

Annual Report 2018/2019

Investment Fund under Luxembourg Law

R.C.S. Luxembourg N° K 302

Audited annual report as of 28 February 2019

UBS (Lux) Medium Term Bond Fund
UBS (Lux) Medium Term Bond Fund – AUD
UBS (Lux) Medium Term Bond Fund – CHF
UBS (Lux) Medium Term Bond Fund – EUR
UBS (Lux) Medium Term Bond Fund – GBP
UBS (Lux) Medium Term Bond Fund – USD



Audited annual report as of 28 February 2019

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UBS (Lux) Medium Term Bond Fund – CHF	20	F-acc LU0441495677 I-A1-acc LU0441487732 P-acc LU0057954868 P-dist LU0057954785 Q-acc LU0441495834 Q-dist LU0441495917
UBS (Lux) Medium Term Bond Fund – EUR	26	F-acc LU0441494431 I-A1-acc LU0441486411 I-A2-acc LU0441486684 I-A3-acc LU0441486841 I-X-acc LU0441494944 P-acc LU0057957291 P-dist LU0094864450 Q-acc LU0358446192 Q-dist LU0441494605
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Sales restrictions

Units of this Fund may not be offered, sold or distributed within the United States of America.

Internet address

www.ubs.com/funds

Management and Administration

Management Company

UBS Fund Management (Luxembourg) S.A.
33A, avenue J.F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg N° B 154 210

Board of Directors

André Müller-Wegner, Chairman
Managing Director, UBS AG, Basel and Zurich

Andreas Schlatter, Member
Independent Director, Küttingen, Switzerland

Pascal Kistler, Member
Managing Director, UBS Business Solutions AG, Zurich

Gilbert Schintgen, Member
Independent Director, Luxembourg

Portfolio Manager

UBS (Lux) Medium Term Bond Fund
– CHF
– EUR
– GBP
– USD

UBS AG, UBS Asset Management
Basel and Zurich

UBS (Lux) Medium Term Bond Fund
– AUD
UBS Asset Management (Australia) Ltd.
Sydney

Depositary and main paying agent

UBS Europe SE, Luxembourg Branch
33A, avenue J.F. Kennedy
L-1855 Luxembourg

Administrative agent

Northern Trust Global Services SE
Luxembourg Branch
6, rue Lou Hemmer
L-1748 Senningerberg

Independent Auditor of the Fund and the Management Company

ERNST & YOUNG S.A.
35E, avenue J.F. Kennedy
L-1855 Luxembourg

Sale in Switzerland

Representative
UBS Fund Management (Switzerland) AG
Aeschenplatz 6, CH-4052 Basel

Paying agents
UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich
and its offices in Switzerland

The sales prospectus, the KIID, management regulations, annual and semi-annual reports as well as the portfolio movements of the investment fund mentioned in this publication are available free of charge from UBS Switzerland AG, Postfach, CH-8001 Zurich and from UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel.

Sale in Germany

Paying and information agent

UBS Europe SE, Bockenheimer Landstrasse 2–4
D-60306 Frankfurt am Main

The sales prospectus, the KIID, management regulations, annual and semi-annual reports as well as the portfolio movements of the investment fund mentioned in this publication are available free of charge from UBS Europe SE, Bockenheimer Landstrasse 2–4, D-60306 Frankfurt am Main.

Sale in Liechtenstein

Paying agent

Liechtensteinische Landesbank AG
Städtle 44, FL-9490 Vaduz

Sale in Austria, in the Czech Republic, in Finland, in France, in Italy, in Malta, in the Netherlands, in Singapore*, in Spain, in Sweden and in the United Kingdom

* Restricted foreign scheme

Units of this Fund may be sold in these countries.

The sales prospectus, the KIID, management regulations, annual and semi-annual reports as well as the portfolio movements of the investment fund mentioned in this publication are available free of charge at the sales agencies and at the registered office of the Management Company.

Features of the Fund

UBS (Lux) Medium Term Bond Fund (hereinafter called the "Fund") offers investors a range of different subfunds ("umbrella construction") which invest in accordance with the investment policy described in the sales prospectus. The sales prospectus, which contains specific details on each subfund, will be brought up to date on the inception of each new subfund.

The Fund was established as an open-ended investment fund without legally independent status in the form of a collective investment fund ("fonds commun de placement", FCP) pursuant to Part I of the Luxembourg law relating to undertakings for collective investment of 30 March 1988 and adapted in November 2006 to conform to the Luxembourg law dated 20 December 2002 relating to undertakings for collective investment. Since 1 July 2011 the Company is subject to the law of 17 December 2010.

Each time a revision is deposited it is announced in the "Mémorial". The new Management Regulations come into force on the date they are deposited with the Commercial and Companies Register of the District Court in Luxembourg. The consolidated version is deposited at the Commercial and Company Register of the District Court in Luxembourg for inspection.

The activities of UBS Medium Term Bond Fund Management Company S.A. in its function as Management Company of UBS (Lux) Medium Term Bond Fund ended on 14 November 2010. On 15 November 2010, UBS Fund Management (Luxembourg) S.A. assumed the function of Management Company.

The Fund has no legal personality as an investment fund. The entire assets of each subfund are the undivided property of all investors who have equal rights in proportion to the number of units which they hold. These assets are separate from the assets of the Management Company. The securities and other assets of the Fund are managed by UBS Fund Management (Luxembourg) S.A. as in-house funds in the interest and for the account of the unitholders.

The Management Regulations give the Management Company the authority to establish different subfunds for the Fund as well as different classes with specific characteristics within these subfunds. The sales prospectus will be updated each time a new subfund or an additional class is issued.

As at 28 February 2019, the following subfunds are active:

UBS (Lux) Medium Term Bond Fund	Currency of account
- AUD	AUD
- CHF	CHF
- EUR	EUR
- GBP	GBP
- USD	USD

Not all the types of unit class described below have to be offered at all times. Information on which unit classes are available can be obtained from the Administrative Agent or at www.ubs.com/funds.

Units are issued as registered units only.

"P"

Units in classes with "P" in their name are available to all investors. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

"N"

Units in classes with "N" in their name (units with restrictions on distribution partners or countries) are issued exclusively through distributors authorised by UBS AG and domiciled in Spain, Italy, Portugal and Germany, or in other distribution countries insofar as this has been decided by the Management Company. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

"K-1"

Units in classes with "K-1" in their name are available to all investors. Their smallest tradable unit is 0.1. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 5 million, BRL 20 million, CAD 5 million, CHF 5 million, CZK 100 million, EUR 3 million, GBP 2.5 million, HKD 40 million, JPY 500 million, NZD 5 million, PLN 25 million, RMB 35 million, RUB 175 million, SEK 35 million, SGD 5 million, USD 5 million or ZAR 40 million.

“K-X”

Units in classes with “K-X” in their name are exclusively reserved for investors who have signed a written agreement with UBS AG or UBS Asset Management (a business division of UBS AG) on investing in one or more subfunds of this umbrella fund. The costs for asset management, fund administration (comprising the costs incurred by the Management Company, administrative agent and the Depositary) and distribution are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“F”

Units in classes with “F” in their name are exclusively available to UBS AG and its subsidiaries. These units may only be acquired by UBS AG or its subsidiaries, either for their own account or as part of discretionary asset management mandates concluded with UBS AG or its subsidiaries. In the latter case, the units will be returned to the Fund upon termination of the mandate at the prevailing net asset value and without being subject to charges. The smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“Q”

Units in classes with “Q” in their name are only available:

- (i) to investors in an eligible country as defined by “List A”; or
- (ii) to contractual partners of UBS AG acting through their Asset Management division and other regulated financial service providers duly authorised by their supervisory authority, investing in their own name and
 - (a) on their own behalf; or
 - (b) on behalf of their clients within the framework of written contracts for pecuniary interest constituting (i) asset management mandates, (ii) advisory agreements, or (iii) similar long-term contracts, provided these specifically allow for investments in share classes without remuneration; or
 - (c) on behalf of a collective investment scheme; or
 - (d) on behalf of another regulated financial service provider that acts within the above framework on behalf of its clients.

In cases falling under (b), investors are domiciled in one of the eligible countries covered by “List B” if the conditions of (i) above are met, or in one of the eligible countries covered by “List C” if the conditions of (ii) or (iii) are met.

Admission of investors in further distribution countries (changes to lists A, B and C) shall be decided at the sole discretion of the Management Company. Any information in this regard will be disclosed at www.ubs.com/funds.

The smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“I-A1”

Units in classes with “I-A1” in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) (c) of the amended Law of 2010. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“I-A2”

Units in classes with “I-A2” in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) (c) of the amended Law of 2010. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000. The minimum subscription amount for these units is CHF 10 million (or foreign currency equivalent).

Upon subscription

- (i) a minimum subscription must be made in accordance with the list above;
- (ii) based on a written agreement between the institutional investor and UBS AG (or one its authorised contractual partners), the investor’s total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 30 million (or foreign currency equivalent); or
- (iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.

“I-A3”

Units in classes with “I-A3” in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) (c) of the amended Law of 2010. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 200, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000. The

minimum subscription amount for these units is CHF 30 million (or foreign currency equivalent).

Upon subscription

- (i) a minimum subscription must be made in accordance with the list above;
- (ii) based on a written agreement between the institutional investor and UBS AG (or one of its authorised contractual partners), the investor's total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 100 million (or foreign currency equivalent); or
- (iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.

"I-B"

Units in classes with "I-B" in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) (c) of the amended Law of 2010 who have signed a written agreement with UBS AG or one of its authorised contractual partners on investing in one or more subfunds of this umbrella fund. A fee covering the costs for fund administration (comprising the costs of the Management Company, the administrative agent and the Depositary) is charged directly to the subfund. The costs for asset management and distribution are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

"I-X"

Units in classes with "I-X" in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) (c) of the amended Law of 2010 who have signed a written agreement with UBS AG or one of its authorised contractual partners on investing in one or more subfunds of this Umbrella Fund. The costs for asset management, fund administration (comprising the costs incurred by the Management Company, administrative agent and the Depositary) and distribution are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

"U-X"

Units in classes with "U-X" in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) (c) of the amended Law of 2010 who have signed a written agreement with UBS AG or one of its

authorised contractual partners on investing in one or more subfunds of this Umbrella Fund. The costs for asset management, fund administration (comprising the costs incurred by the Management Company, administrative agent and the Depositary) and distribution are charged to investors under the aforementioned agreements. This unit class is exclusively geared towards financial products (i.e. funds of funds or other pooled structures under various legislative frameworks). Their smallest tradable unit is 0.001. Unless the Management Company decides otherwise, the initial issue price of these units amounts to AUD 10,000, BRL 40,000, CAD 10,000, CHF 10,000, CZK 200,000, EUR 10,000, GBP 10,000, HKD 100,000, JPY 1 million, NZD 10,000, PLN 50,000, RMB 100,000, RUB 350,000, SEK 70,000, SGD 10,000, USD 10,000 or ZAR 100,000.

Additional characteristics:

Currency

The unit classes may be denominated in AUD, BRL, CAD, CHF, CZK, EUR, GBP, HKD, JPY, NZD, PLN, RMB, RUB, SEK, SGD, USD or ZAR. For unit classes issued in the currency of account of the subfund, this currency will not be included in the unit class name. The currency of account features in the name of the relevant subfund.

"hedged"

For unit classes with "hedged" in their name and with reference currencies different to the subfund's currency of account ("unit classes in foreign currencies"), the risk of fluctuations in the value of the reference currency is hedged against the subfund's currency of account. This hedging shall be between 95% and 105% of the total net assets of the unit class in foreign currency. Changes in the market value of the portfolio, as well as subscriptions and redemptions of unit classes in foreign currencies, can result in the hedging temporarily surpassing the aforementioned range. The Management Company and the Portfolio Manager will take all necessary steps to bring the hedging back within the aforementioned limits. The hedging described has no effect on possible currency risks resulting from investments denominated in a currency other than the subfund's currency of account.

"BRL hedged"

The Brazilian real (ISO 4217 currency code: BRL) may be subject to exchange control regulations and repatriation limits set by the Brazilian government. Prior to investing in BRL classes, investors should also bear in mind that the availability and tradability of BRL classes, and the conditions under which they may be available or traded, depend to a large extent on the political and regulatory developments in Brazil. The risk of fluctuations is hedged as described above under "hedged". Potential investors should be aware of the risks of reinvestment, which could arise if the BRL class has to be liquidated early due to political and/or regulatory circumstances. This does not

apply to the risk associated with reinvestment due to liquidation of a unit class and/or the subfund in accordance with the section "Liquidation and merger of the Fund and its subfunds or unit classes" of the sales prospectus.

"RMB hedged"

Investors should note that the renminbi (ISO 4217 currency code: CNY), the official currency of the People's Republic of China (the "PRC"), is traded on two markets, namely as onshore RMB (CNY) in mainland China and offshore RMB (CNH) outside mainland China.

Units in classes with "RMB hedged" in their name are units whose net asset value is calculated in offshore RMB (CNH).

Onshore RMB (CNY) is not a freely convertible currency and is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government. Offshore RMB (CNH), on the other hand, may be traded freely against other currencies, particularly EUR, CHF and USD. This means the exchange rate between offshore RMB (CNH) and other currencies is determined on the basis of supply and demand relating to the respective currency pair.

Convertibility between offshore RMB (CNH) and onshore RMB (CNY) is a regulated currency process subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government in coordination with offshore supervisory and governmental agencies (e.g. the Hong Kong Monetary Authority).

Prior to investing in RMB classes, investors should bear in mind that the requirements relating to regulatory reporting and fund accounting of offshore RMB (CNH) are not clearly regulated. Furthermore, investors should be aware that offshore RMB (CNH) and onshore RMB (CNY) have different exchange rates against other currencies. The value of offshore RMB (CNH) can potentially differ significantly from that of onshore RMB (CNY) due to a number of factors including, without limitation, foreign exchange control policies and repatriation restrictions imposed by the PRC government at certain times, as well as other external market forces. Any devaluation of offshore RMB (CNH) could adversely affect the value of investors' investments in the RMB classes. Investors should therefore take these factors into account when calculating the conversion of their investments and the ensuing returns from offshore RMB (CNH) into their target currency.

Prior to investing in RMB classes, investors should also bear in mind that the availability and tradability of RMB classes, and the conditions under which they may be available or traded, depend to a large extent on the political and regulatory developments in the PRC. Thus, no guarantee can be given that offshore RMB (CNH) or

the RMB classes will be offered and/or traded in future, nor can there be any guarantee as to the conditions under which offshore RMB (CNH) and/or RMB classes may be made available or traded. In particular, since the currency of account of the relevant subfunds offering the RMB classes would be in a currency other than offshore RMB (CNH), the ability of the relevant subfund to make redemption payments in offshore RMB (CNH) would be subject to the subfund's ability to convert its currency of account into offshore RMB (CNH), which may be restricted by the availability of offshore RMB (CNH) or other circumstances beyond the control of the Management Company.

The risk of fluctuations is hedged as described above under "hedged".

Potential investors should be aware of the risks of reinvestment, which could arise if the RMB class has to be liquidated early due to political and/or regulatory circumstances. This does not apply to the risk associated with reinvestment due to liquidation of a unit class and/or the subfund in accordance with the section "Liquidation and merger of the Fund and its subfunds or unit classes" of the sales prospectus.

"acc"

The income of unit classes with "-acc" in their name is not distributed unless the Management Company decides otherwise.

"dist"

For the income of unit classes with "-dist" in their name, income is distributed unless the Management Company decides otherwise.

"qdist"

Units in classes with "-qdist" in their name may make quarterly distributions, gross of fees and expenses. Distributions may also be made out of the capital (this may include, inter alia, realised and unrealised net gains in net asset value) ("capital"). Distributions out of capital result in the reduction of an investor's original capital invested in the subfund. Furthermore, any distributions from the income and/or involving the capital result in an immediate reduction of the net asset value per unit of the subfund. Investors in certain countries may be subject to higher tax rates on distributed capital than on any capital gains from the sale of fund units. Some investors may therefore prefer to subscribe to accumulating (-acc) rather than distributing (-dist, -qdist) unit classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) unit classes compared with distributing (-dist) unit classes. Investors should consult qualified experts for tax advice regarding their individual situation.

“mdist”

Units in classes with “-mdist” in their name may make monthly distributions, gross of fees and expenses. Distributions may also be made out of capital. Distributions out of capital result in the reduction of an investor’s original capital invested in the subfund. Furthermore, any distributions from the income and/or involving the capital result in an immediate reduction of the net asset value per unit of the subfund. Investors in certain countries may be subject to higher tax rates on distributed capital than on any capital gains from the sale of fund units. Some investors may therefore prefer to subscribe to accumulating (-acc) rather than distributing (-dist, -mdist) unit classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) unit classes compared with distributing (-dist) unit classes. Investors should consult qualified experts for tax advice regarding their individual situation. The maximum issuing commission for units in classes with “-mdist” in their name is 6%.

“UKdist”

The aforementioned unit classes can be issued as those with “UKdist” in their name. In these cases, the Management Company intends to distribute a sum which corresponds to 100% of the reportable income within the meaning of the UK reporting fund rules when the unit classes are subject to these reporting fund rules. The Management Company does not intend to make taxable values for these unit classes available in other countries, as they are intended for investors whose investment in the unit class is liable to tax in the UK.

“2%”, “4%”, “6%”, “8%”

Units in classes with “2%” / “4%” / “6%” / “8%” in their name may make monthly (-mdist), quarterly (-qdist) or annual (-dist) distributions at the respective aforementioned annual percentage rates, gross of fees and expenses. The distribution amount is calculated based on the net asset value of the respective unit class at the end of the month (in the case of monthly distributions), financial quarter (in the case of quarterly distributions) or financial year (in the case of annual distributions). These unit classes are suitable for investors who wish for more stable distributions, unrelated to the past or expected returns or income of the respective subfund.

Distributions may thus also be made from the capital. Distributions out of capital result in the reduction of an investor’s original capital invested in the subfund. Furthermore, any distributions from the income and/or involving the capital result in an immediate reduction of the net asset value per unit of the subfund. Investors in certain countries may be subject to higher tax rates on distributed capital than on any capital gains from the sale of fund units. Some investors may therefore choose to invest in the accumulating (-acc) instead of the distributing (-dist, -qdist, -mdist) unit classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) unit classes compared with

distributing (-dist, -qdist, -mdist) unit classes. Investors should consult qualified experts for tax advice regarding their individual situation.

The Fund is subject to no restrictions with regard to the size of its net assets, the number of units, number of subfunds and duration.

“seeding”

Units with “seeding” in their name are only offered during a limited time period. Further subscriptions are prohibited after the end of this period, unless otherwise decided by the Management Company. However, units can still be redeemed in accordance with the conditions for unit redemptions. Unless otherwise decided by the Management Company, the smallest tradable unit, the initial issue price and the minimum subscription amount shall correspond to the characteristics of the unit classes listed above.

The Fund is a single and undividable legal entity. With respect to the unitholders, each subfund is regarded as being separate from the others. The assets of a subfund can, however, only be used to offset the liabilities which the subfund concerned has assumed.

The acquisition of Fund units implies acceptance of the Management Regulations by the unitholder.

There is no provision in the Management Regulations for a meeting of the unitholders.

The financial year of the Fund ends on the last day of February.

Information on whether a subfund of UBS (Lux) Medium Term Bond Fund is listed on the Luxembourg Stock Exchange can be obtained from the Administrative Agent or the Luxembourg Stock Exchange website (www.bourse.lu).

The issue and redemption of units of UBS (Lux) Medium Term Bond Fund are subject to the regulations prevailing in the country concerned.

Only the information contained in the sales prospectus and in one of the documents referred to therein shall be deemed to be valid.

The annual and semi-annual reports are available free of charge to unitholders at the registered office of the Management Company and the Depositary.

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current prospectus accompanied by the latest annual report and the latest semi-annual report if available.

The figures stated in this report are historical and not necessarily indicative of future performance.

Independent auditor's report

To the Unitholders of

UBS (Lux) Medium Term Bond Fund

33A, avenue J.F. Kennedy,
L-1855 Luxembourg

Opinion

We have audited the financial statements of UBS (Lux) Medium Term Bond Fund (the "Fund") and of each of its subfunds, which comprise the statement of net assets and the statement of investments in securities and other net assets as at 28 February 2019, and the statement of operations and the statement of changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its subfunds as at 28 February 2019, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under those Law and standards are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund and those charged with governance for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund 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 Board of Directors of the Fund is responsible for assessing the Fund'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 Board of Directors of the Fund either intends to liquidate the Fund or its respective subfunds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” 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 a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.

- Conclude on the appropriateness of Board of Directors of the Fund use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund or its respective subfunds’ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d’entreprises agréé” to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d’entreprises agréé”. However, future events or conditions may cause the Fund and each of its subfunds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Luxembourg, 17 June 2019

ERNST & YOUNG
Société Anonyme
Cabinet de révision agréé

N. Faber

UBS (Lux) Medium Term Bond Fund

Consolidated Statement of Net Assets

	EUR
Assets	28.2.2019
Investments in securities, cost	629 872 007.09
Investments in securities, unrealized appreciation (depreciation)	-5 517 474.83
Total investments in securities (Note 1)	624 354 532.26
Cash at banks, deposits on demand and deposit accounts	10 845 340.19
Other liquid assets (Margins)	32 654.61
Receivable on securities sales (Note 1)	911 110.32
Receivable on subscriptions	208 271.77
Interest receivable on securities	4 576 794.77
Unrealized gain (loss) on financial futures (Note 1)	-23 692.22
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	62 143.08
Total Assets	640 967 154.78
Liabilities	
Other short-term liabilities (Margins)	-4 810.00
Payable on securities purchases (Note 1)	-5 669 263.52
Payable on redemptions	-1 343 961.56
Provisions for flat fee (Note 2)	-155 640.49
Provisions for taxe d'abonnement (Note 3)	-40 744.71
Provisions for other commissions and fees (Note 2)	-56 992.28
Total provisions	-253 377.48
Total Liabilities	-7 271 412.56
Net assets at the end of the financial year	633 695 742.22

Consolidated Statement of Operations

EUR

Income	1.3.2018-28.2.2019
Interest on liquid assets	44 889.74
Interest on securities	13 042 950.83
Income on securities lending (Note 11)	224 641.36
Other income (Note 4)	225 399.88
Total income	13 537 881.81
Expenses	
Interest paid on swaps (Note 1)	-105 474.04
Cost on securities lending (Note 11)	-89 856.53
Flat fee (Note 2)	-4 855 352.01
Taxe d'abonnement (Note 3)	-271 287.62
Other commissions and fees (Note 2)	-312 753.29
Interest on cash and bank overdraft	-35 939.76
Total expenses	-5 670 663.25
Net income (loss) on investments	7 867 218.56
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-10 092 662.43
Realized gain (loss) on yield-evaluated securities and money market instruments	-117 555.98
Realized gain (loss) on financial futures	-298 748.46
Realized gain (loss) on forward foreign exchange contracts	-1 591 942.69
Realized gain (loss) on swaps	-65 180.79
Realized gain (loss) on foreign exchange	-449 864.28
Total realized gain (loss)	-12 615 954.63
Net realized gain (loss) of the financial year	-4 748 736.07
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	4 905 421.55
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	15 631.42
Unrealized appreciation (depreciation) on financial futures	-29 608.21
Unrealized appreciation (depreciation) on forward foreign exchange contracts	1 226 549.27
Unrealized appreciation (depreciation) on swaps	-45 258.88
Total changes in unrealized appreciation (depreciation)	6 072 735.15
Net increase (decrease) in net assets as a result of operations	1 323 999.08

UBS (Lux) Medium Term Bond Fund – AUD

Three-year comparison

	ISIN	28.2.2019	28.2.2018	28.2.2017
Net assets in AUD		74 914 154.88	82 650 081.76	88 576 999.28
Class F-acc	LU0442355367			
Units outstanding		3 810.0000	4 522.0000	4 972.0000
Net asset value per unit in AUD		288.99	280.24	273.19
Issue and redemption price per unit in AUD ¹		288.99	280.24	273.19
Class P-acc	LU0074904532			
Units outstanding		247 689.3900	281 390.5500	308 982.9710
Net asset value per unit in AUD		279.20	272.39	267.16
Issue and redemption price per unit in AUD ¹		279.20	272.39	267.16
Class Q-acc	LU0442355524			
Units outstanding		42 986.4160	44 959.2050	45 393.4700
Net asset value per unit in AUD		108.36	105.30	102.86
Issue and redemption price per unit in AUD ¹		108.36	105.30	102.86

¹ See note 1

Performance

	Currency	2018/2019	2017/2018	2016/2017
Class F-acc	AUD	3.1%	2.6%	2.3%
Class P-acc	AUD	2.5%	2.0%	1.6%
Class Q-acc	AUD	2.9%	2.4%	2.1%

Historical performance is no indicator of current or future performance.
 The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.
 The performance data were not audited.
 The subfund has no benchmark.

Report of the Portfolio Manager

Over the financial year from 1 March 2018 to 28 February 2019, the Reserve Bank of Australia maintained policy rates at 1.50%. Australian three-year government bond yields traded within a range for much of the financial year, tracking mostly between 2.00% and 2.30%. Over Q4 2018 and into Q1 2019, Australian government bonds trended alongside other major developed government bond markets, seeing Australian three-year government bond yields fall to a low of 1.59%, before retracing to close the financial year at 1.63%.

Over the financial year from 1 March 2018 to 28 February 2019, the subfund posted a positive return. Active duration positions were entered into selectively given the range-bound nature of Australian rates through the financial year. Active yield curve strategies were also used through the period. The subfund held a modest preferred position within defensive Australian credit exposures.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Australia	72.77
United States	7.94
Germany	5.96
Supranationals	4.46
Canada	3.39
Norway	1.22
Philippines	0.94
Japan	0.68
United Kingdom	0.67
Total	98.03

Economic Breakdown as a % of net assets

Banks & credit institutions	25.86
Finance & holding companies	13.70
Public, non-profit institutions	12.28
Countries & central governments	10.94
Cantons, federal states	10.94
Supranational organisations	5.40
Traffic & transportation	3.00
Telecommunications	2.71
Miscellaneous unclassified companies	2.09
Aerospace industry	2.06
Mortgage & funding institutions	2.01
Computer hardware & network equipment providers	1.63
Energy & water supply	1.61
Healthcare & social services	1.40
Lodging, catering & leisure	1.06
Food & soft drinks	0.67
Insurance	0.67
Total	98.03

Statement of Net Assets

	AUD
	28.2.2019
Assets	
Investments in securities, cost	73 341 778.71
Investments in securities, unrealized appreciation (depreciation)	94 168.29
Total investments in securities (Note 1)	73 435 947.00
Cash at banks, deposits on demand and deposit accounts	1 729 615.63
Other liquid assets (Margins)	45 389.18
Receivable on subscriptions	157.39
Interest receivable on securities	634 966.01
Unrealized gain (loss) on financial futures (Note 1)	-40 497.53
Total Assets	75 805 577.68
Liabilities	
Payable on securities purchases (Note 1)	-798 984.00
Payable on redemptions	-55 673.78
Provisions for flat fee (Note 2)	-23 648.59
Provisions for taxe d'abonnement (Note 3)	-6 066.63
Provisions for other commissions and fees (Note 2)	-7 049.80
Total provisions	-36 765.02
Total Liabilities	-891 422.80
Net assets at the end of the financial year	74 914 154.88

Statement of Operations

	AUD
	1.3.2018-28.2.2019
Income	
Interest on liquid assets	20 293.10
Interest on securities	2 844 138.15
Income on securities lending (Note 11)	7 994.75
Other income (Note 4)	6 264.42
Total income	2 878 690.42
Expenses	
Cost on securities lending (Note 11)	-3 197.90
Flat fee (Note 2)	-687 971.30
Taxe d'abonnement (Note 3)	-38 495.33
Other commissions and fees (Note 2)	-33 056.25
Interest on cash and bank overdraft	-5 312.34
Total expenses	-768 033.12
Net income (loss) on investments	2 110 657.30
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-604 902.65
Realized gain (loss) on yield-evaluated securities and money market instruments	-35 089.00
Realized gain (loss) on financial futures	34 279.60
Realized gain (loss) on foreign exchange	-195.41
Total realized gain (loss)	-605 907.46
Net realized gain (loss) of the financial year	1 504 749.84
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	500 258.80
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	19 217.00
Unrealized appreciation (depreciation) on financial futures	-46 459.71
Total changes in unrealized appreciation (depreciation)	473 016.09
Net increase (decrease) in net assets as a result of operations	1 977 765.93

Statement of Changes in Net Assets

	AUD
	1.3.2018-28.2.2019
Net assets at the beginning of the financial year	82 650 081.76
Subscriptions	9 306 773.93
Redemptions	-19 020 466.74
Total net subscriptions (redemptions)	-9 713 692.81
Net income (loss) on investments	2 110 657.30
Total realized gain (loss)	-605 907.46
Total changes in unrealized appreciation (depreciation)	473 016.09
Net increase (decrease) in net assets as a result of operations	1 977 765.93
Net assets at the end of the financial year	74 914 154.88

Development of the outstanding units

	1.3.2018-28.2.2019
Class	F-acc
Number of units outstanding at the beginning of the financial year	4 522.0000
Number of units issued	288.0000
Number of units redeemed	-1 000.0000
Number of units outstanding at the end of the financial year	3 810.0000
Class	P-acc
Number of units outstanding at the beginning of the financial year	281 390.5500
Number of units issued	31 494.3330
Number of units redeemed	-65 195.4930
Number of units outstanding at the end of the financial year	247 689.3900
Class	Q-acc
Number of units outstanding at the beginning of the financial year	44 959.2050
Number of units issued	5 365.8640
Number of units redeemed	-7 338.6530
Number of units outstanding at the end of the financial year	42 986.4160

Statement of Investments in Securities and other Net Assets as of 28 February 2019

Description	Quantity/ Nominal	Valuation in AUD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Transferable securities and money market instruments listed on an official stock exchange			
Notes, fixed rate			
AUD			
AUD ASIAN DEVELOPMENT BANK 2.45000% 19-17.01.24	700 000.00	705 523.00	0.94
AUD AT&T INC 3.45000% 18-19.09.23	1 000 000.00	1 007 940.00	1.35
AUD AUSTRALIA & NEW ZEALAND BANKING GROUP 3.75000% 14-11.11.19	1 100 000.00	1 110 945.00	1.48
AUD INTL BANK FOR RECONSTRUCTION & DEVT 5.75000% 10-01.10.20	700 000.00	740 446.00	0.99
AUD NATIONAL AUSTRALIA BANK LTD-REG-S 2.90000% 19-26.02.24	500 000.00	501 090.00	0.67
AUD NEW SOUTH WALES TREASURY CORP 6.00000% 11-01.03.22	900 000.00	1 008 477.00	1.35
AUD NEW SOUTH WALES TREASURY CORP 4.00000% 13-20.04.23	700 000.00	757 323.00	1.01
AUD NEW SOUTH WALES TREASURY CORP 4.00000% 13-08.04.21	900 000.00	939 654.00	1.25
AUD QUEENSLAND TREASURY CORP 5.50000% 11-21.06.21	2 800 000.00	3 025 288.00	4.04
Total AUD		9 796 686.00	13.08
Total Notes, fixed rate		9 796 686.00	13.08
Medium term notes, fixed rate			
AUD			
AUD APPLE INC-REG-S 2.65000% 16-10.06.20	700 000.00	702 716.00	0.94
AUD APPLE INC-REG-S 3.70000% 15-28.08.22	500 000.00	520 505.00	0.69
AUD BARCLAYS BANK PLC 4.50000% 14-04.04.19	500 000.00	501 005.00	0.67
AUD BHP BILLITON FINANCE LTD-REG-S 3.00000% 15-30.03.20	500 000.00	503 130.00	0.67
AUD COCA-COLA CO/THE-REG-S 2.60000% 15-09.06.20	500 000.00	501 295.00	0.67
AUD CROWN GROUP FINANCE LTD-REG-S 4.50000% 14-18.11.19	500 000.00	506 425.00	0.68
AUD GENERAL MOTORS FINANCIAL CO INC 3.85000% 19-21.02.23	500 000.00	499 285.00	0.67
AUD INTER-AMERICAN DEVELOPMENT BANK 3.75000% 12-25.07.22	800 000.00	842 072.00	1.12
AUD INTER-AMERICAN DEVELOPMENT BANK 4.00000% 13-22.05.23	500 000.00	536 075.00	0.72
AUD INTERNATIONAL FINANCE CORP-REG-S 2.70000% 15-05.02.21	500 000.00	506 090.00	0.68
AUD INTL BK FOR RECONSTR & DEVT WORLD BANK 2.80000% 17-12.01.22	700 000.00	714 007.00	0.95
AUD JOHN DEERE FINANCIAL LTD-REG-S 3.25000% 17-15.07.22	500 000.00	508 855.00	0.68
AUD KOMMUNALBANKEN AS 2.70000% 18-05.09.23	900 000.00	916 425.00	1.22
AUD KREDITANSTALT FUER WIEDERAUFBAU 6.00000% 10-20.08.20	1 200 000.00	1 268 580.00	1.69
AUD KREDITANSTALT FUER WIEDERAUFBAU-REG-S 2.80000% 16-17.02.21	1 300 000.00	1 318 070.00	1.76
AUD KREDITANSTALT FUER WIEDERAUFBAU-REG-S 2.90000% 17-06.06.22	500 000.00	511 860.00	0.68
AUD LANDWIRTSCHAFTLICHE RENTENBANK 4.25000% 13-24.01.23	700 000.00	754 138.00	1.01
AUD LLOYDS BANKING GROUP 3.65000% 17-20.03.23	500 000.00	502 560.00	0.67
AUD MACQUARIE GROUP LTD 3.25000% 17-15.12.22	800 000.00	803 400.00	1.07
AUD OPTUS FINANCE PTY LTD 3.25000% 17-23.08.22	500 000.00	510 655.00	0.68
AUD PERTH AIRPORT PTY LTD 6.00000% 13-23.07.20	500 000.00	523 360.00	0.70
AUD TOYOTA MOTOR CREDIT CORP-REG-S 2.75000% 16-26.07.21	900 000.00	907 002.00	1.21
AUD TREASURY CORP OF VICTORIA 2.25000% 18-29.10.21	1 100 000.00	1 109 757.00	1.48
AUD UBS AG AUSTRALIA-REG-S 2.70000% 17-10.08.20	1 500 000.00	1 503 645.00	2.01
AUD VERIZON COMMUNICATIONS INC 3.50000% 17-17.02.23	500 000.00	509 590.00	0.68
AUD WESTPAC BANKING CORP 3.25000% 18-16.11.23	500 000.00	509 520.00	0.68
Total AUD		18 490 022.00	24.68
Total Medium term notes, fixed rate		18 490 022.00	24.68
Medium term notes, floating rate			
AUD			
AUD NATIONAL AUSTRALIA BANK LTD 3M BBSW+82BP 14-27.11.19	1 500 000.00	1 504 515.00	2.01
Total AUD		1 504 515.00	2.01
Total Medium term notes, floating rate		1 504 515.00	2.01
Bonds, fixed rate			
AUD			
AUD AUSTRALIA 1.75000% 15-21.11.20	2 700 000.00	2 701 755.00	3.61
AUD AUSTRALIA 4.50000% 09-15.04.20	3 600 000.00	3 710 304.00	4.95
AUD NATIONAL AUSTRALIA BANK LTD 4.25000% 14-20.05.19	1 500 000.00	1 506 690.00	2.01
AUD QUEENSLAND TREASURY CORP 6.25000% 10-21.02.20	1 000 000.00	1 041 960.00	1.39
AUD QUEENSLAND TREASURY CORP 6.00000% 11-21.07.22	1 500 000.00	1 698 375.00	2.27
AUD QUEENSLAND TREASURY CORP-REG-S 4.25000% 12-21.07.23	1 300 000.00	1 420 185.00	1.90
AUD SUMITOMO MITSUI FIN GP INC 3.66200% 17-29.03.22	500 000.00	509 495.00	0.68
AUD TREASURY CORP OF VICTORIA 6.00000% 03-17.10.22	1 600 000.00	1 828 592.00	2.44
AUD WESTERN AUSTRALIAN TREASURY CORP 2.75000% 16-20.10.22	1 900 000.00	1 949 115.00	2.60
Total AUD		16 366 471.00	21.85
Total Bonds, fixed rate		16 366 471.00	21.85
Bonds, floating rate			
AUD			
AUD AUSTRALIA-REG-S 0.750%/CPI LINKED 17-21.11.27	1 700 000.00	1 783 589.00	2.38
Total AUD		1 783 589.00	2.38
Total Bonds, floating rate		1 783 589.00	2.38
Total Transferable securities and money market instruments listed on an official stock exchange		47 941 283.00	64.00

Description	Quantity/ Nominal	Valuation in AUD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments traded on another regulated market

Notes, fixed rate

AUD				
AUD	TASMANIAN PUBLIC FINANCE CORP 4.25000% 13-08.03.22	1 200 000.00	1 279 056.00	1.71
Total AUD			1 279 056.00	1.71
Total Notes, fixed rate			1 279 056.00	1.71

Medium term notes, fixed rate

AUD				
AUD	AIRSERVICES AUSTRALIA 4.75000% 13-19.11.20	1 000 000.00	1 041 320.00	1.39
AUD	AUSTRALIA & NEW ZEALAND BANKING 3.25000% 16-07.04.21	500 000.00	508 465.00	0.68
AUD	AUSTRALIA PACIFIC AIRPORTS MELB-STEP-DOWN 5.0000% 13-04.06.20	700 000.00	722 568.00	0.96
AUD	AUSTRALIAN POSTAL CORP 5.00000% 13-13.11.20	500 000.00	521 320.00	0.70
AUD	BRISBANE AIRPORT CORP LTD 8.00000% 11-09.07.19	1 000 000.00	1 019 240.00	1.36
AUD	COMMONWEALTH BANK OF AUSTRALIA-REG-S 2.90000% 16-12.07.21	1 300 000.00	1 312 909.00	1.75
AUD	EXPORT DEVELOPMENT CANADA 2.40000% 16-07.06.21	900 000.00	906 453.00	1.21
AUD	EXPORT DEVELOPMENT CANADA 2.70000% 17-24.10.22	1 100 000.00	1 120 537.00	1.50
AUD	LGFV PROGRAM TRUST-REG-S 3.89000% 14-12.11.19	1 500 000.00	1 509 645.00	2.01
AUD	METROPOLITAN LIFE GLOBAL FUNDING-REG-S 4.50000% 14-16.04.19	500 000.00	501 275.00	0.67
AUD	QPH FINANCE CO PTY LTD 5.75000% 13-29.07.20	500 000.00	522 425.00	0.70
AUD	UNIVERSITY OF MELBOURNE 4.25000% 14-30.06.21	500 000.00	522 325.00	0.70
AUD	UNIVERSITY OF SYDNEY 4.75000% 14-16.04.21	500 000.00	525 505.00	0.70
Total AUD			10 733 987.00	14.33
Total Medium term notes, fixed rate			10 733 987.00	14.33

Medium term notes, floating rate

AUD				
AUD	DBNGP FINANCE CO 6.000%/RATING LINKED 12-11.10.19	1 200 000.00	1 204 236.00	1.61
Total AUD			1 204 236.00	1.61
Total Medium term notes, floating rate			1 204 236.00	1.61

Bonds, fixed rate

AUD				
AUD	COMMONWEALTH BANK OF AUSTRALIA 2.75000% 16-17.11.21	1 000 000.00	1 009 820.00	1.35
AUD	EXPORT DEVELOPMENT CANADA 2.80000% 18-31.05.23	500 000.00	511 925.00	0.68
AUD	SUNCORP-METWAY LTD-REG-S 3.75000% 14-05.11.19	500 000.00	504 230.00	0.67
AUD	WESTERN AUSTRALIAN TREASURY CORP 7.000000% 02-15.07.21	1 500 000.00	1 675 725.00	2.24
AUD	WESTERN AUSTRALIAN TREASURY CORP 6.00000% 05-16.10.23	800 000.00	938 928.00	1.25
AUD	WESTPAC BANKING CORP 2.75000% 17-31.08.22	1 100 000.00	1 110 549.00	1.48
Total AUD			5 751 177.00	7.67
Total Bonds, fixed rate			5 751 177.00	7.67

Total Transferable securities and money market instruments traded on another regulated market

18 968 456.00 **25.32**

Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market

Medium term notes, fixed rate

AUD				
AUD	AUSTRALIAN RAIL TRACK CORP LTD-REG-S 3.75000% 14-05.12.19	1 000 000.00	1 006 200.00	1.34
AUD	ING BANK AUSTRALIA LTD-REG-S 3.00000% 18-07.09.23	500 000.00	506 805.00	0.68
AUD	LANDESKREDITBANK B-WUERTT FOERDERBANK 2.70000% 17-19.06.23	600 000.00	609 708.00	0.81
AUD	MCDONALD'S CORP 3.00000% 19-08.03.24	800 000.00	797 536.00	1.07
Total AUD			2 920 249.00	3.90
Total Medium term notes, fixed rate			2 920 249.00	3.90

Medium term notes, floating rate

AUD				
AUD	AMP BANK LTD 3M BBSW+70BP 18-09.04.20	2 000 000.00	1 995 620.00	2.66
Total AUD			1 995 620.00	2.66
Total Medium term notes, floating rate			1 995 620.00	2.66

Bonds, fixed rate

AUD				
AUD	HSBC BANK AUSTRALIA-REG-S 2.75000% 18-16.08.21	900 000.00	903 024.00	1.21
AUD	SUNCORP-METWAY LTD 3.00000% 18-13.09.23	700 000.00	707 315.00	0.94
Total AUD			1 610 339.00	2.15
Total Bonds, fixed rate			1 610 339.00	2.15

Total Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market

6 526 208.00 **8.71**

Total investments in securities

73 435 947.00 **98.03**

Description	Quantity/ Nominal	Valuation in AUD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on bonds

AUD	AUSTRALIAN 10YR BOND FUTURE 15.03.19	-14.00	-46 431.14	-0.06
AUD	AUSTRALIAN 3YR BOND FUTURE 15.03.19	24.00	5 933.61	0.01
Total Financial Futures on bonds			-40 497.53	-0.05
Total Derivative instruments listed on an official stock exchange			-40 497.53	-0.05
Total Derivative instruments			-40 497.53	-0.05
Cash at banks, deposits on demand and deposit accounts and other liquid assets			1 775 004.81	2.37
Other assets and liabilities			-256 299.40	-0.35
Total net assets			74 914 154.88	100.00

UBS (Lux) Medium Term Bond Fund – CHF

Three-year comparison

	ISIN	28.2.2019	28.2.2018	28.2.2017
Net assets in CHF		206 911 568.63	249 644 453.94	310 413 974.81
Class F-acc	LU0441495677			
Units outstanding		135 713.0900	132 475.0960	119 304.5570
Net asset value per unit in CHF		154.21	154.11	154.77
Issue and redemption price per unit in CHF ¹		154.21	154.11	154.77
Class I-A1-acc	LU0441487732			
Units outstanding		118 625.8310	202 534.0000	75 144.0000
Net asset value per unit in CHF		101.37	101.53	102.18
Issue and redemption price per unit in CHF ¹		101.37	101.53	102.18
Class P-acc	LU0057954868			
Units outstanding		658 043.5870	776 480.3040	1 079 353.6860
Net asset value per unit in CHF		148.23	149.17	150.86
Issue and redemption price per unit in CHF ¹		148.23	149.17	150.86
Class P-dist	LU0057954785			
Units outstanding		705 806.8160	868 484.8690	1 116 042.9650
Net asset value per unit in CHF		97.82	99.04	100.93
Issue and redemption price per unit in CHF ¹		97.82	99.04	100.93
Class Q-acc	LU0441495834			
Units outstanding		44 096.2460	30 550.7070	45 252.0960
Net asset value per unit in CHF		100.02	100.26	100.99
Issue and redemption price per unit in CHF ¹		100.02	100.26	100.99
Class Q-dist	LU0441495917			
Units outstanding		30 385.3050	38 144.2640	42 151.8270
Net asset value per unit in CHF		97.39	98.61	100.49
Issue and redemption price per unit in CHF ¹		97.39	98.61	100.49

¹ See note 1

Performance

	Currency	2018/2019	2017/2018	2016/2017
Class F-acc	CHF	0.1%	-0.4%	0.9%
Class I-A1-acc	CHF	-0.2%	-0.6%	0.7%
Class P-acc	CHF	-0.6%	-1.1%	0.2%
Class P-dist	CHF	-0.6%	-1.1%	0.2%
Class Q-acc	CHF	-0.2%	-0.7%	0.6%
Class Q-dist	CHF	-0.2%	-0.7%	0.6%

Historical performance is no indicator of current or future performance.
The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.
The performance data were not audited.
The subfund has no benchmark.

Report of the Portfolio Manager

Swiss capital markets fell in the financial year from 1 March 2018 to 28 February 2019, almost continuously across all maturity ranges. 5-year swap rates continued to fall by around 24 bp, closing at -36 bp, with credit risk premiums widening as a result of the global slow-down and trade turmoil, particularly in the second half of 2018. The Swiss National Bank continued its expansionary monetary policy. It held its target range for the 3-month Libor at 0.25% to -1.25% and raised banks' demand deposits to -0.75%.

The subfund posted a negative return due to higher credit risk premiums and the general negative interest environment, which was somewhat mitigated by lower risk-free rates. Duration was mostly neutral for an average of 3.1 years and curve positioning favored relative performance. Security selection also generated added value for the subfund.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

France	10.97
United States	10.50
Luxembourg	9.54
United Kingdom	6.45
Australia	5.47
Suprationals	5.40
Canada	5.30
South Korea	5.23
The Netherlands	4.88
Austria	3.81
Germany	3.06
Poland	2.65
New Zealand	2.28
Guernsey	2.21
Switzerland	2.20
Finland	2.15
Chile	1.95
Mexico	1.91
United Arab Emirates	1.87
Norway	1.79
Spain	1.70
Kazakhstan	1.33
Cayman Islands	1.18
Argentina	1.08
Ireland	0.91
Russian Federation (CIS)	0.76
Brazil	0.58
Sweden	0.51
Bermuda	0.49
Honduras	0.48
Bolivia	0.43
Total	99.07

Economic Breakdown as a % of net assets

Banks & credit institutions	49.11
Finance & holding companies	19.33
Supranational organisations	7.10
Petroleum	4.21
Traffic & transportation	3.52
Food & soft drinks	2.30
Public, non-profit institutions	2.27
Tobacco & alcohol	1.95
Cantons, federal states	1.78
Countries & central governments	1.54
Mortgage & funding institutions	1.39
Telecommunications	1.10
Real Estate	0.93
Electrical devices & components	0.92
Mechanical engineering & industrial equipment	0.71
Biotechnology	0.59
Mining, coal & steel	0.32
Total	99.07

Statement of Net Assets

	CHF
Assets	28.2.2019
Investments in securities, cost	206 278 731.88
Investments in securities, unrealized appreciation (depreciation)	-1 290 113.84
Total investments in securities (Note 1)	204 988 618.04
Cash at banks, deposits on demand and deposit accounts	6 799 314.08
Receivable on securities sales (Note 1)	1 033 538.89
Receivable on subscriptions	126 901.73
Interest receivable on securities	1 013 299.81
Total Assets	213 961 672.55
Liabilities	
Payable on securities purchases (Note 1)	-5 832 255.00
Payable on redemptions	-1 121 606.61
Provisions for flat fee (Note 2)	-59 067.31
Provisions for taxe d'abonnement (Note 3)	-14 795.03
Provisions for other commissions and fees (Note 2)	-22 379.97
Total provisions	-96 242.31
Total Liabilities	-7 050 103.92
Net assets at the end of the financial year	206 911 568.63

Statement of Operations

	CHF
Income	1.3.2018-28.2.2019
Interest on securities	3 083 034.96
Income on securities lending (Note 11)	17 313.22
Other income (Note 4)	90 248.85
Total income	3 190 597.03
Expenses	
Interest paid on swaps (Note 1)	-119 646.90
Cost on securities lending (Note 11)	-6 925.29
Flat fee (Note 2)	-1 844 945.32
Taxe d'abonnement (Note 3)	-99 706.96
Other commissions and fees (Note 2)	-100 382.11
Interest on cash and bank overdraft	-22 239.00
Total expenses	-2 193 845.58
Net income (loss) on investments	996 751.45
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-4 110 321.19
Realized gain (loss) on yield-evaluated securities and money market instruments	-16 414.49
Realized gain (loss) on swaps	-73 939.33
Realized gain (loss) on foreign exchange	812.07
Total realized gain (loss)	-4 199 862.94
Net realized gain (loss) of the financial year	-3 203 111.49
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	1 792 126.33
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	12 369.08
Unrealized appreciation (depreciation) on swaps	-51 340.45
Total changes in unrealized appreciation (depreciation)	1 753 154.96
Net increase (decrease) in net assets as a result of operations	-1 449 956.53

Statement of Changes in Net Assets

	CHF
	1.3.2018-28.2.2019
Net assets at the beginning of the financial year	249 644 453.94
Subscriptions	43 281 574.37
Redemptions	-84 030 861.93
Total net subscriptions (redemptions)	-40 749 287.56
Dividend paid	-533 641.22
Net income (loss) on investments	996 751.45
Total realized gain (loss)	-4 199 862.94
Total changes in unrealized appreciation (depreciation)	1 753 154.96
Net increase (decrease) in net assets as a result of operations	-1 449 956.53
Net assets at the end of the financial year	206 911 568.63

Development of the outstanding units

	1.3.2018-28.2.2019
Class	F-acc
Number of units outstanding at the beginning of the financial year	132 475.0960
Number of units issued	131 798.8790
Number of units redeemed	-128 560.8850
Number of units outstanding at the end of the financial year	135 713.0900
Class	I-A1-acc
Number of units outstanding at the beginning of the financial year	202 534.0000
Number of units issued	37 978.4250
Number of units redeemed	-121 886.5940
Number of units outstanding at the end of the financial year	118 625.8310
Class	P-acc
Number of units outstanding at the beginning of the financial year	776 480.3040
Number of units issued	97 457.3250
Number of units redeemed	-215 894.0420
Number of units outstanding at the end of the financial year	658 043.5870
Class	P-dist
Number of units outstanding at the beginning of the financial year	868 484.8690
Number of units issued	22 307.9460
Number of units redeemed	-184 985.9990
Number of units outstanding at the end of the financial year	705 806.8160
Class	Q-acc
Number of units outstanding at the beginning of the financial year	30 550.7070
Number of units issued	22 162.3520
Number of units redeemed	-8 616.8130
Number of units outstanding at the end of the financial year	44 096.2460
Class	Q-dist
Number of units outstanding at the beginning of the financial year	38 144.2640
Number of units issued	3 177.0730
Number of units redeemed	-10 936.0320
Number of units outstanding at the end of the financial year	30 385.3050

Distribution¹

UBS (Lux) Medium Term Bond Fund – CHF	Ex-Date	Pay-Date	Currency	Amount per unit
P-dist	2.5.2018	7.5.2018	CHF	0.59
Q-dist	2.5.2018	7.5.2018	CHF	0.99

¹ See note 6

Statement of Investments in Securities and other Net Assets as of 28 February 2019

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Transferable securities and money market instruments listed on an official stock exchange			
Notes, fixed rate			
CHF			
CHF BHARTI AIRTEL INTL NETHERLANDS BV 3.00000% 14-31.03.20	850 000.00	867 085.00	0.42
CHF CAISSE DE REFINANCEMENT DE L'HABITAT 1.37500% 13-15.03.23	1 415 000.00	1 510 512.50	0.73
CHF KAZAKHSTAN TEMIR ZHOLY JSC 2.59000% 14-20.06.19	785 000.00	790 495.00	0.38
CHF KAZAKHSTAN TEMIR ZHOLY JSC 3.63800% 14-20.06.22	1 000 000.00	1 038 500.00	0.50
CHF PHILIP MORRIS INTERNATIONAL INC 2.00000% 11-06.12.21	1 500 000.00	1 582 500.00	0.76
CHF RAIFFEISEN BANK INTERNATIONAL AG-SUB 4.75000% 12-24.10.22	85 000.00	94 435.00	0.05
Total CHF		5 883 527.50	2.84

Total Notes, fixed rate

5 883 527.50 2.84

Medium term notes, fixed rate

CHF			
CHF ACHMEA BANK NV 0.50000% 17-27.10.23	500 000.00	502 750.00	0.24
CHF ACHMEA BANK NV-REG-S 0.50000% 18-15.11.22	900 000.00	907 200.00	0.44
CHF ADCB FINANCE CAYMAN LTD-REG-S 0.37500% 18-23.01.23	1 500 000.00	1 493 999.99	0.72
CHF ADCB FINANCE CAYMAN LTD 0.72500% 18-15.02.24	200 000.00	200 775.00	0.10
CHF AMP GROUP FINANCE SERVICES LTD-REG-S 0.75000% 18-19.12.22	400 000.00	406 400.00	0.20
CHF ANZ NEW ZEALAND INT'L LTD/LDN 0.25000% 16-25.10.23	650 000.00	655 525.00	0.32
CHF ARCELORMITTAL-REG-S 2.50000% 15-03.07.20	650 000.00	667 420.00	0.32
CHF AROUNDTOWN SA-REG-S 1.72000% 19-05.03.26	550 000.00	554 526.50	0.27
CHF ASB FINANCE LTD/LONDON-REG-S 0.45000% 19-30.01.25	750 000.00	756 000.00	0.37
CHF BANCO DEL ESTADO DE CHILE-REG-S 0.69250% 18-04.12.24	350 000.00	356 300.00	0.17
CHF BANCO DO BRASIL CAYMAN 2.50000% 13-20.06.19	1 200 000.00	1 207 200.00	0.58
CHF BANCO SANTANDER CHILE-REG-S 0.44100% 18-21.12.23	950 000.00	957 410.00	0.46
CHF BANCO SANTANDER SA-REG-S 1.00000% 18-10.12.24	600 000.00	610 500.00	0.30
CHF BANK OF MONTREAL-REG-S 0.05000% 18-30.12.22	1 600 000.00	1 612 800.00	0.78
CHF BANK OF NOVA SCOTIA/THE 0.30000% 15-16.09.22	1 750 000.00	1 775 375.00	0.86
CHF BANQUE FEDERATIVE DU CREDIT MUTUEL 1.12500% 14-22.05.20	1 400 000.00	1 425 200.00	0.69
CHF BANQUE FEDERATIVE DU CREDIT MUTUEL 0.40000% 19-12.02.24	1 050 000.00	1 057 875.00	0.51
CHF BARCLAY'S PLC-REG-S 1.12500% 18-12.07.23	600 000.00	602 400.00	0.29
CHF BAT INTERNATIONAL FINANCE PLC-REG-S 0.62500% 14-08.09.21	1 500 000.00	1 518 750.00	0.73
CHF BMW INTERNATIONAL INVESTMENT BV-REG-S 0.30000% 19-05.09.24	300 000.00	300 780.00	0.15
CHF BNP PARIBAS 1.87500% 12-12.09.22	700 000.00	745 850.00	0.36
CHF BNZ INTERNATIONAL FUND LTD/LONDON 1.37500% 14-03.02.21	3 000 000.00	3 091 500.00	1.49
CHF BP CAPITAL MARKETS PLC-REG-S 0.75000% 14-27.09.21	2 000 000.00	2 050 000.00	0.99
CHF BPCE SA 1.50000% 14-30.04.21	1 050 000.00	1 091 475.00	0.53
CHF BPCE SA-REG-S 0.50000% 19-08.11.23	400 000.00	406 800.00	0.20
CHF CAISSE D'AMORTIS DE LA DETTE SOCIALE 2.37500% 11-19.04.23	1 000 000.00	1 112 000.00	0.54
CHF CAISSE DE REFINANCEMENT DE L'HABITAT 2.50000% 11-29.03.21	2 000 000.00	2 125 000.00	1.03
CHF CANADIAN IMPERIAL BANK-REG-S 0.15000% 18-31.07.23	1 100 000.00	1 108 250.00	0.54
CHF CANADIAN IMPERIAL BK OF COM-REG-S 0.60000% 19-30.01.25	300 000.00	303 000.00	0.15
CHF CBQ FINANCE LTD-REG-S 0.69700% 18-22.03.21	1 000 000.00	1 005 000.00	0.49
CHF CENTRAL AMERICAN BANK ECO INTEGRAT 1.87500% 14-25.02.22	1 300 000.00	1 374 750.00	0.66
CHF CENTRAL AMERICAN BK ECO INTEGRAT 0.19400% 15-19.11.21	1 000 000.00	1 008 500.00	0.49
CHF CENTRAL AMERICAN BK ECO INTEGRAT 0.37100% 16-26.08.22	1 500 000.00	1 519 500.00	0.73
CHF CENTRAL AMERICAN BK ECO INTEGRAT-REG-S 0.20000% 19-25.03.24	1 000 000.00	999 035.00	0.48
CHF CITIGROUP INC 3.12500% 06-27.09.21	500 000.00	541 750.00	0.26
CHF COMMONWEALTH BANK OF AUSTRALIA 1.62500% 12-02.05.22	500 000.00	530 750.00	0.26
CHF COMMONWEALTH BANK OF AUSTRALIA 1.50000% 14-07.02.22	1 500 000.00	1 571 250.00	0.76
CHF CORP ANDINA DE FOMENTO 1.37500% 13-11.02.21	2 500 000.00	2 577 500.00	1.25
CHF CORPORACION ANDINA DE FOMENTO 1.50000% 13-13.08.20	1 000 000.00	1 027 000.00	0.50
CHF COUNCIL OF EUROPE DEVELOPMENT BANK 1.00000% 14-06.03.23	1 300 000.00	1 374 750.00	0.66
CHF CPI PROPERTY GROUP SA-REG-S 1.63000% 18-25.10.23	1 350 000.00	1 375 650.00	0.66
CHF CREDIT AGRICOLE HOME LOAN SFH SA 1.12500% 14-12.08.21	1 800 000.00	1 870 200.00	0.90
CHF CREDIT AGRICOLE SA LONDON-REG-S 1.00000% 14-08.10.21	1 000 000.00	1 030 500.00	0.50
CHF CREDIT AGRICOLE SA LONDON 0.45000% 17-14.03.22	1 200 000.00	1 206 600.00	0.58
CHF CREDIT SUISSE GRP FDNG GUERNSEY 1.00000% 15-14.04.23	2 000 000.00	2 045 000.00	0.99
CHF CREDIT SUISSE GRP FDNG GUERNSEY-REG-S 0.62500% 15-21.08.20	2 500 000.00	2 523 750.00	1.22
CHF CREDIT SUISSE LONDON BRANCH-REG-S 1.00000% 14-24.09.21	2 500 000.00	2 577 500.00	1.25
CHF DEUTSCHE BANK AG 0.62500% 15-19.12.23	1 000 000.00	953 000.00	0.46
CHF DEUTSCHE BANK AG 0.75000% 16-05.07.21	500 000.00	495 500.00	0.24
CHF DEUTSCHE BANK AG 0.75000% 17-21.03.22	1 200 000.00	1 176 000.00	0.57
CHF DEUTSCHE BANK AG-REG-S 0.62500% 18-08.02.23	1 500 000.00	1 443 000.00	0.70
CHF DEUTSCHE BANK AG-REG-S 1.62500% 19-12.09.22	1 500 000.00	1 499 430.00	0.72
CHF DNB BANK ASA-REG-S 0.05000% 19-13.03.24	1 600 000.00	1 599 408.00	0.77
CHF DNB BOLIGKREDITT AS 2.25000% 11-25.01.21	1 000 000.00	1 054 500.00	0.51
CHF EMIRATES NBD PJSC 0.62500% 18-09.02.23	1 750 000.00	1 749 125.00	0.85
CHF EUROPEAN INVESTMENT BANK 2.00000% 10-24.08.22	1 500 000.00	1 635 000.00	0.79
CHF EXPORT-IMPORT BANK OF KOREA-REG-S 0.25300% 18-06.03.23	1 200 000.00	1 218 000.00	0.59
CHF EXPORT-IMPORT BANK OF KOREA-REG-S 0.38250% 18-11.07.24	500 000.00	509 250.00	0.25
CHF FIRST ABU DHABI BANK PJSC-REG-S 0.32250% 18-27.09.23	1 400 000.00	1 403 437.00	0.68
CHF GAZ CAPITAL SA/GAZPROM LPN 2.85000% 13-25.10.19	900 000.00	914 850.00	0.44
CHF GLENCORE FINANCE EUROPE SA 2.12500% 13-23.12.19	280 000.00	284 592.00	0.14
CHF GLENCORE FINANCE EUROPE SA 1.25000% 14-01.12.20	2 900 000.00	2 955 100.00	1.43
CHF GOLDMAN SACHS GROUP INC 0.55000% 16-09.09.21	1 000 000.00	1 012 500.00	0.49
CHF HSH NORDBANK AG 3.00000% 07-14.06.19	500 000.00	505 250.00	0.24
CHF HYPO VORARLBERG BANK AG 0.12500% 16-06.10.21	1 500 000.00	1 509 750.00	0.73
CHF HYUNDAI CAPITAL SERVICES INC-REG-S 0.69500% 18-27.06.23	1 150 000.00	1 171 275.00	0.57
CHF JACKSON NATIONAL LIFE GLOBAL FUND-REG-S 0.30000% 18-18.12.23	500 000.00	506 250.00	0.24
CHF JPMORGAN CHASE & CO-REG-S 1.12500% 14-06.11.20	1 200 000.00	1 227 600.00	0.59
CHF KIWIBANK LTD-REG-S 0.25000% 18-18.10.23	600 000.00	603 600.00	0.29
CHF KOMMUNINVEST I SVERIGE AB 1.25000% 12-28.02.22	1 000 000.00	1 053 500.00	0.51
CHF KOREA GAS CORP-REG-S 0.20750% 18-02.08.23	1 300 000.00	1 309 750.00	0.63
CHF KOREA NATIONAL OIL CORP-REG-S 0.37300% 18-01.06.23	2 760 000.00	2 802 780.00	1.35
CHF KOREA WATER RESOURCES CORP-REG-S 0.15000% 18-20.09.23	1 200 000.00	1 204 800.00	0.58
CHF KOREA WESTERN POWER CO LTD-REG-S 0.12500% 19-27.02.24	850 000.00	852 052.75	0.41

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
CHF LLOYDS BANKING GROUP PLC-REG-S 1.00000% 18-04.03.25	850 000.00	852 125.00	0.41
CHF MACQUARIE BANK LTD 0.62500% 15-04.09.23	1 000 000.00	1 017 000.00	0.49
CHF MBANK SA-REG-S 0.56500% 18-07.06.22	900 000.00	906 300.00	0.44
CHF MEDIOBANCA INTERNATIONAL LUX SA-REG-S 0.55000% 18-02.03.23	1 800 000.00	1 756 800.00	0.85
CHF METROPOLITAN LIFE GLOBAL FUNDING-REG-S 1.00000% 14-19.09.22	1 500 000.00	1 560 000.00	0.75
CHF MFINANCE FRANCE SA 1.00500% 17-28.03.23	2 000 000.00	2 030 000.00	0.98
CHF MUENCHENER HYPOTHEKENBANK EG-REG-S 0.35000% 18-12.12.23	250 000.00	253 250.00	0.12
CHF MUNICIPALITY FINANCE PLC 0.87500% 13-01.02.23	1 000 000.00	1 054 000.00	0.51
CHF NATIONAL AUSTRALIA BANK LTD 1.00000% 14-10.12.21	2 000 000.00	2 070 000.00	1.00
CHF NATIONAL AUSTRALIA BANK LTD 0.35000% 15-05.08.22	1 000 000.00	1 014 000.00	0.49
CHF NATIONAL AUSTRALIA BANK LTD 0.25000% 18-13.03.24	2 000 000.00	2 015 000.00	0.97
CHF NEDERLANDSE WATERSCHAPS BANK NV 2.62500% 07-07.02.22	1 000 000.00	1 094 000.00	0.53
CHF NEDERLANDSE WATERSCHAPS BANK NV 2.25000% 11-24.02.21	850 000.00	899 300.00	0.43
CHF NETWORK RAIL INFRASTRUCTURE FINANCE 2.750% 06-06.10.21	1 500 000.00	1 628 250.00	0.79
CHF NEW YORK LIFE GLOBAL FUNDING 0.37500% 15-02.02.22	1 000 000.00	1 018 500.00	0.49
CHF NORDEA BANK ABP 1.12500% 12-02.10.20	1 500 000.00	1 536 000.00	0.74
CHF OP CORPORATE BANK PLC 1.00000% 14-14.07.21	1 800 000.00	1 852 200.00	0.90
CHF PETROLEOS MEXICANOS 2.50000% 12-10.04.19	1 000 000.00	1 002 500.00	0.48
CHF PETROLEOS MEXICANOS 1.50000% 15-08.12.20	1 600 000.00	1 611 200.00	0.78
CHF PETROLEOS MEXICANOS 2.37500% 16-14.12.21	1 200 000.00	1 242 000.00	0.60
CHF PHILIP MORRIS INTERNATIONAL INC 1.00000% 12-18.09.20	2 400 000.00	2 452 800.00	1.19
CHF POLAND, REPUBLIC OF-REG-S 1.00000% 14-17.09.21	2 000 000.00	2 066 190.00	1.00
CHF POWSZECHNA KASA OSZCZEDNOSCI BANK-REG-S 0.30000% 17-02.11.21	2 500 000.00	2 513 750.00	1.21
CHF QUEBEC, PROVINCE OF 2.87500% 09-17.12.21	1 500 000.00	1 640 250.00	0.79
CHF RABOBANK NEDERLAND NV 2.00000% 10-16.09.21	2 350 000.00	2 492 175.00	1.20
CHF RABOBANK NEDERLAND NV 1.25000% 12-15.10.20	850 000.00	872 525.00	0.42
CHF RABOBANK NEDERLAND NV 1.12500% 14-08.04.21	2 100 000.00	2 166 150.00	1.05
CHF RCI BANQUE SA 0.50000% 17-20.04.22	2 000 000.00	2 009 000.00	0.97
CHF RCI BANQUE SA-REG-S 0.55000% 18-30.05.23	600 000.00	600 000.00	0.29
CHF ROYAL BANK OF CANADA 2.25000% 11-21.04.21	2 500 000.00	2 648 750.00	1.28
CHF ROYAL BANK OF CANADA-REG-S 0.10000% 18-18.07.23	1 875 000.00	1 887 187.50	0.91
CHF SANTANDER CONSUMER FINANCE SA 0.50000% 15-05.10.20	1 000 000.00	1 008 000.00	0.49
CHF SANTANDER CONSUMER FINANCE SA 0.60000% 16-23.03.21	1 000 000.00	1 013 000.00	0.49
CHF SANTANDER CONSUMER FINANCE SA-REG-S 0.62500% 18-24.10.22	870 000.00	880 440.00	0.43
CHF SNCF RESEAU 2.87500% 09-26.02.21	1 000 000.00	1 068 500.00	0.52
CHF SOCIETE GENERALE 0.40000% 17-22.02.22	1 500 000.00	1 500 000.00	0.73
CHF SOCIETE GENERALE-REG-S 0.87500% 19-28.02.24	1 000 000.00	1 003 000.00	0.48
CHF STATNETT SF 2.37500% 11-08.02.21	1 000 000.00	1 051 500.00	0.51
CHF STE NATL DES CHEMINS DE FER FRANCAIS 2.25000% 11-25.02.21	1 000 000.00	1 053 500.00	0.51
CHF UBS GROUP FUNDING SWITZERLAND AG-REG-S 0.87500% 19-30.01.25	1 200 000.00	1 218 600.00	0.59
CHF VERIZON COMMUNICATIONS INC-REG-S 0.37500% 17-31.05.23	2 250 000.00	2 272 500.00	1.10
CHF WELLS FARGO & CO-REG-S 0.62500% 14-03.09.20	2 000 000.00	2 027 000.00	0.98
CHF WELLS FARGO & CO-REG-S 1.25000% 14-03.09.24	500 000.00	525 500.00	0.25
CHF WESTPAC BANKING CORP 0.50000% 15-02.02.22	1 000 000.00	1 018 000.00	0.49
CHF WESTPAC BANKING CORP 0.40000% 15-09.06.23	1 000 000.00	1 015 500.00	0.49
CHF WESTPAC BANKING CORP-REG-S 0.25000% 19-29.01.27	650 000.00	659 750.00	0.32
CHF WESTPAC SECURITIES NZ LTD/LONDON-REG-S 0.62500% 14-02.09.20	1 000 000.00	1 014 500.00	0.49
CHF WESTPAC SECURITIES NZ LTD/LONDON 0.12500% 17-15.12.22	1 500 000.00	1 506 000.00	0.73
CHF YPF SA 3.75000% 16-30.09.19	1 100 000.00	1 099 890.00	0.53
Total CHF		157 107 728.74	75.93
Total Medium term notes, fixed rate		157 107 728.74	75.93
Bonds, fixed rate			
CHF			
CHF AMGEN INC 0.41000% 16-08.03.23	1 200 000.00	1 219 200.00	0.59
CHF ARGENTINA, REPUBLIC OF 3.37500% 17-12.10.20	1 200 000.00	1 129 938.00	0.55
CHF BANCO DE CHILE 0.56800% 18-21.11.23	700 000.00	708 466.50	0.34
CHF BANCO DE CREDITO E INVERSIONES 0.25000% 15-17.06.20	2 000 000.00	2 008 000.00	0.97
CHF BANCO MERCANTIL DEL NORTE SA-REG-S 0.87500% 18-14.12.21	750 000.00	747 750.00	0.36
CHF CENTRAL AMERICAN BANK ECO INTEGRAT 1.50000% 13-16.12.19	2 250 000.00	2 285 325.00	1.10
CHF COCA-COLA CO/THE-REG-S 0.25000% 15-22.12.22	2 300 000.00	2 339 100.00	1.13
CHF CREDIT AGRICOLE SA LONDON 1.75000% 13-13.03.23	1 000 000.00	1 066 000.00	0.51
CHF EMISSIONS- UND FINANZ AG 0.87500% 18-18.10.23	835 000.00	853 370.00	0.41
CHF FIRST GULF BANK PJSC 0.62500% 15-27.05.22	700 000.00	712 250.00	0.34
CHF FONDO FINANCIERO-REG-S 0.57800% 19-11.03.24	880 000.00	879 964.80	0.43
CHF GAZ CAPITAL SA/GAZPROM LPN 2.75000% 16-30.11.21	2 100 000.00	2 184 000.00	1.06
CHF GAZ CAPITAL SA/GAZPROM 2.25000% 17-19.07.22	2 650 000.00	2 703 000.00	1.31
CHF GAZ CAPITAL SA/GAZPROM-REG-S 1.45000% 18-06.03.23	4 800 000.00	4 711 752.00	2.28
CHF GENERAL ELECTRIC CO 3.12500% 04-06.12.19	1 000 000.00	1 025 000.00	0.50
CHF GS CALTEX CORP-REG-S 0.63300% 18-31.01.24	850 000.00	850 425.00	0.41
CHF KAZAKHSTAN TEMIR ZHOLY NATIONAL CO JSC 3.25000% 18-05.12.23	900 000.00	928 350.00	0.45
CHF KEB HANA BANK-REG-S 0.40750% 18-14.09.23	900 000.00	904 950.00	0.44
CHF MONDELEZ INTERNATIONAL INC 0.05000% 17-30.03.20	1 200 000.00	1 202 520.00	0.58
CHF MONDELEZ INTL-REG-S 0.62500% 15-30.12.21	1 200 000.00	1 219 800.00	0.59
CHF NIEDEROESTERREICH, LAND-REG-S 0.37500% 14-27.04.21	2 000 000.00	2 038 000.00	0.98
CHF OESTERREICHISCHE KONTROLLBANK AG 3.00000% 07-14.06.22	1 000 000.00	1 116 500.00	0.54
CHF OESTERREICHISCHE KONTROLLBANK AG 1.00000% 12-28.09.21	3 000 000.00	3 124 500.00	1.51
CHF PETROLEOS MEXICANOS-REG-S 1.75000% 18-04.12.23	100 000.00	96 125.50	0.05
CHF RUSSIAN RAILWAYS (RZD) 2.73000% 13-26.02.21	1 500 000.00	1 570 500.00	0.76
CHF RZD CAPITAL PLC 2.10000% 17-02.10.23	1 850 000.00	1 891 625.00	0.91
CHF SULZER AG-REG-S 0.62500% 18-22.10.21	1 450 000.00	1 465 950.00	0.71
CHF UBS GROUP FUNDING SWITZERLAND AG-REG-S 0.75000% 16-22.02.22	1 000 000.00	1 015 000.00	0.49
Total CHF		41 997 361.80	20.30
Total Bonds, fixed rate		41 997 361.80	20.30
Total Transferable securities and money market instruments listed on an official stock exchange		204 988 618.04	99.07
Total investments in securities		204 988 618.04	99.07
Cash at banks, deposits on demand and deposit accounts and other liquid assets		6 799 314.08	3.29
Other assets and liabilities		-4 876 363.49	-2.36
Total net assets		206 911 568.63	100.00

UBS (Lux) Medium Term Bond Fund – CHF
Annual Report as of 28 February 2019

UBS (Lux) Medium Term Bond Fund – EUR

Three-year comparison

	ISIN	28.2.2019	28.2.2018	28.2.2017
Net assets in EUR		189 567 117.93	256 714 355.64	300 417 995.62
Class F-acc	LU0441494431			
Units outstanding		7 900.0000	9 170.0010	101 440.0010
Net asset value per unit in EUR		210.10	210.39	210.53
Issue and redemption price per unit in EUR ¹		210.10	210.58	210.53
Class I-A1-acc	LU0441486411			
Units outstanding		32 682.6060	40 553.3090	91 517.5880
Net asset value per unit in EUR		114.88	115.18	115.43
Issue and redemption price per unit in EUR ¹		114.88	115.28	115.43
Class I-A2-acc	LU0441486684			
Units outstanding		100 715.0840	56 380.0000	57 960.0000
Net asset value per unit in EUR		115.80	116.05	116.23
Issue and redemption price per unit in EUR ¹		115.80	116.15	116.23
Class I-A3-acc	LU0441486841			
Units outstanding		1 711.8890	18 749.3180	22 323.0440
Net asset value per unit in EUR		116.73	116.92	117.03
Issue and redemption price per unit in EUR ¹		116.73	117.03	117.03
Class I-X-acc	LU0441494944			
Units outstanding		360 143.8030	641 901.8880	100.0000
Net asset value per unit in EUR		100.70	100.48	100.22
Issue and redemption price per unit in EUR ¹		100.70	100.57	100.22
Class P-acc	LU0057957291			
Units outstanding		475 292.3010	594 967.0830	864 799.7440
Net asset value per unit in EUR		202.95	204.46	205.89
Issue and redemption price per unit in EUR ¹		202.95	204.64	205.89
Class P-dist	LU0094864450			
Units outstanding		216 281.2010	261 761.3580	354 219.5930
Net asset value per unit in EUR		121.47	123.54	125.84
Issue and redemption price per unit in EUR ¹		121.47	123.65	125.84
Class Q-acc	LU0358446192			
Units outstanding		89 484.5320	156 674.4890	275 086.2080
Net asset value per unit in EUR		129.48	129.92	130.31
Issue and redemption price per unit in EUR ¹		129.48	130.04	130.31
Class Q-dist	LU0441494605			
Units outstanding		17 623.4800	25 778.6030	6 621.2450
Net asset value per unit in EUR		96.96	98.60	100.44
Issue and redemption price per unit in EUR ¹		96.96	98.69	100.44

¹ See note 1

Performance

	Currency	2018/2019	2017/2018	2016/2017
Class F-acc	EUR	-0.2%	0.0%	0.5%
Class I-A1-acc	EUR	-0.3%	-0.2%	0.3%
Class I-A2-acc	EUR	-0.2%	-0.2%	0.3%
Class I-A3-acc	EUR	-0.2%	-0.1%	0.4%
Class I-X-acc	EUR	0.2%	0.3%	-
Class P-acc	EUR	-0.8%	-0.6%	-0.1%
Class P-dist	EUR	-0.8%	-0.6%	-0.1%
Class Q-acc	EUR	-0.4%	-0.2%	0.3%
Class Q-dist	EUR	-0.4%	-0.2%	0.3%

Historical performance is no indicator of current or future performance.
The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.
The performance data were not audited.
The subfund has no benchmark.

Report of the Portfolio Manager

During the financial year from 1 March 2018 to 28 February 2019, the ECB kept its lead interest rates unchanged at historic low levels and, as the GDP growth in 2017 and first half of 2018 was strong, decided to end the QE program at the end of December 2018 as a first step of policy normalization. Even though growth came in weaker in the second half of 2018, the ECB stuck to its mantra to keep rates unchanged at least until after the summer of 2019. Two-year German government bond yields traded in narrow ranges and ended some basis points higher at -0.52%, while five-year yields decreased from +0.02% to -0.27%.

In the financial year, the subfund posted a negative performance. Over the financial year, spreads of Italian government bonds widened significantly as the market had concerns regarding the economic policy of the new populist government. Corporate bond spreads also widened until December, thereafter spreads moved lower again. The fund had a more cautious approach to Italian government bonds which were reduced over time, while preference to Spanish government bonds and corporate bonds was kept throughout the year.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

France	20.63
Italy	13.36
Spain	11.47
Germany	8.73
The Netherlands	8.72
Belgium	6.01
United States	5.98
United Kingdom	5.37
Luxembourg	2.93
Norway	2.84
Australia	2.51
Ireland	2.41
Finland	2.13
Guernsey	1.01
Sweden	0.97
South Korea	0.79
China	0.68
Venezuela	0.53
Canada	0.53
Iceland	0.44
Supranationals	0.32
British Virgin Islands	0.29
Mexico	0.28
Total	98.93

Economic Breakdown as a % of net assets

Countries & central governments	48.03
Banks & credit institutions	31.94
Finance & holding companies	7.76
Mortgage & funding institutions	2.64
Telecommunications	2.63
Supranational organisations	1.91
Tobacco & alcohol	1.13
Building industry & materials	0.80
Petroleum	0.58
Computer hardware & network equipment providers	0.48
Real Estate	0.48
Electrical devices & components	0.34
Vehicles	0.21
Total	98.93

Statement of Net Assets

EUR

Assets	28.2.2019
Investments in securities, cost	190 089 895.31
Investments in securities, unrealized appreciation (depreciation)	-2 552 276.25
Total investments in securities (Note 1)	187 537 619.06
Cash at banks, deposits on demand and deposit accounts	621 702.21
Receivable on subscriptions	87 088.41
Interest receivable on securities	1 512 254.44
Unrealized gain (loss) on financial futures (Note 1)	8 880.00
Total Assets	189 767 544.12
Liabilities	
Other short-term liabilities (Margins)	-4 810.00
Payable on redemptions	-122 861.37
Provisions for flat fee (Note 2)	-44 347.21
Provisions for taxe d'abonnement (Note 3)	-12 024.05
Provisions for other commissions and fees (Note 2)	-16 383.56
Total provisions	-72 754.82
Total Liabilities	-200 426.19
Net assets at the end of the financial year	189 567 117.93

Statement of Operations

EUR

Income	1.3.2018-28.2.2019
Interest on liquid assets	1 621.86
Interest on securities	4 038 119.83
Income on securities lending (Note 11)	116 187.88
Other income (Note 4)	53 980.03
Total income	4 209 909.60
Expenses	
Cost on securities lending (Note 11)	-46 475.15
Flat fee (Note 2)	-1 404 689.50
Taxe d'abonnement (Note 3)	-86 816.73
Other commissions and fees (Note 2)	-99 154.04
Interest on cash and bank overdraft	-12 977.36
Total expenses	-1 650 112.78
Net income (loss) on investments	2 559 796.82
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-4 150 881.14
Realized gain (loss) on yield-evaluated securities and money market instruments	-81 162.57
Realized gain (loss) on financial futures	-266 930.10
Total realized gain (loss)	-4 498 973.81
Net realized gain (loss) of the financial year	-1 939 176.99
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	595 227.81
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	-7 279.09
Unrealized appreciation (depreciation) on financial futures	-21 385.00
Total changes in unrealized appreciation (depreciation)	566 563.72
Net increase (decrease) in net assets as a result of operations	-1 372 613.27

Statement of Changes in Net Assets

EUR

	1.3.2018-28.2.2019
Net assets at the beginning of the financial year	256 714 355.64
Subscriptions	65 513 170.25
Redemptions	-130 962 697.19
Total net subscriptions (redemptions)	-65 449 526.94
Dividend paid	-325 097.50
Net income (loss) on investments	2 559 796.82
Total realized gain (loss)	-4 498 973.81
Total changes in unrealized appreciation (depreciation)	566 563.72
Net increase (decrease) in net assets as a result of operations	-1 372 613.27
Net assets at the end of the financial year	189 567 117.93

Development of the outstanding units

	1.3.2018-28.2.2019
Class	F-acc
Number of units outstanding at the beginning of the financial year	9 170.0010
Number of units issued	0.0000
Number of units redeemed	-1 270.0010
Number of units outstanding at the end of the financial year	7 900.0000
Class	I-A1-acc
Number of units outstanding at the beginning of the financial year	40 553.3090
Number of units issued	15 413.0300
Number of units redeemed	-23 283.7330
Number of units outstanding at the end of the financial year	32 682.6060
Class	I-A2-acc
Number of units outstanding at the beginning of the financial year	56 380.0000
Number of units issued	92 245.0840
Number of units redeemed	-47 910.0000
Number of units outstanding at the end of the financial year	100 715.0840
Class	I-A3-acc
Number of units outstanding at the beginning of the financial year	18 749.3180
Number of units issued	0.0000
Number of units redeemed	-17 037.4290
Number of units outstanding at the end of the financial year	1 711.8890
Class	I-X-acc
Number of units outstanding at the beginning of the financial year	641 901.8880
Number of units issued	387 304.1060
Number of units redeemed	-669 062.1910
Number of units outstanding at the end of the financial year	360 143.8030
Class	P-acc
Number of units outstanding at the beginning of the financial year	594 967.0830
Number of units issued	5 011.6340
Number of units redeemed	-124 686.4160
Number of units outstanding at the end of the financial year	475 292.3010
Class	P-dist
Number of units outstanding at the beginning of the financial year	261 761.3580
Number of units issued	6 000.8830
Number of units redeemed	-51 481.0400
Number of units outstanding at the end of the financial year	216 281.2010
Class	Q-acc
Number of units outstanding at the beginning of the financial year	156 674.4890
Number of units issued	94 463.7510
Number of units redeemed	-161 653.7080
Number of units outstanding at the end of the financial year	89 484.5320
Class	Q-dist
Number of units outstanding at the beginning of the financial year	25 778.6030
Number of units issued	2 341.3460
Number of units redeemed	-10 496.4690
Number of units outstanding at the end of the financial year	17 623.4800

Distribution¹

UBS (Lux) Medium Term Bond Fund – EUR	Ex-Date	Pay-Date	Currency	Amount per unit
P-dist	2.5.2018	7.5.2018	EUR	1.15
Q-dist	2.5.2018	7.5.2018	EUR	1.31

¹ See note 6

Statement of Investments in Securities and other Net Assets as of 28 February 2019

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

EUR			
EUR HEIDELBERGCEMENT FIN LUX SA-REG-S 7.50000% 10-03.04.20	1 393 000.00	1 504 013.74	0.79
EUR SB CAPITAL SA FOR SBERBANK-REG-S LPN 3.35240% 14-15.11.19	1 514 000.00	1 536 710.00	0.81
Total EUR		3 040 723.74	1.60

Total Notes, fixed rate

3 040 723.74 **1.60**

Medium term notes, fixed rate

EUR			
EUR ABN AMRO BANK NV-REG-S 4.12500% 12-28.03.22	1 293 000.00	1 447 181.33	0.76
EUR ABN AMRO BANK NV-SUB 6.37500% 11-27.04.21	929 000.00	1 046 441.49	0.55
EUR AMERICA MOVIL SAB DE CV 4.12500% 11-25.10.19	520 000.00	533 413.40	0.28
EUR AMERICAN HONDA FINANCE CORP 1.37500% 15-10.11.22	1 654 000.00	1 712 898.94	0.90
EUR APPLE INC 1.00000% 14-10.11.22	878 000.00	907 731.89	0.48
EUR BANK OF AMERICA CORP-REG-S 1.62500% 15-14.09.22	927 000.00	966 221.37	0.51
EUR BANQUE FEDERATIVE DU CREDIT MUTUEL 4.12500% 10-20.07.20	700 000.00	740 701.86	0.39
EUR BANQUE FEDERATIVE DU CREDIT MUTUEL-SUB 4.00000% 10-22.10.20	1 150 000.00	1 221 746.20	0.64
EUR BARCLAYS BANK PLC-SUB 6.62500% 11-30.03.22	830 000.00	951 230.46	0.50
EUR BARCLAYS BANK UK PLC-REG-S 4.25000% 10-02.03.22	500 000.00	562 995.00	0.30
EUR BELFIUS BANK SANV-REG-S 0.75000% 17-12.09.22	600 000.00	598 476.39	0.32
EUR BNP PARIBAS 2.25000% 14-13.01.21	878 000.00	916 175.09	0.48
EUR BPCE SA 0.62500% 16-20.04.20	500 000.00	504 041.85	0.27
EUR BPCE SA-REG-S 1.12500% 17-18.01.23	400 000.00	405 045.36	0.21
EUR BPCE SFH SA-REG-S 4.00000% 11-23.03.22	900 000.00	1 011 011.67	0.53
EUR BRITISH AMERICAN TOBACCO PLC 3.62500% 11-09.11.21	1 408 000.00	1 520 868.38	0.80
EUR CAISSE FRANCAISE DE FIN LOCAL 4.25000% 10-26.01.22	581 000.00	653 447.22	0.35
EUR CHINA DEVELOPMENT BANK-REG-S 0.50000% 16-01.06.21	1 286 000.00	1 286 000.00	0.68
EUR CIE DE SAINT-GOBAIN SA 3.62500% 12-15.06.21	1 414 000.00	1 524 555.43	0.80
EUR CITIGROUP INC-REG-S 1.37500% 14-27.10.21	1 822 000.00	1 878 664.20	0.99
EUR COCA-COLA HBC FINANCE BV-REG-S 1.87500% 16-11.11.24	600 000.00	634 046.58	0.33
EUR COMMERZBANK AG-REG-S 0.50000% 18-28.08.23	900 000.00	891 373.03	0.47
EUR COMMONWEALTH BANK OF AUSTRALIA-SUB 5.50000% 09-06.08.19	413 000.00	422 320.59	0.22
EUR COMPAGNIE DE FINANCEMENT FONCIER 2.37500% 12-21.11.22	900 000.00	976 860.00	0.52
EUR COMPAGNIE DE FINANCEMENT FONCIER 2.00000% 14-07.05.24	1 000 000.00	1 089 922.00	0.58
EUR CORPORACION ANDINA DE FOMENTO-REG-S 0.50000% 17-25.01.22	1 000 000.00	1 005 080.00	0.53
EUR CREDIT AGRICOLE HOME LOAN SFH SA-REG-S 0.25000% 16-23.02.24	1 000 000.00	1 002 374.00	0.53
EUR CREDIT AGRICOLE SA LONDON 2.37500% 13-27.11.20	900 000.00	938 432.97	0.50
EUR DAIMLER AG-REG-S 2.37500% 13-08.03.23	374 000.00	400 102.96	0.21
EUR DEUTSCHE BANK AG 1.25000% 14-08.09.21	900 000.00	894 372.76	0.47
EUR DEXIA CREDIT LOCAL DE FRANCE-REG-S 0.20000% 16-16.03.21	700 000.00	704 425.26	0.37
EUR DEXIA CREDIT LOCAL SA-REG-S 0.25000% 18-01.06.23	1 000 000.00	1 000 570.60	0.53
EUR DIAGEO FINANCE PLC-REG-S 1.00000% 18-22.04.25	600 000.00	610 809.66	0.32
EUR DNB BANK ASA-REG-S 0.60000% 18-25.09.23	904 000.00	912 282.45	0.48
EUR DNB BOLIGKREDDITT AS-REG-S 0.05000% 17-11.01.22	2 513 000.00	2 518 534.63	1.33
EUR EXPORT-IMPORT BANK OF KOREA-REG-S 0.50000% 17-30.05.22	665 000.00	670 409.77	0.35
EUR GAZ CAPITAL SA/GAZPROM-REG-S LPN 3.38900% 13-20.03.20	1 001 000.00	1 029 528.50	0.54
EUR GE CAPITAL EUROPEAN FUNDING-REG-S 0.80000% 15-21.01.22	680 000.00	681 193.06	0.36
EUR GENERAL MOTORS FINANCIAL CO INC-REG-S 0.95500% 16-07.09.23	957 000.00	925 074.48	0.49
EUR GLENCORE FINANCE EUROPE SA-REG-S 3.37500% 13-30.09.20	936 000.00	981 416.59	0.52
EUR HEINEKEN NV-REG-S 1.25000% 15-10.09.21	608 000.00	623 962.86	0.33
EUR IBERDROLA INTERNATIONAL BV-REG-S 2.50000% 14-24.10.22	600 000.00	648 491.34	0.34
EUR ICELAND, REPUBLIC OF-REG-S 0.50000% 17-20.12.22	830 000.00	840 744.10	0.44
EUR IMPERIAL BRANDS FINANCE PLC-REG-S 5.00000% 11-02.12.19	830 000.00	860 319.90	0.45
EUR INSTITUTO DE CREDITO OFICIAL-REG-S 0.25000% 17-30.04.22	2 568 000.00	2 585 524.03	1.36
EUR INTESA SANPAOLO SPA-REG-S 2.00000% 14-18.06.21	470 000.00	483 565.14	0.26
EUR JPMORGAN CHASE & CO 3.87500% 10-23.09.20	700 000.00	743 303.12	0.39
EUR JPMORGAN CHASE & CO-REG-S 1.50000% 15-26.10.22	743 000.00	773 841.86	0.41
EUR KBC GROUP NV-REG-S 0.75000% 17-01.03.22	1 900 000.00	1 918 145.00	1.01
EUR LANSFORSKRINGAR HYPOTEK AB-REG-S 0.62500% 18-27.03.25	700 000.00	708 190.56	0.37
EUR LLOYDS BANK PLC-REG-S 1.00000% 14-19.11.21	459 000.00	467 541.48	0.25
EUR MORGAN STANLEY 5.37500% 10-10.08.20	450 000.00	484 853.40	0.26
EUR NATIONAL AUSTRALIA BANK LTD 1.87500% 12-13.01.23	750 000.00	798 729.00	0.42
EUR NATIONWIDE BUILDING SOCIETY-SUB 6.75000% 10-22.07.20	472 000.00	512 503.59	0.27
EUR NOMURA EUROPE FINANCE NV-REG-S 1.50000% 14-12.05.21	715 000.00	734 160.36	0.39
EUR NORDEA BANK ABP-REG-S 2.00000% 14-17.02.21	650 000.00	675 873.64	0.36
EUR NORDEA MORTGAGE BANK PLC-REG-S 0.62500% 15-19.10.22	694 000.00	709 463.85	0.37
EUR OP CORPORATE BANK PLC-REG-S-SUB 5.75000% 12-28.02.22	975 000.00	1 112 072.13	0.59
EUR ORANGE 2.50000% 12-01.03.23	400 000.00	432 388.00	0.23
EUR ORIGIN ENERGY FINANCE LTD-REG-S 2.50000% 13-23.10.20	1 055 000.00	1 089 675.74	0.58
EUR RABOBANK NEDERLAND NV-REG-S 0.25000% 17-31.05.24	1 000 000.00	1 001 950.00	0.53
EUR REPSOL INTERNATIONAL FINANCE BV-REG-S 2.62500% 13-28.05.20	700 000.00	722 174.60	0.38
EUR SANTANDER UK PLC-REG-S 1.12500% 15-14.01.22	670 000.00	680 977.21	0.36
EUR SINOPEC GROUP OVERSEAS DEV2013-REG-S 2.62500% 13-17.10.20	530 000.00	549 363.55	0.29
EUR SKANDINAVISKA ENSKILDA BANKEN AB 0.62500% 15-30.01.23	1 100 000.00	1 123 189.10	0.59
EUR SOCIETE GENERALE-REG-S 0.75000% 16-19.02.21	1 400 000.00	1 420 608.00	0.75
EUR SPAIN, KINGDOM OF 0.45000% 17-31.10.22	7 980 000.00	8 109 675.00	4.28
EUR SPAREBANKEN 1 BOLIGKREDDITT 0.50000% 18-30.01.25	1 200 000.00	1 209 935.64	0.64
EUR SPAREBANKEN VEST BOLIGKREDDITT AS-REG-S 0.25000% 15-29.04.22	730 000.00	735 172.78	0.39
EUR TELEFONICA EMISIONES SAU-REG-S 0.75000% 16-13.04.22	1 900 000.00	1 918 525.00	1.01
EUR UBS AG LONDON-REG-S 1.37500% 14-16.04.21	660 000.00	680 638.20	0.36
EUR UBS AG LONDON-REG-S 1.25000% 14-03.09.21	809 000.00	831 127.77	0.44
EUR UNICREDITO ITALIANO SPA 1.00000% 18-18.01.23	620 000.00	591 937.68	0.31
EUR VOLKSWAGEN LEASING GMBH-REG-S 0.75000% 15-11.08.20	1 894 000.00	1 909 576.26	1.01
EUR VONOVIA FINANCE BV-REG-S 0.87500% 18-03.07.23	900 000.00	901 547.55	0.48
EUR WESTPAC SECURITIES NZ LTD/LONDON-REG-S 0.25000% 17-06.04.22	2 490 000.00	2 498 416.20	1.32
Total EUR		80 766 141.06	42.61

Total Medium term notes, fixed rate

80 766 141.06 **42.61**

UBS (Lux) Medium Term Bond Fund – EUR
Annual Report as of 28 February 2019

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Medium term notes, zero coupon			
EUR			
EUR EUROPEAN STABILITY MECHANISM-REG-S 0.00000% 16-18.10.22	608 312.00	611 412.75	0.32
Total EUR		611 412.75	0.32
Total Medium term notes, zero coupon		611 412.75	0.32
Medium term notes, floating rate			
EUR			
EUR BNP PARIBAS SA-REG-S-SUB 2.875%/VAR 14-20.03.26	491 000.00	508 903.13	0.27
EUR COMMONWEALTH BANK AUSTRALIA-SUB-REG-S 2.000%/VAR 15-22.04.27	418 000.00	422 845.46	0.22
EUR ING BANK NV-SUB 3.625%/VAR 14-25.02.26	1 750 000.00	1 850 233.00	0.98
EUR NATIONAL AUSTRALIA BANK LTD-REG-S-SUB 2.000%/VAR 14-12.11.24	700 000.00	705 922.00	0.37
Total EUR		3 487 903.59	1.84
Total Medium term notes, floating rate		3 487 903.59	1.84
Bonds, fixed rate			
EUR			
EUR AT&T INC 1.45000% 14-01.06.22	1 114 000.00	1 143 877.48	0.60
EUR AUSTRALIA & NEW ZEALAND BANKING-REG-S 2.50000% 14-16.01.24	1 200 000.00	1 324 240.80	0.70
EUR BANK OF IRELAND MORTGAGE BANK-REG-S 0.62500% 15-19.02.21	1 503 000.00	1 525 587.08	0.80
EUR BAYER CAPITAL CORP BV-REG-S 0.62500% 18-15.12.22	900 000.00	906 602.94	0.48
EUR BELGIUM, KINGDOM OF 4.00000% 06-28.03.22	4 401 000.00	4 994 184.39	2.63
EUR BELGIUM, KINGDOM OF-144A-REG-S 0.20000% 16-22.10.23	3 820 000.00	3 877 559.76	2.05
EUR BMW FINANCE NV 2.37500% 13-24.01.23	438 000.00	469 185.60	0.25
EUR BNP PARIBAS HOME LOAN COVERED BONDS SFH 3.87500% 11-12.07.21	900 000.00	984 903.39	0.52
EUR CAISSE FRANCAISE DE FIN LOCAL-REG-S 0.20000% 15-27.04.23	500 000.00	501 898.00	0.26
EUR CREDIT SUISSE GUERNSEY LTD-REG-S 0.75000% 14-17.09.21	1 885 000.00	1 922 115.65	1.01
EUR EUROPEAN INVESTMENT BANK 4.62500% 04-15.04.20	1 889 000.00	1 996 763.67	1.05
EUR FRANCE, REPUBLIC OF OAT 2.25000% 12-25.10.22	4 866 000.00	5 315 297.24	2.80
EUR FRANCE, REPUBLIC OF-OAT 3.50000% 10-25.04.20	5 886 000.00	6 156 461.70	3.25
EUR FRANCE, REPUBLIC OF-OAT 3.25000% 11-25.10.21	4 854 000.00	5 325 828.22	2.81
EUR FRANCE, REPUBLIC OF-OAT 1.75000% 13-25.05.23	4 386 000.00	4 749 099.40	2.51
EUR GERMANY, REPUBLIC OF 6.25000% 94-04.01.24	2 000 000.00	2 639 040.00	1.39
EUR GOLDMAN SACHS GROUP INC-SUB 4.75000% 06-12.10.21	774 000.00	846 909.33	0.45
EUR ITALY, REPUBLIC OF-BTP 0.70000% 15-01.05.20	7 206 000.00	7 242 222.40	3.82
EUR ITALY, REPUBLIC OF-BTP 0.35000% 16-01.11.21	5 806 000.00	5 728 325.07	3.02
EUR ITALY, REPUBLIC OF-BTP 1.20000% 17-01.04.22	4 166 000.00	4 175 231.85	2.20
EUR ITALY, REPUBLIC OF-BTP 0.90000% 17-01.08.22	2 214 000.00	2 187 617.97	1.15
EUR KOREA DEVELOPMENT BANK-REG-S 0.62500% 18-17.07.23	830 000.00	827 012.00	0.44
EUR NORDEA MORTGAGE BANK PLC-REG-S 1.00000% 14-05.11.24	700 000.00	729 913.10	0.39
EUR OP MORTGAGE BANK-REG-S 0.62500% 15-04.09.22	789 000.00	806 764.01	0.43
EUR RABOBANK NEDERLAND NV-SUB 3.87500% 13-25.07.23	1 405 000.00	1 585 923.82	0.84
EUR ROYAL BANK OF CANADA-REG-S 0.25000% 18-28.06.23	1 000 000.00	1 003 408.00	0.53
EUR SPAIN, KINGDOM OF 0.40000% 17-30.04.22	6 128 000.00	6 218 081.60	3.28
EUR SPAIN, KINGDOM OF 0.35000% 18-30.07.23	2 887 000.00	2 907 341.80	1.53
Total EUR		78 091 396.27	41.19
Total Bonds, fixed rate		78 091 396.27	41.19
Bonds, zero coupon			
EUR			
EUR FRANCE, REPUBLIC OF-OAT-REG-S 0.00000% 16-25.05.22	1 013 000.00	1 023 280.74	0.54
EUR GERMANY, REPUBLIC OF-REG-S 0.00000% 16-09.04.21	5 905 000.00	5 970 569.12	3.15
EUR GERMANY, REPUBLIC OF-REG-S 0.00000% 18-14.04.23	3 786 000.00	3 846 061.10	2.03
EUR IRELAND, REPUBLIC OF-REG-S 0.00000% 17-18.10.22	2 350 000.00	2 362 724.78	1.25
EUR NETHERLANDS, KINGDOM OF THE-144A-REG-S 0.00000% 16-15.01.22	2 424 000.00	2 454 295.15	1.29
Total EUR		15 656 930.89	8.26
Total Bonds, zero coupon		15 656 930.89	8.26
Bonds, floating rate			
EUR			
EUR ITALY, REPUBLIC OF 0.100%/CPI LINKED 18-15.05.23	5 000 000.00	4 919 110.41	2.60
Total EUR		4 919 110.41	2.60
Total Bonds, floating rate		4 919 110.41	2.60
Total Transferable securities and money market instruments listed on an official stock exchange		186 573 618.71	98.42
Transferable securities and money market instruments traded on another regulated market			
Bonds, fixed rate			
EUR			
EUR AT&T INC 1.30000% 15-05.09.23	942 000.00	958 820.35	0.51
Total EUR		958 820.35	0.51
Total Bonds, fixed rate		958 820.35	0.51
Total Transferable securities and money market instruments traded on another regulated market		958 820.35	0.51

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010			
Investment funds, open end			
Ireland			
EUR UBS (IRL) SELECT MONEY MARKET FUND-EUR-S-DIST	0.52	5 180.00	0.00
Total Ireland		5 180.00	0.00
Total Investment funds, open end		5 180.00	0.00
Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010		5 180.00	0.00
Total investments in securities		187 537 619.06	98.93

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on bonds

EUR EURO-BOBL FUTURE 07.03.19	-37.00	8 880.00	0.00
Total Financial Futures on bonds		8 880.00	0.00
Total Derivative instruments listed on an official stock exchange		8 880.00	0.00
Total Derivative instruments		8 880.00	0.00
Cash at banks, deposits on demand and deposit accounts and other liquid assets		621 702.21	0.33
Bank overdraft and other short-term liabilities		-4 810.00	0.00
Other assets and liabilities		1 403 726.66	0.74
Total net assets		189 567 117.93	100.00

UBS (Lux) Medium Term Bond Fund – GBP

Three-year comparison

	ISIN	28.2.2019	28.2.2018	28.2.2017
Net assets in GBP		35 549 534.38	42 885 947.17	56 126 810.24
Class I-A1-acc	LU0442361258			
Units outstanding		26 873.9630	35 835.2030	55 410.6190
Net asset value per unit in GBP		107.20	106.29	107.04
Issue and redemption price per unit in GBP ¹		107.20	106.29	107.04
Class I-A2-acc	LU0442361415			
Units outstanding		110 204.9310	106 816.9310	111 439.9310
Net asset value per unit in GBP		108.59	107.61	108.29
Issue and redemption price per unit in GBP ¹		108.59	107.61	108.29
Class I-A3-acc	LU0442361688			
Units outstanding		2 317.0000	10 369.0000	10 431.0000
Net asset value per unit in GBP		108.77	107.72	108.33
Issue and redemption price per unit in GBP ¹		108.77	107.72	108.33
Class P-acc	LU0074904888			
Units outstanding		93 602.0600	118 643.7800	158 386.5410
Net asset value per unit in GBP		213.69	212.92	215.45
Issue and redemption price per unit in GBP ¹		213.69	212.92	215.45
Class Q-acc	LU0442361092			
Units outstanding		4 297.6270	11 653.7720	27 623.5910
Net asset value per unit in GBP		104.05	103.24	104.04
Issue and redemption price per unit in GBP ¹		104.05	103.24	104.04

¹ See note 1

Performance

	Currency	2018/2019	2017/2018	2016/2017
Class I-A1-acc	GBP	0.9%	-0.7%	2.5%
Class I-A2-acc	GBP	0.9%	-0.6%	2.6%
Class I-A3-acc	GBP	1.0%	-0.6%	2.7%
Class P-acc	GBP	0.4%	-1.2%	2.1%
Class Q-acc	GBP	0.8%	-0.8%	2.5%

Historical performance is no indicator of current or future performance.
 The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.
 The performance data were not audited.
 The subfund has no benchmark.

Report of the Portfolio Manager

In the financial year from 1 March 2018 to 28 February 2019, the United Kingdom continued to suffer from uncertainty over the EU exit conditions at the end of March 2019. Conservative Prime Minister Theresa May agreed with the EU on a withdrawal agreement, which was rejected twice in Parliament, however. She then won the following vote of no confidence in Parliament. Economic growth remained relatively strong despite the prevailing uncertainty, but ultimately slowed due to diminishing corporate spending. The Bank of England once again raised interest rates by 0.25% in August 2018.

The subfund posted a positive performance in the financial year. From a strategic point of view, the subfund generally favored covered bonds and financials to generate some excess return.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Germany	21.09
United Kingdom	16.31
The Netherlands	9.53
Luxembourg	8.92
United States	8.83
France	8.01
Supranationals	5.87
Australia	4.34
Canada	4.04
Sweden	2.55
Finland	2.01
Ireland	1.78
Jersey	1.62
New Zealand	1.42
Philippines	0.84
Spain	0.56
Norway	0.56
Austria	0.41
Total	98.69

Economic Breakdown as a % of net assets

Banks & credit institutions	51.94
Finance & holding companies	17.05
Supranational organisations	16.19
Public, non-profit institutions	7.10
Aerospace industry	1.62
Cantons, federal states	1.25
Vehicles	1.14
Energy & water supply	0.67
Traffic & transportation	0.57
Chemicals	0.57
Investment funds	0.30
Computer hardware & network equipment providers	0.29
Total	98.69

Statement of Net Assets

	GBP
Assets	28.2.2019
Investments in securities, cost	36 311 055.28
Investments in securities, unrealized appreciation (depreciation)	-1 227 598.00
Total investments in securities (Note 1)	35 083 457.28
Cash at banks, deposits on demand and deposit accounts	79 415.62
Interest receivable on securities	452 017.93
Total Assets	35 614 890.83
Liabilities	
Payable on securities purchases (Note 1)	-24 547.85
Payable on redemptions	-26 416.64
Provisions for flat fee (Note 2)	-8 725.24
Provisions for taxe d'abonnement (Note 3)	-1 923.17
Provisions for other commissions and fees (Note 2)	-3 743.55
Total provisions	-14 391.96
Total Liabilities	-65 356.45
Net assets at the end of the financial year	35 549 534.38

Statement of Operations

	GBP
Income	1.3.2018-28.2.2019
Interest on liquid assets	136.35
Interest on securities	1 097 257.06
Income on securities lending (Note 11)	23 607.38
Other income (Note 4)	7 012.83
Total income	1 128 013.62
Expenses	
Cost on securities lending (Note 11)	-9 442.95
Flat fee (Note 2)	-270 771.43
Taxe d'abonnement (Note 3)	-12 700.07
Other commissions and fees (Note 2)	-17 280.95
Interest on cash and bank overdraft	-33.07
Total expenses	-310 228.47
Net income (loss) on investments	817 785.15
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-594 582.41
Realized gain (loss) on foreign exchange	119.07
Total realized gain (loss)	-594 463.34
Net realized gain (loss) of the financial year	223 321.81
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	5 460.23
Total changes in unrealized appreciation (depreciation)	5 460.23
Net increase (decrease) in net assets as a result of operations	228 782.04

Statement of Changes in Net Assets

GBP

1.3.2018-28.2.2019

Net assets at the beginning of the financial year	42 885 947.17
Subscriptions	2 582 268.59
Redemptions	-10 147 463.42
Total net subscriptions (redemptions)	-7 565 194.83
Net income (loss) on investments	817 785.15
Total realized gain (loss)	-594 463.34
Total changes in unrealized appreciation (depreciation)	5 460.23
Net increase (decrease) in net assets as a result of operations	228 782.04
Net assets at the end of the financial year	35 549 534.38

Development of the outstanding units

1.3.2018-28.2.2019

Class	I-A1-acc
Number of units outstanding at the beginning of the financial year	35 835.2030
Number of units issued	581.1770
Number of units redeemed	-9 542.4170
Number of units outstanding at the end of the financial year	26 873.9630
Class	I-A2-acc
Number of units outstanding at the beginning of the financial year	106 816.9310
Number of units issued	19 409.0000
Number of units redeemed	-16 021.0000
Number of units outstanding at the end of the financial year	110 204.9310
Class	I-A3-acc
Number of units outstanding at the beginning of the financial year	10 369.0000
Number of units issued	61.0000
Number of units redeemed	-8 113.0000
Number of units outstanding at the end of the financial year	2 317.0000
Class	P-acc
Number of units outstanding at the beginning of the financial year	118 643.7800
Number of units issued	1 023.8160
Number of units redeemed	-26 065.5360
Number of units outstanding at the end of the financial year	93 602.0600
Class	Q-acc
Number of units outstanding at the beginning of the financial year	11 653.7720
Number of units issued	1 907.1090
Number of units redeemed	-9 263.2540
Number of units outstanding at the end of the financial year	4 297.6270

Statement of Investments in Securities and other Net Assets as of 28 February 2019

Description	Quantity/ Nominal	Valuation in GBP Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

GBP

GBP ANGLIAN WATER SERVICES FINANCING PLC STEP-UP 98-21.08.23	100 000.00	121 622.50	0.34
GBP EUROPEAN INVESTMENT BANK 5.37500% 98-07.06.21	1 000 000.00	1 094 421.00	3.08
GBP UNITE USAF II PLC 3.37400% 13-30.06.23	100 000.00	105 569.13	0.30
Total GBP		1 321 612.63	3.72

Total Notes, fixed rate

1 321 612.63 3.72

Medium term notes, fixed rate

GBP

GBP ABN AMRO BANK NV-REG-S 1.00000% 17-30.06.20	200 000.00	198 608.58	0.56
GBP ABN AMRO BANK NV-REG-S 1.37500% 17-07.06.22	400 000.00	394 844.18	1.11
GBP ALBERTA, PROVINCE OF-REG-S 1.00000% 17-15.11.21	150 000.00	148 633.50	0.42
GBP AMERICAN HONDA FINANCE CORP 2.62500% 15-14.10.22	200 000.00	206 195.60	0.58
GBP ASB FINANCE LTD-REG-S 1.00000% 16-07.09.20	200 000.00	198 318.02	0.56
GBP ASIAN DEVELOPMENT BANK-REG-S 1.37500% 18-15.12.23	300 000.00	300 442.05	0.85
GBP BANCO SANTANDER SA-REG-S 2.75000% 18-12.09.23	200 000.00	200 879.94	0.56
GBP BANK NEDERLANDSE GEMEENTEN NV 5.37500% 98-07.06.21	400 000.00	436 828.00	1.23
GBP BANK NEDERLANDSE GEMEENTEN NV-REG-S 1.00000% 18-17.06.22	300 000.00	296 863.80	0.83
GBP BANK OF AMERICA CORP 6.12500% 09-15.09.21	300 000.00	332 085.06	0.93
GBP BANK OF NOVA SCOTIA-REG-S 1.25000% 17-08.06.22	450 000.00	445 446.80	1.25
GBP BANQUE FEDER DU CREDIT MUTUE-REG-S 2.25000% 19-18.12.23	200 000.00	200 597.74	0.56
GBP BANQUE FEDER DU CREDIT MUTUEL-REG-S 0.87500% 17-08.06.20	200 000.00	198 180.60	0.56
GBP BANQUE FEDER DU CREDIT MUTUEL-REG-S 1.87500% 18-13.12.22	100 000.00	99 718.10	0.28
GBP BARCLAYS BANK UK PLC-REG-S 4.25000% 12-12.01.22	700 000.00	754 299.00	2.12
GBP BAT INTERNATIONAL FINANCE PLC-REG-S 1.75000% 16-05.07.21	200 000.00	198 413.04	0.56
GBP BAYERISCHE LANDESBANK-REG-S 1.25000% 17-20.12.21	500 000.00	496 252.72	1.40
GBP BMW FINANCE NV-REG-S 1.87500% 15-29.06.20	200 000.00	201 083.20	0.57
GBP BMW FINANCE NV-REG-S 0.87500% 16-16.08.22	300 000.00	290 400.00	0.82
GBP BNP PARIBAS 1.12500% 16-16.08.22	200 000.00	195 898.51	0.55
GBP CLOSE BROTHERS FINANCE PLC-REG-S 3.87500% 14-27.06.21	100 000.00	104 283.50	0.29
GBP CLOSE BROTHERS GROUP PLC-REG-S 2.75000% 18-26.04.23	100 000.00	100 063.41	0.28
GBP COMMONWEALTH BANK OF AUSTRALIA-REG-S 1.12500% 17-22.12.21	200 000.00	198 213.60	0.56
GBP COVENTRY BUILDING SOCIETY 5.87500% 10-28.09.22	300 000.00	339 705.45	0.96
GBP CREDIT AGRICOLE SA LONDON 5.50000% 11-17.12.21	200 000.00	221 758.84	0.62
GBP DAIMLER INTERNATIONAL FINANCE BV-REG-S 2.75000% 14-04.12.20	200 000.00	203 621.60	0.57
GBP DAIMLER INTERNATIONAL FINANCE BV-REG-S 2.12500% 16-07.06.22	200 000.00	200 580.80	0.56
GBP DAIMLER INTERNATIONAL FINANCE BV-REG-S 2.00000% 18-04.09.23	200 000.00	196 924.00	0.55
GBP DEUTSCHE BAHN FINANCE BV 2.75000% 12-20.06.22	150 000.00	155 822.14	0.44
GBP DEXIA CREDIT LOCAL DE FRANCE-REG-S 2.00000% 15-17.06.20	100 000.00	100 828.75	0.28
GBP DEXIA CREDIT LOCAL DE FRANCE-REG-S 0.87500% 16-07.09.21	300 000.00	296 219.77	0.83
GBP DEXIA CREDIT LOCAL SA-REG-S 1.12500% 17-15.06.22	400 000.00	395 419.61	1.11
GBP DEXIA CREDIT LOCAL SA-REG-S 1.62500% 18-08.12.23	200 000.00	199 942.39	0.56
GBP ELECTRICITE DE FRANCE 6.87500% 08-12.12.22	200 000.00	237 935.60	0.67
GBP EUROPEAN INVESTMENT BANK 4.25000% 11-07.12.21	700 000.00	758 040.71	2.13
GBP EUROPEAN INVESTMENT BANK 2.50000% 12-31.10.22	200 000.00	209 060.00	0.59
GBP EUROPEAN INVESTMENT BANK-REG-S 1.12500% 16-07.09.21	300 000.00	300 132.00	0.84
GBP EUROPEAN INVESTMENT BANK-REG-S 0.87500% 17-15.12.23	825 000.00	808 247.55	2.27
GBP EUROPEAN INVESTMENT BANK-REG-S 0.87500% 18-15.03.21	800 000.00	797 360.00	2.24
GBP FINLAND, REPUBLIC OF 1.62500% 15-15.12.20	200 000.00	201 842.82	0.57
GBP GE CAPITAL UK FUNDING 5.87500% 09-04.11.20	200 000.00	212 646.88	0.60
GBP INTERNATIONAL BUSINESS MACHINES CORP 2.75000% 13-21.12.20	100 000.00	102 275.69	0.29
GBP INTL BK FOR RECONSTR & DEVT WORLD BANK 1.00000% 18-19.12.22	1 000 000.00	991 406.00	2.79
GBP KOMMUNALBANKEN AS-REG-S 1.50000% 18-15.12.23	200 000.00	200 361.62	0.56
GBP KREDITANSTALT FUER WIEDERAUFBAU 5.55000% 01-07.06.21	1 800 000.00	1 978 053.12	5.56
GBP KREDITANSTALT FUER WIEDERAUFBAU-REG-S 1.37500% 16-01.02.21	200 000.00	201 260.00	0.57
GBP KREDITANSTALT FUER WIEDERAUFBAU-REG-S 1.00000% 18-15.12.22	900 000.00	891 045.00	2.51
GBP KREDITANSTALT FUER WIEDERAUFBAU-REG-S 1.25000% 18-29.12.23	500 000.00	498 400.00	1.40
GBP LANDESKREDITBANK B-WUERTT FOERDBK-REG-S 0.87500% 17-07.03.22	300 000.00	296 276.41	0.83
GBP LANDWIRTSCHAFTLICHE RENTENBANK-REG-S 1.37500% 16-15.12.20	500 000.00	502 504.50	1.41
GBP LANDWIRTSCHAFTLICHE RENTENBANK-REG-S 1.12500% 17-15.12.23	200 000.00	197 900.00	0.56
GBP METROPOLITAN LIFE GLOBAL FUNDING-REG-S 2.87500% 13-11.01.23	100 000.00	104 154.74	0.29
GBP METROPOLITAN LIFE GLOBAL FUNDING-REG-S 2.62500% 15-05.12.22	200 000.00	206 573.30	0.58
GBP METROPOLITAN LIFE GLOBAL FUNDING-REG-S 1.12500% 17-15.12.21	400 000.00	395 162.85	1.11
GBP NATIONAL AUSTRALIA BANK LTD 5.12500% 09-09.12.21	400 000.00	437 395.20	1.23
GBP NATIONAL AUSTRALIA BANK LTD-REG-S 1.12500% 16-10.11.21	300 000.00	297 557.40	0.84
GBP NATIONAL GRID GAS FINANCE PLC-REG-S 1.12500% 16-22.09.21	300 000.00	296 829.01	0.83
GBP NATIONWIDE BUILDING SOCIETY-REG-S 2.25000% 15-29.04.22	300 000.00	305 561.70	0.86
GBP NETWORK RAIL MTN FINANCE PLC 4.62500% 05-21.07.20	300 000.00	314 827.80	0.89
GBP NEW YORK LIFE GLOBAL FUNDING-REG-S 1.00000% 17-15.12.21	300 000.00	295 890.94	0.83
GBP NEW YORK LIFE GLOBAL FUNDING-REG-S 1.75000% 18-15.12.22	200 000.00	200 990.08	0.57
GBP NORDEA BANK ABP-REG-S 2.37500% 15-02.06.22	250 000.00	255 776.40	0.72
GBP NORDIC INVESTMENT BANK-REG-S 1.12500% 18-15.12.23	300 000.00	296 877.00	0.84
GBP OESTERREICHISCHE KONTROLLBANK AG-REG-S 0.75000% 17-07.03.22	150 000.00	147 615.55	0.42
GBP OP CORPORATE BANK PLC-REG-S 2.50000% 15-20.05.22	250 000.00	256 321.50	0.72
GBP RABOBANK NEDERLAND NV 4.87500% 06-10.01.23	200 000.00	223 936.44	0.63
GBP RABOBANK NEDERLAND NV 4.62500% 11-13.01.21	500 000.00	528 752.15	1.49
GBP ROYAL BANK OF CANADA-REG-S 1.12500% 17-22.12.21	250 000.00	247 821.76	0.70
GBP SANTANDER UK PLC-REG-S 5.12500% 11-14.04.21	1 000 000.00	1 076 877.90	3.03
GBP SCENTRE GROUP TRUST 1 / 2-REG-S 2.37500% 15-08.04.22	400 000.00	404 308.00	1.14
GBP SKANDINAVISKA ENSKILDA BANKEN AB-REG-S 1.25000% 16-05.08.22	200 000.00	197 207.31	0.55
GBP SNCF RESEAU-REG-S 5.50000% 98-01.12.21	400 000.00	444 032.00	1.25
GBP SVENSKA HANDELSBANKEN AB-REG-S 2.75000% 12-05.12.22	200 000.00	207 543.68	0.58
GBP SVENSKA HANDELSBANKEN AB-REG-S 3.00000% 13-20.11.20	200 000.00	205 411.24	0.58

Description	Quantity/ Nominal	Valuation in GBP Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
GBP SWEDBANK AB-REG-S 1.25000% 17-29.12.21	100 000.00	98 564.80	0.28
GBP SWEDBANK AB-REG-S 1.62500% 18-28.12.22	200 000.00	198 155.20	0.56
GBP TOTAL CAPITAL INTERNATIONAL SA-REG-S 2.25000% 15-09.06.22	250 000.00	256 913.55	0.72
GBP TOYOTA MOTOR CREDIT CORP-REG-S 1.00000% 16-27.09.22	200 000.00	195 647.60	0.55
GBP TRANSPORT FOR LONDON 2.25000% 12-09.08.22	200 000.00	204 723.52	0.58
GBP WELLS FARGO & CO-REG-S 2.12500% 15-22.04.22	600 000.00	603 054.12	1.70
GBP WELLS FARGO & CO-REG-S 2.12500% 17-20.12.23	200 000.00	199 378.63	0.56
GBP WELLS FARGO & CO-REG-S 1.37500% 17-30.06.22	100 000.00	98 103.60	0.28
GBP WESTPAC BANKING CORP-REG-S 2.62500% 15-14.12.22	200 000.00	206 578.00	0.58
GBP WESTPAC SECURITIES NZ LTD/LONDON-REG-S 2.50000% 16-13.01.21	300 000.00	305 329.80	0.86
Total GBP		27 605 992.97	77.65
Total Medium term notes, fixed rate		27 605 992.97	77.65
Medium term notes, floating rate			
GBP			
GBP ESB FINANCE DAC-REG-S 6.500%/RATING LINKED 10-05.03.20	400 000.00	419 354.40	1.18
GBP HEATHROW FUNDING LTD 9.200%/6M LIBOR+400BP 08-29.03.23	500 000.00	575 525.60	1.62
Total GBP		994 880.00	2.80
Total Medium term notes, floating rate		994 880.00	2.80
Bonds, fixed rate			
GBP			
GBP AAREAL BANK AG-REG-S 1.00000% 17-04.06.20	200 000.00	198 959.54	0.56
GBP CANADIAN IMPERIAL BANK OF COM/CAN-REG-S 1.12500% 17-30.06.22	300 000.00	295 891.80	0.83
GBP CE ELECTRIC UK FUNDING COMPANY 7.25000% 97-15.12.22	100 000.00	119 767.26	0.34
GBP FMS WERTMANAGEMENT-REG-S 0.87500% 17-14.02.22	1 700 000.00	1 683 532.49	4.74
GBP FMS WERTMANAGEMENT-REG-S 1.12500% 17-07.09.23	400 000.00	395 809.66	1.11
GBP FRIENDS LIFE HOLDINGS PLC-REG-S-SUB 8.25000% 11-21.04.22	250 000.00	294 439.00	0.83
GBP INTER-AMERICAN DEVELOPMENT BANK 1.25000% 18-15.12.23	200 000.00	199 144.71	0.56
GBP LLOYDS BANK PLC-REG-S 1.75000% 15-31.03.22	600 000.00	604 878.00	1.70
GBP NATIONAL WESTMINSTER BANK PLC-REG-S 5.12500% 12-13.01.24	200 000.00	231 404.36	0.65
GBP NETWORK RAIL INFRASTRUCTURE FINANCE 3.00000% 13-07.09.23	100 000.00	107 635.60	0.30
GBP QUEBEC, PROVINCE OF-REG-S 0.87500% 17-24.05.22	100 000.00	98 355.05	0.28
GBP QUEBEC, PROVINCE OF-REG-S 1.50000% 18-15.12.23	200 000.00	199 576.49	0.56
GBP RABOBANK INTERNATIONAL 4.00000% 12-19.09.22	200 000.00	215 824.72	0.61
GBP YORKSHIRE WATER SERVICES FINANCE PLC 6.58760% 09-21.02.23	100 000.00	117 973.00	0.33
Total GBP		4 763 191.68	13.40
Total Bonds, fixed rate		4 763 191.68	13.40
Bonds, floating rate			
GBP			
GBP HSBC HOLDINGS PLC 2.175%/VAR 18-27.06.23	400 000.00	397 780.00	1.12
Total GBP		397 780.00	1.12
Total Bonds, floating rate		397 780.00	1.12
Total Transferable securities and money market instruments listed on an official stock exchange		35 083 457.28	98.69
Total investments in securities		35 083 457.28	98.69
Cash at banks, deposits on demand and deposit accounts and other liquid assets		79 415.62	0.22
Other assets and liabilities		386 661.48	1.09
Total net assets		35 549 534.38	100.00

UBS (Lux) Medium Term Bond Fund – USD

Three-year comparison

	ISIN	28.2.2019	28.2.2018	28.2.2017
Net assets in USD		197 446 321.56	166 088 987.35	221 081 605.30
Class F-acc	LU0441496998			
Units outstanding		8 885.9710	7 011.4050	7 036.1540
Net asset value per unit in USD		229.97	223.69	223.47
Issue and redemption price per unit in USD ¹		229.97	223.69	223.47
Class (CAD hedged) F-acc	LU1467528029			
Units outstanding		25 538.4280	37 107.1310	57 436.9170
Net asset value per unit in CAD		100.83	98.73	99.19
Issue and redemption price per unit in CAD ¹		100.83	98.73	99.19
Class I-A1-acc	LU0441489191			
Units outstanding		77 686.9970	175 922.9970	81 793.6720
Net asset value per unit in USD		108.53	105.70	105.73
Issue and redemption price per unit in USD ¹		108.53	105.70	105.73
Class (CAD hedged) I-A1-acc²	LU1467529183			
Units outstanding		-	350.9870	27 722.2240
Net asset value per unit in CAD		-	98.51	99.14
Issue and redemption price per unit in CAD ¹		-	98.51	99.14
Class I-A3-acc	LU0441489514			
Units outstanding		3 345.0000	3 994.0000	16 284.0000
Net asset value per unit in USD		107.63	104.69	104.58
Issue and redemption price per unit in USD ¹		107.63	104.69	104.58
Class I-X-acc³	LU1932710731			
Units outstanding		555 985.6750	-	-
Net asset value per unit in USD		100.84	-	-
Issue and redemption price per unit in USD ¹		100.84	-	-
Class I-X-UKdist³	LU1932710657			
Units outstanding		103 928.0000	-	-
Net asset value per unit in USD		100.84	-	-
Issue and redemption price per unit in USD ¹		100.84	-	-
Class P-acc	LU0057957531			
Units outstanding		369 330.5370	459 788.5310	678 097.1980
Net asset value per unit in USD		222.16	217.45	218.56
Issue and redemption price per unit in USD ¹		222.16	217.45	218.56
Class (CAD hedged) P-acc	LU1467524382			
Units outstanding		261 432.5470	311 716.1170	410 981.5330
Net asset value per unit in CAD		99.34	97.93	98.95
Issue and redemption price per unit in CAD ¹		99.34	97.93	98.95
Class P-dist	LU0094864534			
Units outstanding		82 517.2790	93 620.6140	129 514.1490
Net asset value per unit in USD		127.33	126.01	127.83
Issue and redemption price per unit in USD ¹		127.33	126.01	127.83
Class Q-acc	LU0441497293			
Units outstanding		33 045.1220	40 954.1980	49 680.5010
Net asset value per unit in USD		105.33	102.69	102.81
Issue and redemption price per unit in USD ¹		105.33	102.69	102.81
Class (CAD hedged) Q-acc	LU1467527138			
Units outstanding		25 261.4650	30 658.6920	22 274.0240
Net asset value per unit in CAD		100.30	98.40	99.10
Issue and redemption price per unit in CAD ¹		100.30	98.40	99.10
Class Q-dist	LU0441497376			
Units outstanding		4 290.3020	4 632.2180	5 370.5330
Net asset value per unit in USD		100.19	99.19	100.62
Issue and redemption price per unit in USD ¹		100.19	99.19	100.62

¹ See note 1

² The unit class (CAD hedged) I-A1-acc was in circulation until 17.5.2018

³ First NAV: 11.1.2019

Performance

	Currency	2018/2019	2017/2018	2016/2017
Class F-acc	USD	2.8%	0.1%	0.6%
Class (CAD hedged) F-acc	CAD	2.1%	-0.5%	-
Class I-A1-acc	USD	2.7%	-0.0%	0.5%
Class (CAD hedged) I-A1-acc ¹	CAD	-	-0.6%	-
Class I-A3-acc	USD	2.8%	0.1%	0.6%
Class I-X-acc ²	USD	-	-	-
Class I-X-UKdist ²	USD	-	-	-
Class P-acc	USD	2.2%	-0.5%	-0.0%
Class (CAD hedged) P-acc	CAD	1.4%	-1.0%	-
Class P-dist	USD	2.2%	-0.5%	-0.0%
Class Q-acc	USD	2.6%	-0.1%	0.4%
Class (CAD hedged) Q-acc	CAD	1.9%	-0.7%	-
Class Q-dist	USD	2.5%	-0.1%	0.4%

¹ The unit class (CAD hedged) I-A1-acc was in circulation until 17.5.2018. Due to this fact, there is no data for the calculation of the performance available.

² Due to the recent launch, there is no data for the calculation of the performance available.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.

The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

In the financial year from 1 March 2018 to 28 February 2019, the yield of the five-year US government bonds decreased by 13bp and closed the year at 2.51% with lows at 2.36% and highs at 3.09%. On 18 December 2018, the FOMC raised the target range for the federal funds rate by 25 basis points to 2.25%–2.50%, which was the 4th time in the financial year.

In the financial year, the subfund posted a positive absolute performance due to running yield (coupon). Duration management had no major impact while spread management and issue selection contributed positively to performance. The weighted-average residual term to maturity of the subfund was 2.71 years compared to 2.58 at the end of February 2018.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

United States	34.24
Germany	13.38
Luxembourg	5.55
Canada	4.37
The Netherlands	4.02
British Virgin Islands	3.67
France	3.44
Australia	2.85
South Korea	2.63
United Kingdom	2.62
Colombia	2.61
Denmark	2.37
Norway	2.04
Qatar	1.88
Switzerland	1.81
United Arab Emirates	1.80
Venezuela	1.57
Sweden	1.54
Cayman Islands	1.29
Japan	1.03
Guernsey	0.75
Kuwait	0.74
Singapore	0.66
Mauritius	0.40
Finland	0.35
Total	97.61

Economic Breakdown as a % of net assets

Banks & credit institutions	35.22
Finance & holding companies	18.18
Supranational organisations	12.98
Cantons, federal states	7.02
Computer hardware & network equipment providers	5.06
Countries & central governments	4.86
Mortgage & funding institutions	3.82
Petroleum	2.81
Public, non-profit institutions	2.37
Internet, software & IT services	2.24
Pharmaceuticals, cosmetics & medical products	2.06
Vehicles	0.53
Miscellaneous services	0.46
Total	97.61

Statement of Net Assets

	USD
Assets	28.2.2019
Investments in securities, cost	193 237 966.54
Investments in securities, unrealized appreciation (depreciation)	-515 604.58
Total investments in securities (Note 1)	192 722 361.96
Cash at banks, deposits on demand and deposit accounts	3 480 240.78
Other liquid assets (Margins)	4 891.68
Receivable on subscriptions	10 493.72
Interest receivable on securities	1 419 451.42
Unrealized gain (loss) on financial futures (Note 1)	-8 278.02
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	70 762.33
Total Assets	197 699 923.87
Liabilities	
Payable on redemptions	-189 835.93
Provisions for flat fee (Note 2)	-39 006.80
Provisions for taxe d'abonnement (Note 3)	-10 978.64
Provisions for other commissions and fees (Note 2)	-13 780.94
Total provisions	-63 766.38
Total Liabilities	-253 602.31
Net assets at the end of the financial year	197 446 321.56

Statement of Operations

	USD
Income	1.3.2018-28.2.2019
Interest on liquid assets	34 650.25
Interest on securities	3 676 082.18
Income on securities lending (Note 11)	69 028.67
Other income (Note 4)	90 818.09
Total income	3 870 579.19
Expenses	
Cost on securities lending (Note 11)	-27 611.47
Flat fee (Note 2)	-1 227 676.28
Taxe d'abonnement (Note 3)	-65 689.84
Other commissions and fees (Note 2)	-95 957.19
Total expenses	-1 416 934.78
Net income (loss) on investments	2 453 644.41
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-1 418 694.31
Realized gain (loss) on financial futures	-60 619.79
Realized gain (loss) on forward foreign exchange contracts	-1 812 745.14
Realized gain (loss) on foreign exchange	-513 094.97
Total realized gain (loss)	-3 805 154.21
Net realized gain (loss) of the financial year	-1 351 509.80
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	2 745 883.45
Unrealized appreciation (depreciation) on financial futures	23 689.99
Unrealized appreciation (depreciation) on forward foreign exchange contracts	1 396 671.66
Total changes in unrealized appreciation (depreciation)	4 166 245.10
Net increase (decrease) in net assets as a result of operations	2 814 735.30

Statement of Changes in Net Assets

	USD
	1.3.2018-28.2.2019
Net assets at the beginning of the financial year	166 088 987.35
Subscriptions	82 244 534.47
Redemptions	-53 570 192.39
Total net subscriptions (redemptions)	28 674 342.08
Dividend paid	-131 743.17
Net income (loss) on investments	2 453 644.41
Total realized gain (loss)	-3 805 154.21
Total changes in unrealized appreciation (depreciation)	4 166 245.10
Net increase (decrease) in net assets as a result of operations	2 814 735.30
Net assets at the end of the financial year	197 446 321.56

Development of the outstanding units

	1.3.2018-28.2.2019
Class	F-acc
Number of units outstanding at the beginning of the financial year	7 011.4050
Number of units issued	9 694.1670
Number of units redeemed	-7 819.6010
Number of units outstanding at the end of the financial year	8 885.9710
Class	(CAD hedged) F-acc
Number of units outstanding at the beginning of the financial year	37 107.1310
Number of units issued	936.5300
Number of units redeemed	-12 505.2330
Number of units outstanding at the end of the financial year	25 538.4280
Class	I-A1-acc
Number of units outstanding at the beginning of the financial year	175 922.9970
Number of units issued	63 975.0000
Number of units redeemed	-162 211.0000
Number of units outstanding at the end of the financial year	77 686.9970
Class	(CAD hedged) I-A1-acc
Number of units outstanding at the beginning of the financial year	350.9870
Number of units issued	0.0000
Number of units redeemed	-350.9870
Number of units outstanding at the end of the financial year	0.0000
Class	I-A3-acc
Number of units outstanding at the beginning of the financial year	3 994.0000
Number of units issued	0.0000
Number of units redeemed	-649.0000
Number of units outstanding at the end of the financial year	3 345.0000
Class	I-X-acc
Number of units outstanding at the beginning of the financial year	0.0000
Number of units issued	556 086.6750
Number of units redeemed	-101.0000
Number of units outstanding at the end of the financial year	555 985.6750
Class	I-X-UKdist
Number of units outstanding at the beginning of the financial year	0.0000
Number of units issued	104 029.0000
Number of units redeemed	-101.0000
Number of units outstanding at the end of the financial year	103 928.0000
Class	P-acc
Number of units outstanding at the beginning of the financial year	459 788.5310
Number of units issued	9 902.3720
Number of units redeemed	-100 360.3660
Number of units outstanding at the end of the financial year	369 330.5370
Class	(CAD hedged) P-acc
Number of units outstanding at the beginning of the financial year	311 716.1170
Number of units issued	6 979.8600
Number of units redeemed	-57 263.4300
Number of units outstanding at the end of the financial year	261 432.5470
Class	P-dist
Number of units outstanding at the beginning of the financial year	93 620.6140
Number of units issued	2 108.3080
Number of units redeemed	-13 211.6430
Number of units outstanding at the end of the financial year	82 517.2790
Class	Q-acc
Number of units outstanding at the beginning of the financial year	40 954.1980
Number of units issued	38 086.3760
Number of units redeemed	-45 995.4520
Number of units outstanding at the end of the financial year	33 045.1220
Class	(CAD hedged) Q-acc
Number of units outstanding at the beginning of the financial year	30 658.6920
Number of units issued	1 230.0000
Number of units redeemed	-6 627.2270
Number of units outstanding at the end of the financial year	25 261.4650

Class	Q-dist
Number of units outstanding at the beginning of the financial year	4 632.2180
Number of units issued	730.0000
Number of units redeemed	-1 071.9160
Number of units outstanding at the end of the financial year	4 290.3020

Distribution¹

UBS (Lux) Medium Term Bond Fund – USD	Ex-Date	Pay-Date	Currency	Amount per unit
P-dist	2.5.2018	7.5.2018	USD	1.36
Q-dist	2.5.2018	7.5.2018	USD	1.47

¹ See note 6

Statement of Investments in Securities and other Net Assets as of 28 February 2019

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

USD

USD	ABU DHABI GOVERNMENT OF-REG-S 2.50000% 17-11.10.22	3 630 000.00	3 561 937.50	1.80
USD	ALIBABA GROUP HOLDING LTD 2.50000% 15-28.11.19	920 000.00	916 773.56	0.46
USD	APPLE INC 2.40000% 13-03.05.23	4 970 000.00	4 876 769.31	2.47
USD	APPLE INC 2.85000% 14-06.05.21	5 110 000.00	5 120 663.54	2.59
USD	BARCLAYS PLC 3.20000% 16-10.08.21	2 140 000.00	2 117 819.95	1.07
USD	BAT CAPITAL CORP 2.29700% 18-14.08.20	1 940 000.00	1 911 504.54	0.97
USD	BAYER US FINANCE II LLC-REG-S 3.50000% 18-25.06.21	1 480 000.00	1 478 081.82	0.75
USD	BMW US CAPITAL LLC-REG-S 2.70000% 17-06.04.22	2 540 000.00	2 508 852.26	1.27
USD	BP CAPITAL MARKETS PLC 2.52000% 18-19.09.22	500 000.00	491 588.60	0.25
USD	CHEVRON CORP 4.95000% 09-03.03.19	3 880 000.00	3 880 000.00	1.97
USD	CORPORACION ANDINA DE FOMENTO 2.12500% 16-27.09.21	5 290 000.00	5 144 895.30	2.61
USD	CREDIT SUISSE GRP FDNG GUERNSEY 3.45000% 16-16.04.21	1 480 000.00	1 482 928.33	0.75
USD	DEUTSCHE BANK AG/NEW YORK NY 4.25000% 18-04.02.21	1 000 000.00	995 893.22	0.50
USD	ENEL FINANCE INTERNATIONAL NV-REG-S 2.87500% 17-25.05.22	1 050 000.00	1 019 920.34	0.52
USD	EUROPEAN INVESTMENT BANK 1.37500% 15-15.06.20	2 000 000.00	1 967 808.10	1.00
USD	EUROPEAN INVESTMENT BANK 2.50000% 18-15.03.23	3 000 000.00	2 987 486.46	1.51
USD	EXPORT-IMPORT BANK OF KOREA 3.00000% 17-01.11.22	2 970 000.00	2 953 237.91	1.50
USD	GAZ CAPITAL SA/GAZPROM-REG-S LPN 6.51000% 07-07.03.22	830 000.00	875 235.00	0.44
USD	GENERAL MOTORS FINANCIAL CO 3.55000% 18-09.04.21	1 480 000.00	1 480 435.71	0.75
USD	INTL BK FOR RECONSTR & DEVT WORLD BANK 2.25000% 14-24.06.21	2 470 000.00	2 450 129.30	1.24
USD	INTL BK FOR RECONSTR & DEVT WORLD BANK 2.75000% 18-23.07.21	4 290 000.00	4 305 172.02	2.18
USD	KOREA DEVELOPMENT BANK 3.00000% 12-14.09.22	2 239 000.00	2 231 555.32	1.13
USD	KREDITANSTALT FUER WIEDERAUFBAU 2.12500% 13-17.01.23	10 530 000.00	10 340 957.75	5.24
USD	KREDITANSTALT FUER WIEDERAUFBAU 1.50000% 16-15.06.21	3 000 000.00	2 926 633.62	1.48
USD	METROPOLITAN LIFE GLOBAL FUNDING-REG-S 2.05000% 17-12.06.20	1 310 000.00	1 295 770.20	0.66
USD	MICROSOFT CORP 1.85000% 15-12.02.20	3 480 000.00	3 453 923.01	1.75
USD	MIZUHO BANK LTD-REG-S 2.45000% 14-16.04.19	250 000.00	249 867.50	0.13
USD	MTN MAURITIUS INVESTMENTS LTD-REG-S 5.37300% 16-13.02.22	800 000.00	795 000.00	0.40
USD	NESTLE HOLDINGS INC-REG-S 3.35000% 18-24.09.23	1 480 000.00	1 504 822.71	0.76
USD	QATAR, STATE OF-REG-S 3.87500% 18-23.04.23	3 630 000.00	3 711 675.00	1.88
USD	ROYAL BANK OF SCOTLAND GROUP PLC 3.87500% 16-12.09.23	1 480 000.00	1 467 596.38	0.74
USD	SB CAPITAL SA FOR SBERBANK-REG-S LPN 5.18000% 12-28.06.19	900 000.00	901 800.00	0.46
USD	SHELL INTERNATIONAL FINANCE BV 1.75000% 16-12.09.21	1 320 000.00	1 286 141.18	0.65
USD	SINOPEC GROUP OVERSEAS DEVELOP-REG-S 2.75000% 14-10.04.19	1 180 000.00	1 179 531.06	0.60
USD	SINOPEC GROUP OVERSEA DEVELOPMENT-REG-S 2.75000% 16-03.05.21	3 640 000.00	3 592 305.44	1.82
USD	SKANDINAVISKA ENSKILDA BANKEN AB-REG-S 2.37500% 14-25.03.19	2 220 000.00	2 219 182.79	1.12
USD	TOTAL CAPITAL INTERNATIONAL SA 2.10000% 14-19.06.19	1 070 000.00	1 068 549.67	0.54
USD	VOLKSWAGEN GRP OF AMERICA FINANCE-REG-S 4.00000% 18-12.11.21	600 000.00	607 717.98	0.31
Total USD			91 360 162.38	46.27

Total Notes, fixed rate

91 360 162.38 **46.27**

Medium term notes, fixed rate

USD

USD	AUSTRALIA & NEW ZEALAND BANKING GRP/NY 2.70000% 15-16.11.20	3 290 000.00	3 271 707.60	1.66
USD	BANK OF MONTREAL 1.90000% 16-27.08.21	4 290 000.00	4 182 948.49	2.12
USD	BP CAPITAL MARKETS PLC-REG-S 3.64300% 18-14.05.23	1 580 000.00	1 590 531.18	0.81
USD	CREDIT AGRICOLE SA LONDON-REG-S 3.87500% 14-15.04.24	2 570 000.00	2 616 701.52	1.32
USD	DBS GROUP HOLDINGS LTD-REG-S 2.24600% 14-16.07.19	1 300 000.00	1 295 919.11	0.66
USD	KOMMUNALBANKEN AS-REG-S 3.12500% 18-18.10.21	2 970 000.00	3 005 638.51	1.52
USD	KOMMUNEKREDIT-REG-S 1.62500% 16-01.06.21	4 790 000.00	4 678 942.18	2.37
USD	LANDWIRTSCHAFTLICHE RENTENBANK-REG-S 1.87500% 15-17.04.23	2 080 000.00	2 016 560.00	1.02
USD	NRW BANK-REG-S 2.00000% 14-23.09.19	846 000.00	836 656.80	0.42
USD	RABOBANK NEDERLAND NV-REG-S 1.87500% 16-19.07.21	2 230 000.00	2 164 713.85	1.10
USD	STATE GRID OVERSEAS INVESTMENT-REG-S 2.25000% 17-04.05.20	2 500 000.00	2 471 475.00	1.25
USD	TORONTO-DOMINION BANK 1.80000% 16-13.07.21	1 000 000.00	974 684.73	0.49
USD	TORONTO-DOMINION BANK 3.50000% 18-19.07.23	500 000.00	508 711.30	0.26
USD	TOYOTA MOTOR CREDIT CORP 2.12500% 14-18.07.19	1 600 000.00	1 596 845.23	0.81
Total USD			31 212 035.50	15.81

Total Medium term notes, fixed rate

31 212 035.50 **15.81**

Medium term notes, floating rate

USD

USD	BANK OF AMERICA CORP 2.816%/VAR 17-21.07.23	2 970 000.00	2 920 161.94	1.48
Total USD			2 920 161.94	1.48

Total Medium term notes, floating rate

2 920 161.94 **1.48**

Bonds, fixed rate

USD

USD	BANK OF NOVA SCOTIA 2.12500% 14-11.09.19	650 000.00	648 039.41	0.33
USD	CORPORACION ANDINA DE FOMENTO 2.00000% 16-10.05.19	3 110 000.00	3 104 728.55	1.57
USD	DEXIA CREDIT LOCAL DE FRANCE-REG-S 1.87500% 16-15.09.21	1 000 000.00	976 891.91	0.50
USD	EUROPEAN INVESTMENT BANK 2.25000% 17-15.03.22	1 000 000.00	990 266.30	0.50
USD	EUROPEAN INVESTMENT BANK 1.87500% 12-15.10.19	2 500 000.00	2 488 125.00	1.26
USD	INTL BK FOR RECONSTR & DEVT 2.50000% 15-29.07.25	2 210 000.00	2 180 266.05	1.10
USD	JOHNSON & JOHNSON 1.87500% 14-05.12.19	3 570 000.00	3 548 211.97	1.80
USD	JOHNSON & JOHNSON 2.45000% 14-05.12.21	520 000.00	514 984.84	0.26
USD	KUWAIT INTERNATIONAL GOVT BOND-REG-S 2.75000% 17-20.03.22	1 480 000.00	1 464 830.00	0.74
USD	MICROSOFT CORP 2.00000% 16-08.08.23	1 000 000.00	967 752.51	0.49
USD	MITSUBISHI UFJ FINANCIAL GROUP INC 2.66500% 17-25.07.22	1 810 000.00	1 772 750.20	0.90
USD	NORDRHEIN-WESTFALEN, STATE OF-REG-S 1.62500% 14-22.01.20	7 400 000.00	7 327 885.52	3.71
USD	NORDRHEIN-WESTFALEN, STATE OF-REG-S 1.25000% 16-16.09.19	300 000.00	297 654.15	0.15
USD	SACHSEN-ANHALT, STATE OF-REG-S 1.37500% 16-15.10.19	2 700 000.00	2 676 315.60	1.36

UBS (Lux) Medium Term Bond Fund – USD
Annual Report as of 28 February 2019

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
USD TORONTO-DOMINION BANK-REG-S 2.25000% 14-25.09.19	2 320 000.00	2 313 315.73	1.17
USD WESTPAC BANKING CORP-REG-S 2.00000% 15-03.03.20	300 000.00	297 534.00	0.15
USD WESTPAC BANKING CORP-REG-S 2.25000% 15-09.11.20	2 080 000.00	2 058 409.60	1.04
Total USD		33 627 961.34	17.03

Total Bonds, fixed rate 33 627 961.34 17.03

Total Transferable securities and money market instruments listed on an official stock exchange 159 120 321.16 80.59

Transferable securities and money market instruments traded on another regulated market

Notes, fixed rate

USD			
USD AKER BP ASA-REG-S 6.00000% 17-01.07.22	1 000 000.00	1 025 200.00	0.52
USD BPCE SA-REG-S 4.00000% 18-12.09.23	2 140 000.00	2 136 853.84	1.08
USD CHEVRON CORP 2.35500% 12-05.12.22	650 000.00	639 570.01	0.32
USD DAIMLER FINANCE NORTH AMERICA LLC-REG-S 2.20000% 17-05.05.20	1 050 000.00	1 038 097.90	0.52
USD MASSMUTUAL GLOBAL FUNDING II-REG-S 1.55000% 16-11.10.19	2 640 000.00	2 621 813.70	1.33
USD NATIONAL AUSTRALIA BANK LTD/NY 3.70000% 18-04.11.21	1 319 000.00	1 335 447.93	0.68
USD NORDEA BANK ABP-REG-S 2.12500% 17-29.05.20	700 000.00	692 384.58	0.35
USD SCHLUMBERGER FINANCE NV-144A 3.30000% 11-14.09.21	750 000.00	751 908.75	0.38
USD SHELL INTERNATIONAL FINANCE BV 2.37500% 12-21.08.22	1 640 000.00	1 612 496.94	0.82
Total USD		11 853 773.65	6.00

Total Notes, fixed rate 11 853 773.65 6.00

Medium term notes, fixed rate

USD			
USD ABN AMRO BANK NV-REG-S 2.65000% 18-19.01.21	1 870 000.00	1 855 219.78	0.94
USD FREDDIE MAC 2.37500% 12-13.01.22	5 930 000.00	5 902 263.19	2.99
USD UBS AG LONDON-REG-S 2.20000% 17-08.06.20	3 600 000.00	3 563 604.00	1.80
Total USD		11 321 086.97	5.73

Total Medium term notes, fixed rate 11 321 086.97 5.73

Treasury notes, fixed rate

USD			
USD AMERICA, UNITED STATES OF 2.00000% 15-30.11.22	1 640 000.00	1 610 082.81	0.82
Total USD		1 610 082.81	0.82

Total Treasury notes, fixed rate 1 610 082.81 0.82

Treasury notes, floating rate

USD			
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	3 970 000.00	4 282 981.07	2.17
Total USD		4 282 981.07	2.17

Total Treasury notes, floating rate 4 282 981.07 2.17

Total Transferable securities and money market instruments traded on another regulated market 29 067 924.50 14.72

Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market

Notes, fixed rate

USD			
USD SANTANDER HOLDINGS USA INC 4.45000% 18-03.12.21	2 040 000.00	2 082 502.38	1.06
USD SVENSKA HANDELSBANKEN AB 1.95000% 17-08.09.20	830 000.00	816 912.32	0.41
Total USD		2 899 414.70	1.47

Total Notes, fixed rate 2 899 414.70 1.47

Bonds, fixed rate

USD			
USD CK HUTCHISON INTNL 17 II LTD-REG-S 2.25000% 17-29.09.20	1 660 000.00	1 634 701.60	0.83
Total USD		1 634 701.60	0.83

Total Bonds, fixed rate 1 634 701.60 0.83

Total Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market 4 534 116.30 2.30

Total investments in securities 192 722 361.96 97.61

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on bonds

USD	US 2YR TREASURY NOTE FUTURE 28.06.19	190.00	-14 840.52	-0.01
USD	US 5YR TREASURY NOTE FUTURE 28.06.19	-42.00	6 562.50	0.00
Total Financial Futures on bonds			-8 278.02	-0.01

Total Derivative instruments listed on an official stock exchange		-8 278.02	-0.01
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Total Derivative instruments		-8 278.02	-0.01
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Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

CAD	30 728 200.00	USD	23 278 720.72	1.4.2019	70 975.34	0.04
USD	56 929.85	CAD	75 200.00	1.4.2019	-213.01	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					70 762.33	0.04

Cash at banks, deposits on demand and deposit accounts and other liquid assets		3 485 132.46	1.77
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Other assets and liabilities		1 176 342.83	0.59
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Total net assets		197 446 321.56	100.00
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Notes to the Financial Statements

Note 1 – Summary of significant accounting policies

The financial statements have been prepared in accordance with the generally accepted accounting principles for investment funds in Luxembourg. The significant accounting policies are summarised as follows:

a) Calculation of the net asset value

The net asset value and the issue and redemption price per unit of any subfund or of any unit class are expressed in the currency of account of the subfund or of the unit class concerned and are calculated every business day by dividing the overall net assets of the subfund, assigned to each unit class, by the number of units in circulation in the respective unit class of this subfund.

A “business day” is a normal bank business day in Luxembourg (i.e. a day when the banks are open during normal business hours), except for 24 and 31 December, individual, non-statutory days of rest in Luxembourg and days on which stock exchanges in the main countries in which the respective sub-fund invests are closed, or on which 50% or more of the investments of the sub-fund cannot be adequately valued.

However, the net asset value of a unit may also be calculated on days where no units are issued or redeemed, as described in the following section. In this case, the net asset value may be published, but it may only be used for the purpose of calculating performance, statistics or fees. Under no circumstances should it be used as a basis for subscription and redemption orders.

The percentage of the net asset value which is attributable to each unit class of a subfund is determined by the ratio of the units in circulation in each unit class to the total number of units in circulation in the subfund, taking into account the commission charged to that unit class, and changes each time the issue or redemption of units takes place.

If the total subscriptions or redemptions in all the unit classes of a subfund on a single trading day should result in a net capital inflow or outflow, this subfund’s net asset value may be increased or reduced accordingly (“single swing pricing”). The maximum adjustment amounts to 2% of the net asset value. Estimated transaction costs and tax charges that may be incurred by the subfund, as well as the estimated bid-ask spreads of the assets in which the subfund invests, may be taken into account. Such an adjustment will lead to an increase in net asset

value if the net movements result in an increase in the number of units in the relevant subfund.

It will lead to a decrease in net asset value if the net movements result in a decrease in the number of units. The Board of Directors can set a threshold value for each subfund. This may be calculated from the ratio of net movement on a given trading day to the net fund assets, or from a single amount in the currency of the relevant subfund. In such a case, the net asset value would only be adjusted if this threshold were to be exceeded on a given trading day.

Instead of the aforementioned adjustment of the net asset value, the estimated transaction costs and tax charges that may be incurred by the subfund as well as the estimated bid/offer spread of the assets in which the Fund invests may be charged to the investor.

b) Valuation principles

- liquid assets (whether in the form of cash and bank deposits, bills of exchange, cheques, promissory notes, expense advances, cash dividends and declared or accrued interest still receivable) are valued at face value, unless this value is unlikely to be fully paid or received, in which case their value is determined by deducting an amount deemed appropriate to arrive at their real value.
- Securities, derivatives and other assets listed on a stock exchange are valued at the most recent market prices available. If these securities, derivatives or other assets are listed on several stock exchanges, the most recently available price on the stock exchange that represents the major market for this asset shall apply. In the case of securities, derivatives and other assets not commonly traded on a stock exchange and for which a secondary market among securities traders exists with pricing in line with the market, the Management Company may value these securities, derivatives and other investments based on these prices. Securities, derivatives and other investments not listed on a stock exchange, but traded on another regulated market that operates regularly and is recognised and open to the public, are valued at the most recently available price on this market.
- Securities and other investments not listed on a stock exchange or traded on another regulated market, and for which no appropriate price can be obtained, are valued by the Management Company according to other principles chosen by it in good faith on the basis of probable market prices.

- Derivatives not listed on a stock exchange (OTC derivatives) are valued on the basis of independent pricing sources. If only one independent pricing source is available for a derivative, the plausibility of the valuation obtained will be verified using calculation models that are recognised by the Management Company and the Fund's auditors, based on the market value of that derivative's underlying.
- Units of other undertakings for collective investment in transferable securities (UCITS) and/or undertakings for collective investment (UCIs) are valued at their last known asset value.
- Money market instruments not traded on a stock exchange or on another regulated market open to the public will be valued on the basis of the relevant curves. Curve-based valuations are calculated from interest rates and credit spreads. The following principles are applied in this process: The interest rate nearest the residual maturity is interpolated for each money market instrument. Thus calculated, the interest rate is converted into a market price by adding a credit spread that reflects the creditworthiness of the underlying borrower. This credit spread is adjusted if there is a significant change in the borrower's credit rating.
- Securities, money market instruments, derivatives and other assets denominated in a currency other than the relevant subfund's currency of account, and not hedged by foreign exchange transactions, are valued using the average exchange rate (between the bid and ask prices) known in Luxembourg or, if none is available, using the rate on the most representative market for that currency.
- Term and fiduciary deposits are valued at their nominal value plus accumulated interest.
- The value of swaps is calculated by an external service provider and a second independent valuation is provided by another external service provider. Such calculations are based on the net present value of all cash flows (both inflows and outflows). In some specific cases, internal calculations (based on models and market data made available by Bloomberg) and/or broker statement valuations may be used. The valuation method depends on the security in question and is chosen pursuant to the applicable UBS valuation policy.

The valuation methods depend on the respective security and are determined pursuant to the applicable valuation policy.

The Management Company is authorised to apply other generally recognised and verifiable valuation criteria in good faith to arrive at an appropriate valuation of the net assets if, due to extraordinary circumstances, a valuation in accordance with the foregoing provisions proves unfeasible or inaccurate.

These valuation criteria are determined by the Board of Directors with prudence, on the basis of market quotations resulting from transactions or from pricing models, as well as from any other source, which may include

broker statements, considered as reliable and appropriate by the Board of Directors to reflect what is believed to be the fair value of those securities at the portfolio's valuation point.

The market value of the investments can differ from the above mentioned valuation principles with respect to the financial crisis and the impact to the liquidity of the markets.

In the case of extraordinary circumstances, additional valuations, which will affect the prices of the units to be subsequently issued or redeemed, may be carried out within one day.

c) Valuation of forward foreign exchange contracts

The unrealized gain (loss) of outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date.

d) Valuation of financial futures contracts

Financial futures contracts are valued based on the latest available published price applicable on the valuation date. Realized gains and losses and the changes in unrealized gains and losses are recorded in the statement of operations. The realized gains and losses are calculated in accordance with the FIFO method, i.e. the first contracts acquired are regarded as the first to be sold.

e) Net realized gain (loss) on sales of securities

The realized gains or losses on the sales of securities are calculated on the basis of the average cost of the securities sold.

f) Conversion of foreign currencies

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the different subfunds are converted at the mid closing spot rates on the valuation date. Income and expenses denominated in currencies other than the currency of the different subfunds are converted at the mid closing spot rates at payment date. Gain or loss on foreign exchange is included in the statement of operations.

The cost of securities denominated in currencies other than the reference currency of the different subfunds is converted at the mid closing spot rate prevailing on the day of acquisition.

g) Accounting of securities' portfolio transactions

The securities' portfolio transactions are accounted for the bank business day following the transaction dates.

h) "Mortgage-backed securities"

The Fund, in accordance with its investment policies, may invest in mortgage-backed securities. A mortgage-backed security is a participation in a pool of residential mortgages which is consolidated into the form of securities. The principal and interest payments on the underlying mortgages are passed through to the holders of the mortgage-backed security of which the principle reduces the cost basis of the security. The

payment of principal and interest may be guaranteed by quasigovernmental agencies of the United States. A gain or loss is calculated on each paydown associated with each payment of principal. This gain or loss has been included in Net realized gain or loss on sales of securities in the statement of operations. In addition, prepayments of the underlying mortgages may shorten the life of the security, thereby affecting the Fund's expected yield.

For "Mortgage-backed securities", if the factor to be applied to the nominal of the security is greater than one at the valuation date, then the nominal shown in the financial statements is adjusted to reflect this factor. In the other cases the nominal shown reflects the effect of a factor equal to one.

j) Consolidated financial statements

The consolidated financial statements of the Fund are established in EUR. The various items of the consolidated statement of net assets and the consolidated statement of operations as at 28 February 2019 of the Fund are equal to the sum of the corresponding items in the financial statements of each subfund converted into EUR at the closing exchange rates.

The following exchange rates were used for the conversion of the consolidated financial statements as of 28 February 2019:

Exchange rates	
EUR 1 = AUD	1.600534
EUR 1 = CHF	1.134373
EUR 1 = GBP	0.856101
EUR 1 = USD	1.138700

j) Receivable on securities sales, Payable on securities purchases

The account "Receivable on securities sales" can also include receivables from foreign currency transactions. The account "Payable on securities purchases" can also include payables from foreign currency transactions.

k) Income recognition

Dividends, net of withholding taxes, are recognized as income on the date upon which the relevant securities are first listed as "ex-dividend". Interest income is accrued on a daily basis.

l) Swaps

The Fund may enter into interest rate swap contracts, forward rate agreements on interest rates swaptions and credit default swaps, if they are executed with first-class financial institutions that specialize in transactions of this kind.

Changes in unrealized profits and losses are reflected in the statement of operations under the changes in "Unrealized appreciation (depreciation) on Swaps".

Gains or losses on swaps incurred when closed-out or matured are recorded as "Realized gain (loss) on Swaps" in the statement of operations.

Note 2 – Flat fee

The Fund pays a monthly flat fee for each of the subfunds, calculated on the average net asset value of the subfund as shown in the table below:

UBS (Lux) Medium Term Bond Fund – AUD
 UBS (Lux) Medium Term Bond Fund – CHF
 UBS (Lux) Medium Term Bond Fund – EUR
 UBS (Lux) Medium Term Bond Fund – GBP
 UBS (Lux) Medium Term Bond Fund – USD

	Maximum flat fee p.a.	Maximum flat fee p.a. for unit classes with "hedged" in their name
Unit classes with "P" in their name	0.900%	0.950%
Unit classes with "N" in their name	1.600%	1.650%
Unit classes with "K-1" in their name	0.550%	0.580%
Unit classes with "K-X" in their name	0.000%	0.000%
Unit classes with "F" in their name	0.340%*	0.370%
Unit classes with "Q" in their name	0.500%	0.550%
Unit classes with "I-A1" in their name	0.460%	0.490%
Unit classes with "I-A2" in their name	0.400%	0.430%
Unit classes with "I-A3" in their name	0.340%	0.370%
Unit classes with "I-B" in their name	0.065%	0.065%
Unit classes with "I-X" in their name	0.000%	0.000%
Unit classes with "U-X" in their name	0.000%	0.000%

* For UBS (Lux) Medium Term Bond Fund – CHF F-acc: "max 0.340% / eff 0.25%"

Out of the aforementioned flat fee the following fees are paid:

1. In accordance with the following provisions, a maximum flat fee based on the net asset value of the Fund is paid from the Fund's assets for the management, administration, portfolio management and distribution of the Fund (if applicable), as well as for all Depository tasks, such as the safekeeping and supervision of the Fund's assets, the processing of payment transactions and all other tasks listed in the "Depository and Main Paying Agent" of the sales prospectus. This fee is charged to the Fund's assets pro rata temporis upon every calculation of the net asset value, and is paid on a monthly basis (maximum flat management fee). The maximum flat fee for unit classes with "hedged" in their name may contain fees for hedging currency risk. The relevant maximum flat management fee will not be charged until the corresponding unit classes have been launched. An overview of the maximum flat management fees can be found under "The subfunds and their special investment policies" of the sales prospectus.

The actual maximum rate applied to the flat management fee can be found in the annual and semi-annual reports.

2. The maximum flat management fee does not include the following fees and additional expenses, which are also taken from the Fund assets:
 - a) All other Fund asset management expenses for the sale and purchase of assets (bid-ask spread, market-based brokerage fees, commissions, fees, etc.); As a rule, these expenses are calculated upon the purchase or sale of the respective assets. In derogation hereto, these additional expenses, which arise through the sale and purchase of assets in connection with the settlement of the issue and redemption of units, are covered by the application of the single swing pricing principle pursuant to the section titled "Net asset value, issue, redemption and conversion price" of the sales prospectus;
 - b) Fees of the supervisory authority for the establishment, modification, liquidation and merger of the Fund, as well as all charges payable to the supervisory authorities and any stock exchanges on which the subfunds are listed;
 - c) Auditor's fees for the annual audit and for authorisations in connection with creations, alterations, liquidations and mergers within the Fund, as well as any other fees paid to the audit firm for services provided in relation to the administration of the Fund and as permitted by law;
 - d) Fees for legal consultants, tax consultants and notaries in connection with the creation, registration in distribution countries, alteration, liquidation and merger of the Fund, as well as for the general safeguarding of the interests of the Fund and its investors, insofar as this is not expressly prohibited by law;
 - e) Costs for publishing the Fund's net asset value and all costs for notices to investors, including translation costs;
 - f) Costs for the Fund's legal documents (prospectuses, KIIDs, annual and semi-annual reports, and other documents legally required in the countries of domiciliation and distribution);
 - g) Costs for the Fund's registration with any foreign supervisory authorities (if applicable), including fees payable to the foreign supervisory authorities, as well as translation costs and fees for the foreign representative or paying agent;
 - h) Expenses incurred through use of voting or creditors' rights by the Fund, including fees for external advisers;
 - i) Costs and fees related to any intellectual property registered in the Fund's name, or to the Fund's rights of usufructuary;
 - j) all expenses arising in connection with any extraordinary measures taken by the Management Company, Portfolio Manager or Depositary to protect the interests of the investors;
 - k) If the Management Company participates in class-action suits in the interests of investors, it may charge expenses arising in connection with third parties (e.g. legal and Depositary costs) to the Fund's

assets. Furthermore, the Management Company may bill for all administrative costs, provided these are verifiable, and disclosed and accounted for in the Fund's published total expense ratio (TER).

3. The Management Company may pay trailer fees for the distribution of the Fund.

All taxes on the Fund's income and assets, particularly the *taxe d'abonnement*, shall also be borne by the Fund.

Out of the management commission sales fees are paid to distributors and asset managers of the Fund.

The Depositary, Administrative Agent and Management Company are nevertheless entitled to be reimbursed the costs of non-routine arrangements made by them in the interests of the investors; otherwise such expenses will be charged direct to the Fund.

The Fund will also bear all transaction expenses arising in connection with the administration of the Fund assets (brokerage commission in line with the market, fees, fiscal charges, etc.).

For purposes of general comparability with fee rules of different fund providers that do not have a flat management fee, the term "maximum management fee" is set at 80% of the flat management fee.

All costs that can be attributed to individual subfunds will be charged to these subfunds.

Costs that can be allocated to individual unit classes will be charged to those unit classes. Costs pertaining to some or all subfunds/unit classes will be charged to those subfunds/unit classes in proportion to their respective net asset values.

With regard to subfunds that may invest in other UCIs or UCITS under the terms of their investment policies, fees may be incurred both at the level of the relevant target fund and at the level of the relevant subfund. The upper limit for management fees of the target fund in which the assets of the subfund are invested amounts to a maximum of 3%, taking into account any trailer fees.

Should a subfund invest in units of funds that are managed directly or by delegation by the Management Company itself or by another company linked to the Management Company through common management or control or through a substantial direct or indirect holding, no issue or redemption charges may be charged to the investing subfund in connection with these target fund units.

Details on the Fund's ongoing charges can be found in the KIIDs.

Note 3 – Taxe d’abonnement

In accordance with the law and the regulations currently in force, the Fund is subject to a subscription tax at the annual rate of 0.05%, a reduced tax d’abonnement amounting to 0.01% p.a. for institutional unit classes, payable quarterly and calculated on the basis of the net assets at the end of each quarter.

The tax d’abonnement is waived for that part of the net assets invested in units or shares of other undertakings for collective investment that have already paid the tax d’abonnement in accordance with the statutory provisions of Luxembourg law.

Note 4 – Other income

Other income mainly consist of income resulting from Single Swing Pricing.

Note 5 – Transaction costs

Transaction costs include brokerage fees, stamp duty, local taxes and other foreign charges if incurred during the fiscal year. Transaction fees are included in the cost of securities purchased and sold.

For the financial year ended on 28 February 2019, the fund incurred transaction costs relating to purchase or sale of investments in securities and similar transactions, as follows:

UBS (Lux) Medium Term Bond Fund	Transaction costs
– AUD	5 405.00 AUD
– CHF	3 617.50 CHF
– EUR	2 845.10 EUR
– GBP	– GBP
– USD	8 056.20 USD

Not all transaction costs are separately identifiable. For fixed income investments, forward currency contracts and other derivative contracts, transaction costs will be included in the purchase and sale price of the investment. Whilst not separately identifiable these transaction costs will be captured within the performance of each Fund.

Note 6 – Income Distribution

In accordance with article 10 of the Management Regulations, once the annual accounts are closed the Management Company will decide whether and to what extent distributions are to be paid out by each subfund. The payment of distributions must not result in the net assets of the Fund falling below the minimum amount of Fund assets prescribed by law. If a distribution is made, payment will be effected no later than four months after the end of the financial year.

The Management Company is authorized to pay interim dividends and to suspend the payment of distributions.

An income equalisation amount will be calculated so that the distribution corresponds to the actual income entitlement.

Note 7 – Commitments on Financial Futures

Commitments on Financial Futures per subfund and respective currency as of 28 February 2019 can be summarised as follows:

Financial Futures

UBS (Lux) Medium Term Bond Fund	Financial Futures on bonds (bought)	Financial Futures on bonds (sold)
– AUD	2 705 480.16 AUD	1 890 172.34 AUD
– EUR	– EUR	4 910 640.00 EUR
– USD	40 317 109.28 USD	4 811 625.00 USD

The commitments on Financial Futures on bonds or index (if any) are calculated based on the market value of the Financial Futures (Number of contracts*notional contract size*market price of the futures).

Note 8 – Soft commission arrangements

During the financial year from 1 March 2018 until 28 February 2019 no “soft commission arrangements” were entered into on behalf of UBS (Lux) Medium Term Bond Fund and “soft commissions” amount to nil.

Note 9 – Total Expense Ratio (TER)

This ratio was calculated in accordance with the Swiss Funds & Asset Management Association (SFAMA) “Guidelines on the calculation and disclosure of the TER” in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

TER for the last 12 months:

UBS (Lux) Medium Term Bond Fund	Total Expense Ratio (TER)
– AUD F-acc	0.38%
– AUD P-acc	0.99%
– AUD Q-acc	0.59%
– CHF F-acc	0.30%
– CHF I-A1-acc	0.51%
– CHF P-acc	0.99%
– CHF P-dist	0.99%
– CHF Q-acc	0.60%
– CHF Q-dist	0.60%
– EUR F-acc	0.39%
– EUR I-A1-acc	0.51%

UBS (Lux) Medium Term Bond Fund	Total Expense Ratio (TER)
– EUR I-A2-acc	0.45%
– EUR I-A3-acc	0.42%
– EUR I-X-acc	0.04%
– EUR P-acc	0.99%
– EUR P-dist	1.00%
– EUR Q-acc	0.59%
– EUR Q-dist	0.59%
– GBP I-A1-acc	0.51%
– GBP I-A2-acc	0.45%
– GBP I-A3-acc	0.39%
– GBP P-acc	1.00%
– GBP Q-acc	0.60%
– USD F-acc	0.39%
– USD (CAD hedged) F-acc	0.38%
– USD I-A1-acc	0.51%
– USD I-A3-acc	0.39%
– USD I-X-acc	0.04%
– USD I-X-UKdist	0.04%
– USD P-acc	1.03%
– USD (CAD hedged) P-acc	0.98%
– USD P-dist	1.03%
– USD Q-acc	0.63%
– USD (CAD hedged) Q-acc	0.58%
– USD Q-dist	0.67%

The TER for classes of units which were active less than a 12 month period are annualised.

Transaction costs and any other costs incurred in connection with currency hedging are not included in the TER.

Note 10 – Applicable law, place of performance and authoritative language

The Luxembourg District Court is the place of performance for all legal disputes between the unitholders, the Management Company and the Depositary. Luxembourg law applies. However, in matters concerning the claims of investors from other countries, the Management Company and/or the Depositary can elect to make themselves and the Fund subject to the jurisdiction of the countries in which the Fund units were bought and sold.

The German version of these financial statements is the authoritative version and only this version was audited from the auditor. However, in the case of units sold to investors from the other countries in which Fund units can be bought and sold, the Management Company and the Depositary may recognize approved translations (i.e. approved by the Management Company and the Depositary) into the languages concerned as binding upon themselves and the Fund.

Note 11 – OTC-Derivatives and Securities Lending

If the Fund enters into OTC transactions, it may be exposed to risks related to the creditworthiness of the OTC counterparties: when the Fund enters into futures contracts, options and swap transactions or uses other derivative techniques it is subject to the risk that an OTC counterparty may not meet (or cannot meet) its obligations under a specific or multiple contracts. Counterparty risk can be reduced by depositing a security. If the Fund is owed a security pursuant to an applicable agreement, such security shall be held in custody by the Depositary in favour of the Fund. Bankruptcy and insolvency events or other credit events with the OTC counterparty, the Depositary or within their subdepository/correspondent bank network may result in the rights or recognition of the Fund in connection with the security to be delayed, restricted or even eliminated, which would force the Fund to fulfill its obligations in the framework of the OTC transaction, in spite of any security that had previously been made available to cover any such obligation.

The Fund may lend portions of its securities portfolio to third parties. In general, lendings may only be effected via recognized clearing houses such as Clearstream International or Euroclear, or through the intermediary of prime financial institutions that specialise in such activities and in the modus specified by them. Collateral is received in relation to securities lent. Collateral is composed of high quality securities in an amount typically at least equal to the market value of the securities loaned.

UBS Europe SE, Luxembourg Branch acts as securities lending agent.

OTC-Derivatives*

Subfund Counterparty	Unrealized gain (loss)	Collateral received
UBS (Lux) Medium Term Bond Fund – USD		
HSBC	70 975,34 USD	0.00 USD
State Street	-213.01 USD	0.00 USD

* Derivatives traded on an official exchange are not included in this table as they are guaranteed by a clearing house. In the event of a counterparty default the clearing house assumes the risk of loss.

Securities Lending

UBS (Lux) Medium Term Bond Fund	Counterparty Exposure from Securities Lending as of 28 February 2019		Collateral Breakdown (Weight in %) as of 28 February 2019		
	Market value of securities lent	Collateral (UBS Switzerland AG)	Equities	Bonds	Cash
– CHF	4 481 172.50 CHF	5 003 151.12 CHF	33.44	66.56	0.00
– EUR	54 337 975.80 EUR	60 667 404.47 EUR	33.44	66.56	0.00
– GBP	8 322 275.96 GBP	9 291 676.30 GBP	33.44	66.56	0.00
– USD	35 724 600.69 USD	39 885 895.04 USD	33.44	66.56	0.00

Unaudited Information

1) Global Exposure

Risk management

Risk management in accordance with the commitment approach is applied pursuant to the applicable laws and regulatory provisions.

Leverage

Leverage is defined pursuant to the applicable ESMA directives as the total of the notional values of the derivatives used by the respective subfund. According to this definition, leverage may result in artificially increased leverage amounts, as some derivatives that can be used for hedging purposes may be included in the calculation. Consequently, this information does not necessarily reflect the precise actual leverage risk that the investor is exposed to.

Subfund	Global risk calculation method
UBS (Lux) Medium Term Bond Fund – AUD	Commitment approach
UBS (Lux) Medium Term Bond Fund – CHF	Commitment approach
UBS (Lux) Medium Term Bond Fund – EUR	Commitment approach
UBS (Lux) Medium Term Bond Fund – GBP	Commitment approach
UBS (Lux) Medium Term Bond Fund – USD	Commitment approach

2) Remuneration Policy and quantitative disclosure

The Board of Directors of UBS Fund Management (Luxembourg) S.A. has updated the remuneration policy (the “Policy”) on 7 December 2018, whose objectives are on one hand; to ensure that the remuneration framework is in line with the applicable laws and regulations, and more specifically with provisions defined under (i) the Articles 111bis and 111ter of the Luxembourg Law of 17 December 2010 on Undertakings for Collective Investment in Transferable Securities as amended from time to time (the UCITS Law) transposing the UCITS Directive 2014/91/EU (the UCITS V Directive), (ii) the Alternative Investment Fund Managers (AIFM) Directive 2011/61/EU, transposed into the Luxembourg AIFM Law dated from 12 July 2013, as amended from time to time, (iii) the ESMA’s guidelines on sound remuneration policies under the UCITS Directive - ESMA/2016/575 published on 14 October 2016 and ESMA’s guidelines on sound remuneration policies under the AIFMD - ESMA/2016/579 published on 14 October 2016 amending the ESMA’s guidelines on sound remuneration policies under the UCITS Directive and AIFMD published on 31 March 2016 - ESMA/2016/411 (the ESMA Guidelines) and (iv) the CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector issued on

1 February 2010; (v) the Directive 2014/65/EU on markets in financial instruments (MiFID II); (vi) the Commission Delegated Regulation 2017/565/EC of 25 April 2016 supplementing Directive 2014/65/EU (MiFID II Level 2); (vii) the CSSF Circular 14/585, transposing the ESMA Guidelines 2013/606 on remuneration policies and practices (MiFID ESMA Guidelines); and on the other hand, to comply with the UBS AG Remuneration policy framework. The Policy is meant not to encourage excessive risk taking, to contain measures to avoid conflicts of interest, to be consistent with, and promote, sound and effective risk management and to be consistent with the UBS Group business strategy, objectives and values.

Further information in relation to UBS AG Remuneration Policy is available in the UBS Group AG Annual Report and in the Compensation report. More details about the remuneration policy of the Management Company, which describes, but not limited to, how remuneration and benefits are determined, are available at http://www.ubs.com/lu/en/asset_management/investor_information.html.

Application of the requirements and remuneration disclosure

In accordance with the Article 151 of the UCITS Law, the Management Company is required to disclose at least annually certain information concerning its remuneration policy and the practices for its identified staff.

The Management Company complies with the aforementioned regulatory provisions in a way and to the extent that is appropriate to its size, internal organization and the nature, scope and complexity of its activities.

Considering the total size of funds under management, both UCITS and AIFs although a significant portion is not complex or risky investment, UBS Fund Management (Luxembourg) S.A. judges that the proportionality principle may not be applicable at the level of the company but at the level of the Identified staff.

By application of the proportionality principle for the Identified staff, the following requirements on pay-out processes for Identified staff are not applied:

- The payment of variable remuneration in instruments related mainly to the funds in relation to which they perform their activities;
- Deferral requirements;
- Retention periods;
- Incorporation of ex-post risk factors (i.e. malus or clawback arrangements).

Unaudited Information

The deferral requirements remain however applicable when the employee's total annual compensation is exceeding the threshold defined under the UBS Group Compensation Framework; the variable compensation will be treated in line with the plan rules defined under the UBS Group Compensation Framework.

There is no remuneration paid to identified staff of delegates from the Management Company.

Remuneration disclosure

For the fiscal year ending 31 December 2018, the aggregate total remuneration paid by UBS Fund Management (Luxembourg) S.A. to all its staff amounted to EUR 19 486, of which EUR 1 326 represented the variable remuneration. The Management Company employed an average of 34.7 staff (full time equivalent) during this period.

The aggregate total remuneration paid by the Management Company to its Identified Staff amounted to EUR 3 748.

Please further note that due to the roles of Management Company staff, this remuneration was calculated in proportion of the net assets of the Fund out of the net assets of all the funds under the governance of UBS Fund Management (Luxembourg) S.A. (including both AIF and UCITS funds).

Unaudited Information

3) Collateral – Securities Lending

	UBS (Lux) Medium Term Bond Fund – CHF (in %)	UBS (Lux) Medium Term Bond Fund – EUR (in %)	UBS (Lux) Medium Term Bond Fund – GBP (in %)	UBS (Lux) Medium Term Bond Fund – USD (in %)
by Country:				
– Australia	0.68	0.68	0.68	0.68
– Belgium	1.77	1.77	1.77	1.77
– British Virgin Islands	0.05	0.05	0.05	0.05
– Cayman Islands	0.03	0.03	0.03	0.03
– China	0.99	0.99	0.99	0.99
– Curacao	0.00	0.00	0.00	0.00
– Denmark	0.98	0.98	0.98	0.98
– Germany	5.86	5.86	5.86	5.86
– Ivory Coast	0.02	0.02	0.02	0.02
– Finland	0.77	0.77	0.77	0.77
– France	12.63	12.63	12.63	12.63
– United Kingdom	13.51	13.51	13.51	13.51
– Guernsey	0.00	0.00	0.00	0.00
– Hong Kong	0.59	0.59	0.59	0.59
– Japan	14.98	14.98	14.98	14.98
– Canada	3.49	3.49	3.49	3.49
– Luxembourg	0.62	0.62	0.62	0.62
– New Zealand	0.18	0.18	0.18	0.18
– The Netherlands	3.63	3.63	3.63	3.63
– Norway	0.64	0.64	0.64	0.64
– Austria	0.61	0.61	0.61	0.61
– Sweden	1.16	1.16	1.16	1.16
– Switzerland	6.90	6.90	6.90	6.90
– Singapore	0.71	0.71	0.71	0.71
– South Korea	0.00	0.00	0.00	0.00
– Supranationals	1.37	1.37	1.37	1.37
– United Arab Emirates	0.00	0.00	0.00	0.00
– United States	27.83	27.83	27.83	27.83
Total	100.00	100.00	100.00	100.00
by Credit Rating (Bonds):				
– Rating > AA-	63.98	63.98	63.98	63.98
– Rating <=AA-	31.35	31.35	31.35	31.35
– without Rating:	4.67	4.67	4.67	4.67
Total	100.00	100.00	100.00	100.00
Securities Lending				
Assets and Revenues / Ratios				
Average Invested Assets (1)	237 887 329.23 CHF	243 708 356.89 EUR	38 980 704.30 GBP	159 578 069.53 USD
Average Securities Lent (2)	7 831 632.13 CHF	78 238 395.50 EUR	9 024 098.00 GBP	35 323 878.32 USD
Average Collateral Ratio	103.88%	103.88%	103.88%	103.88%
Average Securities Lending Ratio (2)/(1)	3.29%	32.10%	23.15%	22.14%
Securities Lending revenues	17 313.22 CHF	116 187.88 EUR	23 607.38 GBP	69 028.67 USD
Securities Lending costs	6 925.29 CHF	46 475.15 EUR	9 442.95 GBP	27 611.47 USD
Net Securities Lending revenues	10 387.93 CHF	69 712.73 EUR	14 164.43 GBP	41 417.20 USD

Unaudited Information

4) Securities Financing Transaction Regulation (SFTR)

The Fund engages in Securities Financing Transactions (hereafter "SFT") (as defined in Article 3 of Regulation (EU) 2015/2365). Securities Financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions through its exposure on reverse repurchase agreements during the year. In accordance with Article 13 of the Regulation, information on securities lendings are detailed below:

Global Data

The following table details the value of securities lending as a proportion of the subfund's Net Assets Value as well as a proportion of the total lendable securities, as at 28 February 2019.

UBS (Lux) Medium Term Bond Fund	Securities lent in % of Net Assets	Securities lent in % of Total Lendable Securities
- CHF	2.17%	2.24%
- EUR	28.66%	29.04%
- GBP	23.41%	23.88%
- USD	18.09%	18.58%

The total amount (absolute value) of the securities lent is disclosed in Note 11 – OTC-Derivatives and Securities Lending.

Data on collateral reused

Amount of collateral reused, compared with the maximum amount disclosed to investors: None

Cash collateral reinvestment income to the Fund: None

Concentration Data

Ten largest collateral issuers of SFTs per subfund:

	UBS (Lux) Medium Term Bond Fund – CHF	UBS (Lux) Medium Term Bond Fund – EUR	UBS (Lux) Medium Term Bond Fund – GBP	UBS (Lux) Medium Term Bond Fund – USD
United Kingdom	562 495.86	6 820 734.23	1 044 647.54	4 484 304.08
French Republic	445 841.58	5 406 203.17	828 001.30	3 554 318.07
United States	418 487.77	5 074 515.24	777 200.76	3 336 249.24
Japan Government Ten	364 986.52	4 425 767.77	677 840.13	2 909 729.04
Roche Holding AG	104 945.13	1 272 547.73	194 900.40	836 638.81
Federal Republic of Germany	103 875.56	1 259 578.26	192 914.03	828 112.01
Kingdom of Belgium	69 643.71	844 488.39	129 339.85	555 210.42
Kreditanstalt Fuer Wiederaufbau	54 817.16	664 704.08	101 804.51	437 010.90
Sumitomo Mitsui Financial Group Inc	53 720.09	651 401.22	99 767.07	428 264.91
Zurich Insurance Group AG	53 719.86	651 398.43	99 766.64	428 263.08

Unaudited Information

The ten largest issuers of SFTs

All SFTs of the subfunds of this Fund are held with one counterparty being UBS Switzerland AG.

Safekeeping of collateral received by the Fund as part of SFTs

100% held by UBS Switzerland AG

Safekeeping of collateral granted by the Fund through SFTs

None

Aggregate transaction data separately broken down for each type of SFTs

Type and quality of collateral:

The information on

– Type of collateral is available in Note 11 “OTC-Derivatives and Securities Lending”.

– Quality of collateral is available in Unaudited Information 3) Collateral – Securities Lending “by Credit Rating (Bonds)”.

Maturity tenor of collateral

	UBS (Lux) Medium Term Bond Fund – CHF	UBS (Lux) Medium Term Bond Fund – EUR	UBS (Lux) Medium Term Bond Fund – GBP	UBS (Lux) Medium Term Bond Fund – USD
Up to 1 day	-	-	-	-
1 day to 1 week	9 240.71	112 051.32	17 161.51	73 668.34
1 week to 1 month	18 362.23	222 657.46	34 101.69	146 386.55
1 month to 3 months	76 933.45	932 882.57	142 878.09	613 325.33
3 months to 1 year	258 173.51	3 130 570.40	479 470.76	2 058 199.18
Above 1 year	2 967 224.62	35 980 087.67	5 510 625.20	23 655 173.86
Unlimited	1 673 216.60	20 289 155.05	3 107 439.05	13 339 141.78

Currency of collateral

Currency of collateral	Percentage
USD	32.65%
EUR	24.49%
GBP	14.35%
JPY	13.90%
CHF	8.01%
CAD	2.66%
HKD	1.30%
DKK	0.88%
SEK	0.84%
NOK	0.34%
SGD	0.28%
AUD	0.15%
NZD	0.14%
CNH	0.01%
ZAR	0.00%
MXN	0.00%
TRY	0.00%
RUB	0.00%
IDR	0.00%
INR	0.00%
PLN	0.00%
Total	100.00%

Unaudited Information

Maturity tenor of SFTs broken down by maturity buckets:

	UBS (Lux) Medium Term Bond Fund – CHF	UBS (Lux) Medium Term Bond Fund – EUR	UBS (Lux) Medium Term Bond Fund – GBP	UBS (Lux) Medium Term Bond Fund – USD
Up to 1 day	4 481 172.50	54 337 975.80	8 322 275.96	35 724 600.69
1 day to 1 week	–	–	–	–
1 week to 1 month	–	–	–	–
1 month to 3 months	–	–	–	–
3 months to 1 year	–	–	–	–
Above 1 year	–	–	–	–
Unlimited	–	–	–	–

Country in which the counterparties of the SFTs are established:

100% Switzerland (UBS Switzerland AG)

Settlement and clearing of trade

	UBS (Lux) Medium Term Bond Fund – CHF Securities Lending	UBS (Lux) Medium Term Bond Fund – EUR Securities Lending	UBS (Lux) Medium Term Bond Fund – GBP Securities Lending	UBS (Lux) Medium Term Bond Fund – USD Securities Lending
Settlement and clearing of trade				
Central counterparty	–	–	–	–
Bilateral	–	–	–	–
Tri-party	4 481 172.50 CHF	54 337 975.80 EUR	8 322 275.96 GBP	35 724 600.69 USD

Data on income and expense for each type of SFT

All expenses related to the execution of securities lending transactions including collateralization are borne by the Counterparties and the Depository. The breakdown of the income on securities lending disclosed in the statement of operations is as follows:

- 60% payable to the Fund
- 40% payable to the Securities Lending Agent

Income-Ratio (Fund)

UBS (Lux) Medium Term Bond Fund	Percentage
– CHF	0.39%
– EUR	0.21%
– GBP	0.28%
– USD	0.19%

Expense-Ratio (Securities Lending Agent)

UBS (Lux) Medium Term Bond Fund	Percentage
– CHF	0.15%
– EUR	0.09%
– GBP	0.11%
– USD	0.08%

