Equities	35,316,894	8,718	159,583	35,485,195	0.02	0.45
Corporate actions purchases						
Equities	39,496	-	-	39,496	-	-
	35,356,390	8,718	159,583	35,524,691		
Sales						
Equities	5,717,100	(2,155)	(95)	5,714,850	0.04	0.00
	5,717,100	(2,155)	(95)	5,714,850		
Total cost as percentage of average net asset value		0.02%	0.25%			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.15% (2019: 0.13%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price. The ACD believes this spread to be representative of the typical spread throughout the year.

15. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation shares	21,165,347	30,136,921	(22,211,429)	(61,609)	29,029,230
Class C - Income shares	4,143,741	2,966,214	(3,869,404)	86,731	3,327,282
Class K - Accumulation shares	57,912	123,898	(30,826)	-	150,984
Class K - Income shares	10,154	1,581	(1,845)	-	9,890

UBS UK Equity Income Fund

Distribution Tables

Quarterly distribution for the three months ended 31 March 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 31 March 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.05.20 p per share	Distribution paid 31.05.19 p per share
Class C - Accumulation shares				
Group 1	0.41	–	0.41	0.68
Group 2	0.13	0.28	0.41	0.68
Class C - Income shares				
Group 1	0.27	–	0.27	0.50
Group 2	0.00	0.27	0.27	0.50
Class K - Accumulation shares				
Group 1	424.08	–	424.08	710.00
Group 2	0.00	424.08	424.08	710.00
Class K - Income shares				
Group 1	401.72	–	401.72	700.00
Group 2	24.22	377.50	401.72	700.00

Interim distribution for the three months ended 30 June 2020

Group 1 Shares purchased prior to 1 April 2020

Group 2 Shares purchased on or after 1 April 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation shares				
Group 1	0.53	–	0.53	1.20
Group 2	0.15	0.38	0.53	1.20
Class C - Income shares				
Group 1	0.39	–	0.39	0.90
Group 2	0.10	0.29	0.39	0.90
Class K - Accumulation shares				
Group 1	577.00	–	577.00	1310.00
Group 2	65.36	511.64	577.00	1310.00
Class K - Income shares				
Group 1	530.00	–	530.00	1280.00
Group 2	530.00	0.00	530.00	1280.00

Quarterly distribution for the three months ended 30 September 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 30 September 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 30.11.20 p per share	Distribution paid 30.11.19 p per share
Class C - Accumulation shares				
Group 1	0.46	–	0.46	1.52
Group 2	0.31	0.15	0.46	1.52
Class C - Income shares				
Group 1	0.33	–	0.33	1.13
Group 2	0.04	0.29	0.33	1.13
Class K - Accumulation shares				
Group 1	512.00	–	512.00	1655.00
Group 2	235.83	276.17	512.00	1655.00
Class K - Income shares				
Group 1	467.00	–	467.00	1591.00
Group 2	467.00	0.00	467.00	1591.00

Final distribution for the three months ended 31 December 2020

Group 1 Shares purchased prior to 1 October 2020

Group 2 Shares purchased on or after 1 October 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 28.02.21 p per share	Distribution paid 29.02.20 p per share
Class C - Accumulation shares				
Group 1	0.47	–	0.47	1.13
Group 2	0.00	0.47	0.47	1.13
Class C - Income shares				
Group 1	0.36	–	0.36	0.89
Group 2	0.07	0.29	0.36	0.89
Class K - Accumulation shares				
Group 1	544.88	–	544.88	1300.73
Group 2	137.50	407.38	544.88	1300.73
Class K - Income shares				
Group 1	487.93	–	487.93	1206.86
Group 2	103.54	384.39	487.93	1206.86

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS US Equity Fund

UBS US Equity Fund

Manager's report

Investment objective

The sub-fund aims to grow the value of your investment and outperform the Russell 1000 Index after charges over the medium to long term (3 to 5 years).

Investment policy

The sub-fund invests at least 80% in US equities.

The sub-fund may also invest in other equities, bonds, warrants, money market instruments, deposits, currencies, cash and near cash and other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options and repurchase agreements for efficient portfolio management only.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

Investment strategy

The sub-fund is actively managed in reference to the Benchmark and may hold some or all of the benchmark constituents. The sub-fund strategy is flexible and will change depending on the view of the market.

Benchmark information

The sub-fund's target benchmark represents the performance of large US listed equities and therefore aligns with the sub-fund's principal asset class.

Performance of the sub-fund may also be assessed by comparison with the S&P 500 Index which also represents the performance of large US listed equities and therefore aligns with both the target benchmark and the sub-fund's principal asset class.

Market environment

Despite the unprecedented disruption to the global economy caused by the COVID-19 pandemic, 2020 was a positive year for most global markets. Equities ended the year at record highs, with only a handful of markets, such as the UK and Spain were down on the year. The turnaround, after the fastest bear market in history, was due to a combination of policy support and the development of effective vaccines at record speed. The pandemic also accelerated long-term structural trends in technology and sustainability. 2020 was also the hottest year for initial public offerings since 2020. But the revival in confidence was a negative for the US dollar, leading to the reversal of safe-haven inflows as investors turned their attention to the declining US interest rate advantage relative to peers. Stimulus from central banks also made the search for yield harder, with the stock of negative yielding debt reaching record levels.

Sub-fund performance

Over the year to 31 December 2020, the sub-fund returned positive performance of 14.15%* compared to the Russell 1000 index benchmark return of 17.23%.

The portfolio slightly lagged its benchmark in 2020 but Q4 proved to be the strongest quarter where the portfolio outstripped the benchmark by 4.76%.

While the first half of the year proved to be difficult for the portfolio due to the general widening of valuation spreads as investors have moved to a strong risk-off model, the second half of the year witnessed an excellent recovery of performance against the benchmark, ending a year on a high note.

In the second half of the year, we reduced factor exposure with an aim to increase stock specific risk and focus on the companies where we had the strongest conviction. We increased exposure in technology (software & services) holdings and Media & Entertainment holdings, reduced Healthcare (pharma & biotech) and Materials overweights. These changes better positioned the portfolio with greater balance and diversification, which helped in an uncertain market environment and contributed to the strong outperformance in Q4.

* Source: Lipper-Hindsight. Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms to 31 December 2020, based on C shares.

Outlook

We think the rollout of effective vaccines, fiscal stimulus, and easy monetary policy will support a broadening economic recovery in 2021 and further upside for equities. That said, we expect the next leg of the rally to be led by some of the pandemic's laggards, such as select cyclical and value stocks.

Despite the impressive rally off March 2020 bottom, the outlook for US stocks remains sanguine. Consumer finances are strong and there appears to be significant pent-up demand. The Federal Reserve will remain accommodative for a long time, mitigating the risk of tighter monetary policy. We believe valuations are high in absolute terms but very reasonable relative to rock bottom interest rates and bond yields.

From a sector perspective, we are currently overweighting more economically sensitive sectors such as Consumer Discretionary and Financials as we believe the recent optimism supported by the passage of fresh COVID-19 relief in the US will hopefully help for a return to relative normality soon.

Our process has been in place for 40 years, and our Portfolio Managers have invested through many short term dislocations, and it is crucial during such periods to stick to our disciplined process and take advantage of panic selling to invest in companies at cheap levels. Valuation spreads remain wide versus history, providing excellent opportunities going forward and it is likely that activity levels in the portfolio will continue to be high as we take advantage of the increased level of volatility in the market.

Percentage growth

	31.12.19 to 31.12.20 %	31.12.18 to 31.12.19 %	31.12.17 to 31.12.18 %	31.12.16 to 31.12.17 %	31.12.15 to 31.12.16 %
Class C - Accumulation shares	14.15	33.10	-9.60	11.11	31.58

Source: Lipper-Hindsight: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

Launch date: Class C Accumulation shares: 15 August 2012.

UBS Asset Management Funds Ltd
29 April 2021

UBS US Equity Fund

1. Comparative Tables

Accounting year to 31 December	Class C - Accumulation shares		
	2020	2019	2018
	p	p	p
Change in net asset value per share			
Opening net asset value per share	145.47	109.34	119.65
Return before operating charges	22.57	37.26	(9.25)
Operating charges	(1.22)	(1.13)	(1.06)
Return after operating charges*	21.35	36.13	(10.31)
Distributions	(0.50)	(0.55)	(0.38)
Retained distributions	0.50	0.55	0.38
Closing net asset value per share	166.82	145.47	109.34
*after direct transaction costs of	(0.04)	(0.03)	(0.02)
Performance			
Return after charges (%)	14.68	33.04	(8.62)
Other information			
Closing net asset value (£)	199,921,640	203,979,535	73,022,400
Closing number of shares	119,842,365	140,223,901	66,784,915
Operating charges (%)	0.84	0.84	0.86
Direct transaction costs (%)	0.03	0.02	0.02
Prices			
Highest share price (p)	168.57	148.90	134.84
Lowest share price (p)	103.00	108.23	105.74

Please refer to the Direct transaction costs note on page 198 for more detail regarding the nature transaction costs and how they arise for different types of investment.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

Share class	31.12.20	31.12.19
	%	%
Class C - Accumulation shares	0.84	0.84

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS US Equity Fund

Portfolio Statement (unaudited)

As at 31 December 2020

	Holding	Market value £	% of net assets
Equities 99.16% (99.82%)			
Communication Services 7.80% (14.95%)			
Entertainment 3.85% (6.23%)			
Electronic Arts	16,746	1,759,068	0.88
Madison Square Garden Entertainment	26,066	2,004,123	1.00
Take-Two Interactive Software	10,241	1,555,985	0.78
World Wrestling Entertainment 'A'	68,117	2,388,418	1.19
		7,707,594	3.85
Interactive Media & Services 2.90% (4.15%)			
Facebook 'A'	28,999	5,791,739	2.90
		5,791,739	2.90
Media 1.05% (3.27%)			
Comcast 'A'	54,705	2,097,035	1.05
		2,097,035	1.05
Wireless Telecommunication Services 0.00% (1.30%)			
Communication Services total		15,596,368	7.80
Consumer Discretionary 16.39% (11.50%)			
Auto Components 2.13% (1.17%)			
Aptiv	44,707	4,260,893	2.13
		4,260,893	2.13
Distributors 1.12% (1.53%)			
LKQ	86,507	2,229,520	1.12
		2,229,520	1.12
Diversified Consumer Services 1.79% (0.00%)			
Bright Horizons Family Solutions	16,612	2,102,279	1.05
Terminix Global Holdings	39,309	1,466,880	0.74
		3,569,159	1.79
Hotels, Restaurants & Leisure 3.31% (1.26%)			
Starbucks	53,110	4,156,486	2.08
Vail Resorts	12,085	2,466,155	1.23
		6,622,641	3.31
Household Durables 0.00% (1.25%)			
Internet & Direct Marketing Retail 6.02% (4.49%)			
Amazon.com	4,135	9,850,584	4.93
Expedia Group	22,535	2,181,540	1.09
		12,032,124	6.02
Multiline Retail 1.25% (1.80%)			
Dollar Tree	31,616	2,496,298	1.25
		2,496,298	1.25
Specialty Retail 0.77% (0.00%)			
Ulta Beauty	7,354	1,544,881	0.77
		1,544,881	0.77
Consumer Discretionary total		32,755,516	16.39
Consumer Staples 5.27% (4.70%)			
Food & Staples Retailing 1.74% (0.00%)			
Costco Wholesale	12,592	3,468,131	1.74
		3,468,131	1.74
Food Products 2.55% (2.09%)			
Mondelez International 'A'	119,487	5,107,448	2.55
		5,107,448	2.55
Tobacco 0.98% (2.61%)			
Philip Morris International	32,253	1,951,767	0.98
		1,951,767	0.98
Consumer Staples total		10,527,346	5.27

Energy 2.48% (3.28%)**Oil, Gas & Consumable Fuels 2.48% (3.28%)**

Hess	47,620	1,838,680	0.92
Williams	213,318	3,127,322	1.56
		4,966,002	2.48
Energy total		4,966,002	2.48

Financials 12.53% (16.97%)**Banks 1.92% (2.53%)**

Wells Fargo	173,882	3,837,756	1.92
		3,837,756	1.92

Capital Markets 2.89% (3.10%)

Ameriprise Financial	29,601	4,207,957	2.11
T Rowe Price Group	14,127	1,563,018	0.78
		5,770,975	2.89

Consumer Finance 1.72% (2.52%)

SLM	378,654	3,432,110	1.72
		3,432,110	1.72

Diversified Financial Services 0.89% (0.00%)

Voya Financial	41,409	1,781,531	0.89
		1,781,531	0.89

Insurance 5.11% (8.82%)

Marsh & McLennan	53,391	4,569,453	2.28
MetLife	73,369	2,519,434	1.26
Progressive	43,353	3,134,089	1.57
		10,222,976	5.11
Financials total		25,045,348	12.53

Health Care 14.97% (15.87%)**Biotechnology 6.15% (3.57%)**

AbbVie	79,611	6,232,832	3.12
BioMarin Pharmaceutical	25,102	1,608,093	0.80
Coherus Biosciences	72,121	916,450	0.46
Ironwood Pharmaceuticals	171,301	1,426,098	0.71
Karuna Therapeutics	9,485	704,913	0.35
Mirati Therapeutics	8,798	1,413,653	0.71
		12,302,039	6.15

Health Care Equipment & Supplies 1.20% (1.94%)

Hill-Rom Holdings	33,544	2,403,870	1.20
		2,403,870	1.20

Health Care Providers & Services 2.61% (4.75%)

UnitedHealth Group	20,339	5,214,682	2.61
		5,214,682	2.61

Life Sciences Tools & Services 3.70% (1.55%)

Avantor	159,739	3,288,383	1.65
Bio-Rad Laboratories 'A'	9,623	4,103,336	2.05
		7,391,719	3.70

Pharmaceuticals 1.31% (4.06%)

Johnson & Johnson	22,769	2,618,947	1.31
		2,618,947	1.31
Health Care total		29,931,257	14.97

Industrials 8.60% (12.42%)**Aerospace & Defense 0.00% (1.61%)****Airlines 2.04% (2.26%)**

Southwest Airlines	119,458	4,072,382	2.04
		4,072,382	2.04

Building Products 0.00% (2.45%)**Commercial Services & Supplies 1.97% (0.78%)**

MSA Safety	19,301	2,110,057	1.05
Stericycle	36,131	1,832,519	0.92
		3,942,576	1.97

Machinery 3.57% (4.08%)

AGCO	33,938	2,559,471	1.28
Ingersoll Rand	137,659	4,586,116	2.29
		7,145,587	3.57

Road & Rail 1.02% (1.24%)

Lyft 'A'	56,705	2,038,053	1.02
		2,038,053	1.02

Industrials total

		17,198,598	8.60
--	--	-------------------	-------------

Information Technology 25.10% (17.17%)**Communications Equipment 0.49% (0.00%)**

Ciena	25,117	970,724	0.49
		970,724	0.49

Electronic Equipment, Instruments & Components 3.59% (2.25%)

Keysight Technologies	16,316	1,576,634	0.79
National Instruments	71,000	2,282,264	1.14
Trimble	67,984	3,322,734	1.66
		7,181,632	3.59

IT Services 5.66% (3.82%)

Fidelity National Information Services	23,800	2,461,397	1.23
GoDaddy 'A'	24,325	1,476,103	0.74
LiveRamp Holdings	57,535	3,080,571	1.54
Visa 'A'	26,933	4,305,694	2.15
		11,323,765	5.66

Semiconductors & Semiconductor Equipment 3.04% (5.83%)

KLA	8,147	1,542,921	0.77
Micron Technology	60,359	3,319,204	1.66
Universal Display	7,174	1,205,507	0.61
		6,067,632	3.04

Software 10.94% (2.43%)

Cadence Design Systems	30,569	3,047,619	1.52
Cornerstone OnDemand	76,183	2,455,556	1.23
Fortinet	20,585	2,234,616	1.12
Microsoft	64,146	10,426,101	5.22
Palo Alto Networks	5,093	1,323,558	0.66
VMware 'A'	23,274	2,387,588	1.19
		21,875,038	10.94

Technology Hardware, Storage & Peripherals 1.38% (2.84%)

Western Digital	68,185	2,761,419	1.38
		2,761,419	1.38
		50,180,210	25.10

Information Technology total**Materials 3.14% (2.96%)****Chemicals 2.17% (1.41%)**

CF Industries Holdings	101,562	2,875,343	1.44
Linde	7,608	1,465,832	0.73
		4,341,175	2.17

Construction Materials 0.97% (0.00%)

Eagle Materials	26,097	1,934,914	0.97
		1,934,914	0.97

Metals & Mining 0.00% (1.55%)

Materials total		6,276,089	3.14
------------------------	--	------------------	-------------

Real Estate 2.88% (0.00%)**Equity Real Estate Investment Trusts (REITs) 2.88% (0.00%)**

AvalonBay Communities

17,000 1,995,055 1.00

Prologis

51,700 3,768,905 1.88

5,763,960 2.88**Real Estate total****5,763,960 2.88****Equities total****198,240,694 99.16**

Investment assets

198,240,694 99.16

Net other assets

1,680,946 0.84

Net assets attributable to shareholders**199,921,640 100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31 December 2019.

UBS US Equity Fund

Portfolio Movements (unaudited)

Largest purchases

	Cost £
For the year ended 31 December 2020	
Microsoft	13,128,854
AbbVie	8,870,699
VMware 'A'	5,347,761
Prologis	4,670,319
Costco Wholesale	4,442,213
Starbucks	4,198,335
Southwest Airlines	4,164,186
Avantor	4,007,927
UnitedHealth Group	3,847,690
Mondelez International 'A'	3,847,650
Comcast 'A'	3,541,296
Hill-Rom Holdings	3,266,596
Williams	3,214,052
Fidelity National Information Services	3,165,290
Carnival	3,090,115
Amazon.com	3,076,602
Cadence Design Systems	3,000,478
CF Industries Holdings	2,960,714
ViacomCBS 'B'	2,898,477
Hess	2,843,546
Total for the year (Note 14)	190,456,847

Largest sales

	Proceeds £
For the year ended 31 December 2020	
Marsh & McLennan	6,380,954
UnitedHealth Group	5,977,908
Amazon.com	5,891,878
Laboratory Corp. of America Holdings	5,618,917
Comcast 'A'	5,443,913
ViacomCBS 'B'	5,209,026
Walt Disney	5,127,890
Ameriprise Financial	5,070,198
Progressive	4,708,036
Johnson & Johnson	4,641,392
Align Technology	4,619,461
Western Digital	4,461,558
Synchrony Financial	4,451,469
Incyte	4,302,487
Thor Industries	4,230,371
Wayfair 'A'	4,134,635
Carnival	4,058,409
Philip Morris International	3,884,706
Delta Air Lines	3,643,829
ON Semiconductor	3,643,371
Total for the year (Note 14)	220,769,418

UBS US Equity Fund

Financial Statements

Statement of Total Return

For the year ended 31 December 2020

	Notes	£	31.12.20 £	31.12.19 £
Income				
Net capital gains	2		24,733,874	55,927,174
Revenue	3	2,600,326		2,894,864
Expenses	4	(1,576,263)		(1,866,137)
Net revenue before taxation		1,024,063		1,028,727
Taxation	5	(362,950)		(361,522)
Net revenue after taxation			661,113	667,205
Total return before distributions			25,394,987	56,594,379
Distributions	6		(658,194)	(725,200)
Change in net assets attributable to shareholders from investment activities			24,736,793	55,869,179

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

	£	31.12.20 £	31.12.19 £
Opening net assets attributable to shareholders		203,979,535	174,816,554
Amounts receivable on issue of shares	111,390,820		62,025,017
Amounts payable on cancellation of shares	(140,828,201)		(89,436,831)
		(29,437,381)	(27,411,814)
Change in net assets attributable to shareholders from investment activities (see above)		24,736,793	55,869,179
Retained distribution on accumulation shares		642,693	705,616
Closing net assets attributable to shareholders		199,921,640	203,979,535

UBS US Equity Fund

Financial Statements

Balance Sheet

As at 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Assets			
Fixed assets			
Investments	7	198,240,694	203,606,951
Current assets			
Debtors	8	1,239,031	710,399
Cash and bank balances	9	1,980,374	1,366,924
Total assets		201,460,099	205,684,274
Liabilities			
Creditors			
Other creditors	10	1,538,459	1,704,739
Total liabilities		1,538,459	1,704,739
Net assets attributable to shareholders		199,921,640	203,979,535

UBS US Equity Fund

Notes to the Financial Statements

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 7 and 8.

2. Net capital gains

	31.12.20	31.12.19
	£	£
Foreign currency (losses)/gains	(222,361)	339,599
Forward currency contracts	(3,139)	-
Non-derivative securities	24,964,056	55,594,051
Transaction costs	(4,682)	(6,476)
Net capital gains	24,733,874	55,927,174

3. Revenue

	31.12.20	31.12.19
	£	£
Bank interest	3,744	11,916
Overseas dividends	2,596,582	2,882,948
Total revenue	2,600,326	2,894,864

4. Expenses

	31.12.20	31.12.19
	£	£
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's fee	1,386,686	1,711,171
Registrar's fee	98,827	61,237
	1,485,513	1,772,408
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	24,174	26,243
Interest payable	5,326	1,015
	29,500	27,258
Other expenses:		
Administration fee	46,454	54,433
Audit fee	9,234	7,544
Derivative fee	-	64
Price publication costs	-	1
Professional fee	2,446	500
Revenue collection costs	-	6
Safe custody fee	2,113	2,926
Taxation fee	1,003	997
	61,250	66,471
Total expenses	1,576,263	1,866,137

The audit fee for the year, excluding VAT, was £7,000 (2019: £7,000).

5. Taxation

(a) Analysis of the tax charge for the year

	31.12.20	31.12.19
	£	£
Overseas withholding tax	362,950	361,522
Total tax charge for the year (Note 5(b))	362,950	361,522

(b) Factors affecting the tax charge for the year

The tax charged for the year is higher than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2019: 20%). The differences are explained below.

	31.12.20 £	31.12.19 £
Net revenue before taxation	1,024,063	1,028,727
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2019: 20%)	204,813	205,745
Effects of:		
Revenue not subject to corporation tax	(500,275)	(576,590)
Expenses not deductible for tax purposes	-	13
Irrecoverable overseas withholding tax	362,950	361,522
Movement in excess management expenses	301,368	370,832
Movement in revenue taxable in different periods	(3,961)	-
Non-trade deficit set against current year income	317	-
Overseas tax expensed	(2,262)	-
Total tax charge for the year (Note 5(a))	362,950	361,522

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

(c) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £6,093,316 (2019: £5,791,948) in respect of unutilised management expenses of £30,466,581 (2019: £28,959,742). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.12.20 £	31.12.19 £
Interim dividend distribution	486,898	369,079
Final dividend distribution	155,795	336,537
	642,693	705,616
Add: Revenue deducted on cancellation of shares	103,093	72,973
Deduct: Revenue received on issue of shares	(87,592)	(53,389)
Distributions	658,194	725,200
Movement between net revenue after taxation and distributions		
Net revenue after taxation	661,113	667,205
Add: Undistributed revenue brought forward	3,840	7,386
Add: Equalisation on conversions	-	54,385
Add: Other expenses taken to capital	-	64
Deduct: Undistributed revenue carried forward	(6,759)	(3,840)
Distributions	658,194	725,200

Details of the distributions per share are set out in the Distribution Tables on page 199.

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

	31.12.20	31.12.19
	Assets	Assets
	£	£
Basis of valuation		
Level 1: Quoted prices	198,240,694	203,606,951
Level 2: Observable market data	-	-
Level 3: Unobservable data	-	-
Total	198,240,694	203,606,951

8. Debtors

	31.12.20	31.12.19
	£	£
Accrued revenue	77,350	150,971
Amounts receivable for issue of shares	729,232	397,711
Overseas withholding tax recoverable	17,288	16,679
Prepaid expenses	-	2,112
Sales awaiting settlement	415,161	142,926
Total debtors	1,239,031	710,399

9. Cash and bank balances

	31.12.20	31.12.19
	£	£
Cash and bank balances	1,980,374	1,366,924
Total cash and bank balances	1,980,374	1,366,924

10. Other creditors

	31.12.20	31.12.19
	£	£
Accrued expenses	170,201	427,370
Amounts payable for cancellation of shares	437,833	729,789
Purchases awaiting settlement	930,425	547,580
Total other creditors	1,538,459	1,704,739

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 31 December 2020 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £127,941 and £18,483 respectively (2019: £374,143 and £25,459).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holdings Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 9 and 10 and in relation to the sub-fund are included below.

(a) Interest rate risk profile of financial assets and financial liabilities

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the net asset value of the sub-fund. At the year end 0.99% (2019: 0.67%) of the sub-fund's net asset value were interest bearing. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(b) Currency exposure

The majority of the net assets of the sub-fund's investments are denominated in currencies other than sterling, with the effect that currency movements can significantly affect the balance sheet and total return.

Numerical disclosures are as follows:

	Monetary exposure 31.12.20	Non- Monetary exposure 31.12.20	Total 31.12.20
Currency	£	£	£
Euro	9,119	-	9,119
US dollar	1,643,431	198,240,694	199,884,125
	1,652,550	198,240,694	199,893,244
Sterling	28,396	-	28,396
	1,680,946	198,240,694	199,921,640

	Monetary exposure 31.12.19	Non- Monetary exposure 31.12.19	Total 31.12.19
Currency	£	£	£
Euro	8,676	-	8,676
US dollar	354,403	203,606,951	203,961,354
	363,079	203,606,951	203,970,030
Sterling	9,505	-	9,505
	372,584	203,606,951	203,979,535

At the year end, if the value of sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £19,989,324 (2019: £20,397,003).

(c) Other price risk

A 10% increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £19,824,069 (2019: £20,360,695). A 10% decrease would have an equal and opposite effect.

(d) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and financial liabilities, as shown in the balance sheet, and their fair value.

14. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.20						
Purchases						
Equities	190,430,726	26,121	-	190,456,847	0.01	-
	190,430,726	26,121	-	190,456,847		
Sales						
Equities	220,805,588	(31,415)	(4,755)	220,769,418	0.01	0.00
	220,805,588	(31,415)	(4,755)	220,769,418		
Total cost as percentage of average net asset value		0.03%	0.00%			

	Principal £	Commission £	Taxes £	Total cost £	Commission % of principal	Taxes % of principal
31.12.19						
Purchases						
Equities	166,220,234	28,733	-	166,248,967	0.02	-
	166,220,234	28,733	-	166,248,967		
Sales						
Equities	192,519,914	(25,557)	(3,619)	192,490,738	0.01	0.00
	192,519,914	(25,557)	(3,619)	192,490,738		
Total cost as percentage of average net asset value		0.02%	0.00%			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.05% (2019: 0.03%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price. The ACD believes this spread to be representative of the typical spread throughout the year.

15. Shares in issue reconciliation

	Number of shares in issue as at 31.12.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue as at 31.12.20
Class C - Accumulation shares	140,223,901	76,289,122	(96,670,658)	-	119,842,365

UBS US Equity Fund

Distribution Tables

Interim distribution for the six months ended 30 June 2020

Group 1 Shares purchased prior to 1 January 2020

Group 2 Shares purchased on or after 1 January 2020 to 30 June 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 31.08.20 p per share	Distribution paid 31.08.19 p per share
Class C - Accumulation shares				
Group 1	0.37	—	0.37	0.31
Group 2	0.05	0.32	0.37	0.31

Final distribution for the six months ended 31 December 2020

Group 1 Shares purchased prior to 1 July 2020

Group 2 Shares purchased on or after 1 July 2020 to 31 December 2020

	Net revenue p per share	Equalisation p per share	Distribution paid 28.02.21 p per share	Distribution paid 29.02.20 p per share
Class C - Accumulation shares				
Group 1	0.13	—	0.13	0.24
Group 2	0.03	0.10	0.13	0.24

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Details of the Company and other information

Authorised status

UBS Investment Funds ICVC is an open-ended investment company with variable capital incorporated in England and Wales under registered number IC96 and is authorised by the Financial Conduct Authority with effect from 7 March 2001. The company has been certified under the Undertaking for Collective Investment in Transferable Securities (UCITS) directive.

Structure of the Company

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority. The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund.

Liability of the Company and Sub-Funds

Under the OEIC Regulations, each sub-fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that sub-fund. Whilst the OEIC Regulations provide for segregated liability between sub-funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a sub-fund will always be completely insulated from the liabilities of another sub-fund of the Company in every circumstance.

Changes to the Prospectus

Since the last report, the following changes have been made to the Prospectus:

- Review of investment objectives and strategies
- Changes to sub-fund range and share class
- Change to AMC rate

Remuneration Policy

The Board of Directors (BoD) of UBS Asset Management Funds Ltd approved and adopted a Remuneration policy in September 2016. A document explaining the policy in full is available at https://www.ubs.com/uk/en/asset_management/investors/publications.html.

The remuneration disclosure below has been prepared in line with regulatory requirements under the UCITS V Directive ("UCITS" or the "Directive") taking into consideration European Securities and Markets Authority ("ESMA") and Financial Conduct Authority ("FCA") guidelines, as well as industry best practice. For the purposes of complying with UCITS disclosure requirements, Senior Managers and Other Risk Takers have been identified in line with the Directive.

The entities to which the investment management functions have been delegated (the Delegates) have their own remuneration policies. However, UBS Asset Management Funds Ltd has ensured that these Delegates are either subject to regulatory requirements on remuneration that are equally as effective as those applicable under the UCITS V Directive, or that appropriate contractual arrangements have been entered into with the relevant Delegates in order to ensure that their remuneration will fulfil and apply remuneration rules in line with the remuneration requirements defined under the UCITS V Directive with respect to the remuneration paid to their own UCITS Remuneration Code Staff as compensation for the performance of investment management activities on behalf of the Management Company as a result of the delegation of its investment management functions.

	All Staff ManCo Funds Ltd	Senior Managers ManCo Funds Ltd	Other Risk Takers ManCo Funds Ltd	Identified Staff
2020				
Number of staff	74	5	25	23
Fixed remuneration (GBP)	1,599,344	195,210	426,731	285,807
Total Incentive (GBP)	795,108	147,628	423,222	282,911
Total Compensation (GBP)	2,394,452	342,838	849,953	568,718

Buying and selling shares

Dealing is on a forward basis and share prices are calculated daily at 12pm with the exception of the UBS Global Emerging Markets Equity Fund

All shares in the sub-funds, where they are available, can be bought either by sending a completed application form (which must be accompanied by

Synthetic Risk and Reward Indicator (SRRI)

The SRRI is a numerical indicator of the risk and return profile of the sub-fund. This indicator is disclosed in the Key Investor Information document

The values range from 1 through to 7 in a non-linear manner, where 1 denotes the lowest risk and therefore typically the lower rewards, while a 7

The SRRI is based on return volatility over the last five years. Historical data may not be a reliable indication for the future. The risk category shown is not guaranteed and may vary over time. The lowest category does not mean 'risk free'.

	Current SRRI
UBS Corporate Bond UK Plus Fund	4*
UBS Global Emerging Markets Equity Fund	6
UBS Global Optimal Fund	6**
UBS Global Strategic Bond Fund	5***
UBS S&P 500 Index Fund	6†
UBS Sterling Corporate Bond Indexed Fund	4††
UBS UK Equity Income Fund	6†
UBS US Equity Fund	6

SRRI's at sub-fund level above are consistent across share classes within each sub-fund.

*Changed from 3 to 4 on 17 July 2020

**Changed from 5 to 6 on 17 July 2020

***Changed from 4 to 5 on 17 July 2020

†Changed from 5 to 6 on 22 June 2020

††Changed from 3 to 4 on 17 July 2020

Minimum investments

		Minimum initial (£)	Minimum (£)
UBS Corporate Bond UK Plus Fund	Class C shares*	£1,000	£500
	Class K shares†	£100,000	£500
UBS Global Emerging Markets Equity Fund	Class C shares*	£1,000	£500
	Class J & K shares†	£100,000	£500
UBS Global Optimal Fund	Class C shares*	£1,000	£500
UBS Global Strategic Bond Fund	Class C shares*	£1,000	£500
	Class K shares†	£100,000	£500
	Class R shares**	£100,000	£10,000
UBS S&P 500 Index Fund	Class C shares*	£1,000	£500
	Class J shares†	£100,000	£500
UBS Sterling Corporate Bond Indexed Fund	Class C shares*	£1,000	£500
	Class J & K shares†	£100,000	£500
UBS UK Equity Income Fund	Class C shares*	£1,000	£500
	Class K shares†	£100,000	£500
UBS US Equity Fund	Class C shares*	£1,000	£500

* for Class C shares purchased through a regular savings plan, the minimum regular subscription is £50 per month.

** for Class R Investment in this class is restricted to intermediaries investing via distributors and distribution platforms which have an agreement with
† Available only to companies within the UBS AG Group or to clients of companies within the UBS AG Group (and others at the discretion of the ACD).

Minimum holdings

Class C Shares - The minimum holding is £500.

Class J Shares - The minimum holding is £50,000. Investments in Class J shares are restricted to companies within the UBS Group and to clients of

Class K Shares - The minimum holding is £50,000. Investments in Class K shares are restricted to companies within the UBS Group and to clients of

Class R Shares - Available only for the Global Strategic Bond Fund. Minimum investment is £100,000, minimum subsequent investment £10,000 and

The ACD may at its discretion accept subscriptions and/or holdings lower than the minimum amounts.

If following a redemption a holding in any class of share should fall below the minimum holding for that class, the ACD has a discretion to require

Shareholder funds

Several classes of share may be issued in respect of each sub-fund. Each share class is distinguished by their criteria for subscription. The annual management charge on each share class is shown below:

		Management
		fee
		(%)
UBS Corporate Bond UK Plus Fund	Class C shares	0.50
	Class K shares	0.00
UBS Global Emerging Markets Equity Fund	Class C shares	0.75
	Class J shares	0.75*
UBS Global Optimal Fund	Class K shares	0.00
	Class C shares	0.75
UBS Global Strategic Bond Fund	Class C shares	0.62
	Class K shares	0.00
UBS S&P 500 Index Fund	Class R shares	0.00**
	Class C shares	0.09
UBS Sterling Corporate Bond indexed Fund	Class J shares	0.04
	Class C shares	0.15
UBS UK Equity Income Fund	Class J shares	0.10
	Class K shares	0.00
UBS US Equity Fund	Class C shares	0.75
	Class C shares	0.75

* The Management fee was changed to 0.75% on the 1 March 2021 prior to this the rate was 1.25%.

** The Management fee was changed to 0.00% on the first 1 April 2021 prior to this the rate was 0.31%. The rate of 0.00% is only effective until the 31 December 2021.

For all sub-funds (with the exception of the UBS Corporate Bond UK Plus Fund, UBS Sterling Corporate Bond Indexed Fund, UBS Global Strategic Bond Fund, and the UBS UK Equity Income Fund) the annual management fee is taken from income.

The net asset value of each share class in issue, the net asset value per share and the number of shares in each share class in issue are shown in the Comparative tables of the respective sub-funds.

Dealing charges**Initial charge**

The ACD may impose a charge on the purchase of shares in each class. At present no initial charge is levied on purchases of any class of shares.

Redemption charge

The ACD may make a charge on the redemption of shares in each class. At present no redemption charge is levied on any class of shares. The ACD

Charges on switching

On the switching of shares between sub-funds or classes in the Company the Instrument of Incorporation authorises the Company to impose a

FCA Value Assessment

The Financial Conduct Authority (FCA) requires UK authorised fund managers (AFMs) to conduct an assessment of value at least annually for each

The UBS Asset Management Funds Ltd assessment is now available and can be viewed at below.

Financial Advisors

www.ubs.com/uk/en/asset-management/financial-advisors/products.html

Private Investors

www.ubs.com/uk/en/asset-management/private-investors/funds-prices.html

Institutional Investors

www.ubs.com/uk/en/asset-management/institutional-investors/funds-prices/application-forms-supplementary-documents.html

Directors of UBS Asset Management Funds Ltd

E Byrne A Aziz
A Larkin
J Stannard (Non-Exec) P Davis (Non-Exec)

The Company and Head Office

UBS Investment Funds ICVC
5 Broadgate
London EC2M 2QS

Authorised Corporate Director

UBS Asset Management Funds Ltd
5 Broadgate
London EC2M 2QS
Authorised and regulated by the Financial Conduct Authority

**Transfer Agent and Registrar for all Shares
(where available)**

Northern Trust Global Services Limited
50 Bank Street
Canary Wharf
London E14 5NT

Depository

NatWest Trustee and Depositary Services Limited
250 Bishopsgate
London
EC2M 4AA
Authorised and regulated by the Financial Conduct Authority

Investment Manager

UBS Asset Management (UK) Ltd
5 Broadgate
London EC2M 2QS
Authorised and regulated by the Financial Conduct Authority
All telephone calls are recorded

Custodian

JP Morgan Chase Bank
125 London Wall
London
EC27 5AH

Fund Administrator

JP Morgan
4/5 Lochside View
Edinburgh EH12 9DH

Auditor

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London E14 5EY

Legal Adviser

Eversheds Sutherland LLP
One Wood Street
London EC2V 7WS

0800 358 3012
www.ubs.com/retailfunds

