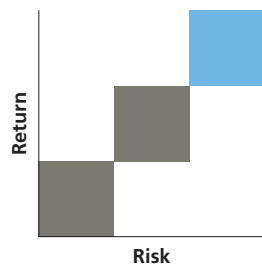


# UBS US Short Duration Treasury Strategy

4Q 2023 | Short Duration Strategy<sup>1</sup>

## Risk vs. return<sup>2</sup>



## Target investor

Designed for investors with a moderately longer investment horizon, seeking incremental yield over money market funds.

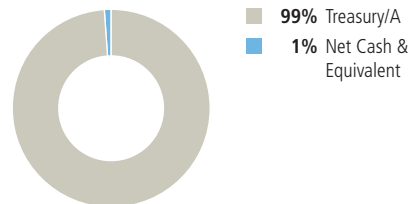
## Objective

To seek to provide returns, over a year market cycle, in excess of the ICE BofA 1 Yr U.S. Treasury Bill Index (MERRIL 1YT)

## Characteristics

- **Yield to worst:** 4.78%
- **Strategy duration:** 0.94 years
- **Average credit quality of holdings:** AAA<sup>4</sup>

## Quality allocation<sup>3</sup>



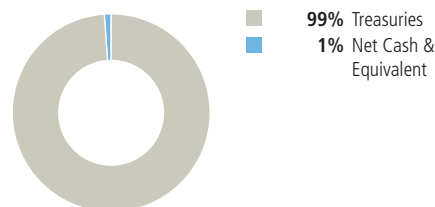
## Investment strategy

UBS US Short Duration Treasury Strategy ("The Strategy"), is managed by owning US Treasury securities exclusively, while maintaining a relatively short duration to reduce price volatility and market risk.

## Philosophy

- We believe that the successful management of clients' assets is based on a disciplined investment process that is supported by extensive analysis within the US Treasury market.
- We strive to deliver consistent, above-average returns with below-average risk.
- Our disciplined investment process is designed to deliver long-term, "northwest quadrant" risk/return performance results.
- Our overall focus is on seeking to minimize loss of capital and maintaining liquid portfolios with enhanced yields.

## Sector allocation<sup>3</sup>

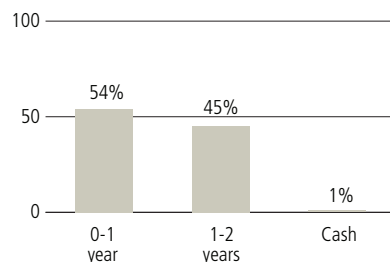


## Portfolio maturity

Structure/Duration

- The maximum portfolio duration will be limited to two years.
- The maximum final maturity of any one security is three years.

## Duration distribution<sup>3</sup>



## Quality

- The portfolio will seek to maintain a minimum average credit quality of "AA+/Aaa."

<sup>1</sup> All figures as of December 31, 2023, unless otherwise noted.

<sup>2</sup> For illustrative purposes only. Does not imply specific risk or return expectations.

<sup>3</sup> Based upon a representative account within US Short Duration Strategy. Information may be different for a specific client account. May not equal 100% due to rounding.

<sup>4</sup> Average Credit Rating for lowest Rating across major Rating agencies.

## Highlights

- Overall focus seeks to preserve capital and maintain a liquid portfolio with enhanced yield.
- Value added relative to the benchmark by active management employed across all opportunity sets: duration, yield curve, sector and issue selection.
- Securities are limited to US Treasuries exclusively.
- Portfolios may be customized to meet client needs.
- Strategy can be used as stand alone or as complement to other cash management solutions.
- USD 173bn in money market and short-term bond strategies invested around the globe.<sup>1</sup>
- UBS Asset Management offers a full range of cash management alternatives.
- Please call the Institutional Sales Line at 212-882 5368 to learn more.

<sup>1</sup> As of 30 June 2023, and includes short duration bond, short duration high yield and short duration emerging market strategies. As of 30 June 2023, UBS Asset Management, a business group of UBS, managed \$1,165 billion worldwide. UBS Asset Management Inc., the Advisor, managed \$386 billion in assets of which approximately \$93 billion are in US money market fund and short-term bond strategies.

## Total returns (in USD)

For periods ending December 31, 2023

	4Q23 (%)	YTD (%)	1 yr (%)	Since Inception (7/31/22) (%)
UBS US Short Duration Treasury Composite (Gross)	1.83	5.07	5.07	3.67
UBS US Short Duration Treasury Composite (Net)	1.19	2.49	2.49	1.12
ICE BofA 1 Year US Treasury Bill Index (MERRIL 1YT)	1.79	4.74	4.74	3.38
Value Added (benchmark vs. net) <sup>2</sup>	-0.46	-2.25	-2.25	-2.26

<sup>1</sup> Periods over one year are annualized.

<sup>2</sup> Value added is the arithmetic difference between the composite return (net of fees) and the benchmark return.

The returns shown above are based on currently available information and are subject to revision. **Past performance is no guarantee of future results. This slide contains performance figures that are presented/calculated both net and gross of investment management fees. "Year-by-year net-of-fee composite performance, which reflects the deduction of the actual fee charged, is shown on the page titled: Year-by-year composite performance. For additional disclosure information, please refer to the Composite performance disclosure section found at the end of the presentation.** The investment return and principal value of an investment will fluctuate so that an investment, when redeemed, may be worth more or less than its original value. Performance of different types of investment vehicles, including mutual funds and separately managed accounts, employing the Strategy may differ as a result of the different fees, expenses, charges, number of securities, and regulatory requirements and/or restrictions applicable to the vehicles.

## Performance: US Short Duration Treasury Strategy

(Since Inception) August 1, 2022 to December 31, 2022. Amounts and returns expressed in USD.

Year	Gross asset-weighted return (%)	Net asset-weighted return (%)	Benchmark return (%)	Composite 3-year Standard Deviation (%)	Benchmark 3-year Standard Deviation (%)	Number of portfolios end of period	Total Composite assets end of period (\$ millions)	Asset-weighted dispersion (%)	Composite assets as percent of firm assets
2022 <sup>1</sup>	0.16	-0.88	0.08	N/A	N/A	394	664	N/A	0.06

<sup>1</sup> Performance results for August 1, 2022 to December 31, 2022. No statistics are annualized.

**Past performance is no guarantee of future results.** Potential for profit is accompanied by possibility of loss. Any statements made regarding investment performance objectives, risk and/or return targets shall not constitute a representation or warranty that such investment objectives or expectations will be achieved.

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The gross performance figures reflect the deduction of transaction costs but not investment advisory fees or external custodial charges. A client's actual return will be reduced by investment advisory fees and other expenses. The deduction of investment advisory fees would have a compounding effect, which will increase the impact of the fees by an amount directly related to the gross account performance. For example, on an account with an initial value of \$10,000 and a 0.5% annual fee, if the gross performance is 10% per year over a five-year period, the annual compound net rate of return would be 9.45% per year and the total value of the client's portfolio at the end of the five-year period would be \$16,105 without the fee and \$15,707 with the fee. Performance results include all cash and cash equivalents, are time weighted, annualized for time periods greater than one year and include realized and unrealized capital gains and losses and reinvestment of dividends, interest and other income. A client's returns will be reduced by advisory fees and other expenses incurred by the client. Advisory fees are described in Part 2A of Form ADV for UBS Asset Management (Americas) Inc.

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